



CORPORATE  
RESPONSIBILITY  
REPORT

2022





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## A letter from Todd A. Penegor

**It's my pleasure each year to present this summary of our team's work to make Wendy's a more responsible brand, partner, employer and corporate citizen. As we set our sights on becoming a brand of global significance, we take seriously our responsibility as an industry leader to drive positive change.**

In recent years, many of our corporate responsibility accomplishments revolved around laying foundations: formalizing our program, setting goals, forging relationships and developing a roadmap for success. In 2022, we took significant steps forward in our journey and made meaningful progress. We continue to accelerate change across our Good Done Right pillars of Food, People and Footprint, the key components of our ESG strategy.



This progress would not be possible without the partnership of our franchisees, suppliers, employees and restaurant teams, and the support of our Board of Directors and stockholders. The collaboration among these groups is what makes the Wendy's family truly special.

### Markers of progress

In **Food**, we made considerable headway toward our goal of responsibly sourcing our top 10 priority food categories by 2030. Of note, we identified approximately 140 suppliers in scope for our [responsible sourcing](#) program, established criteria for measuring progress and enlisted a technology partner to assess supplier performance. We also achieved the 10-year goal we set in 2012 to transition our pork supply chain in the U.S. and Canada away from sow gestation stalls in favor of open pen or group housing for confirmed pregnant sows.

From our executive leaders to the crew in each restaurant, we have set high goals for our **People**, who continue to rise to the occasion. We are building more pathways aimed at increasing the diversity of representation across our restaurant support staff, Company restaurant teams and franchise community. We also unlocked opportunities to increase franchise ownership among diverse candidates by launching a new recruiting initiative, *Own Your Opportunity*, which is creating opportunities to franchise ownership for all, increasing our total franchise base by approximately 10%. We celebrated 30 years of partnership with the Dave Thomas Foundation for Adoption® and reinforced our commitment to giving back to the communities we serve through our Community Giving Program.

Our work to improve Wendy's **Footprint** is tracking ahead of key milestones we set for ourselves. We are nearly one year ahead of

our goal to set greenhouse gas (GHG) emissions reduction targets in accordance with the Science Based Targets initiative (SBTi), which we announced in early 2023. We also aim to reach 100% sustainable customer-facing packaging by 2026, and we are already more than halfway to meeting that goal. We continue to push the boundaries of waste diversion in our restaurants, most notably through the rollout of new, clear drink cups that more customers can recycle.

At the beginning of 2022, we announced that we would be tying executive compensation to Good Done Right performance with a portion of executives' 2022 incentive compensation linked to the Company's achievements in our Food, People and Footprint focus areas. I'm pleased to share that we extended this incentive to all bonus eligible employees after demonstrating strong performance against our goals this year and recognizing that so many employees play an important role in the success of this work.

### Forward momentum

Whether Wendy's is helping to stem the flow of energy, water and waste; reaching deeper into our supplier relationships to ensure that our food is high quality and responsibly sourced; or creating more inclusive communities and workplaces for a first job or lifelong career, we are encouraged by our progress to date. Yet we are never satisfied.

I am honored to lead this special organization and energized to see how our efforts continue to shape and accelerate the future of our business.

Thank you,

Todd A. Penegor, President and CEO

# Goals and key progress

A LETTER FROM TODD A. PENEGOR

GOALS AND KEY PROGRESS

BUSINESS SNAPSHOT

REPORTING & STAKEHOLDER ENGAGEMENT

GOVERNANCE



## FOOD



## PEOPLE



## FOOTPRINT

	Goal year	Status
<b>Responsibly source our top 10 priority food categories in the U.S. and Canada</b>	2030	
→ Have a comprehensive accounting of animal welfare best practices for beef, pork, chicken, eggs and dairy through the Wendy's Animal Care Standards Program	2024	
→ Transition our pork supply chain in the U.S. and Canada away from sow gestation stalls for confirmed pregnant sows to open pen/group housing	2022	
→ Source 100% of our U.S. and Canadian beef, chicken and pork from suppliers that prohibit the routine use of medically important antibiotics <sup>1</sup> .	2030	

	Status
<b>Increase the representation of underrepresented populations among our Company's leadership and management, as well as the diversity of our franchisees</b>	
→ Increase representation of women in leadership	
→ Increase diverse representation in management and leadership	
→ Understand and address what has been referred to as the "broken rung" of leadership	
→ Increase representation of diverse and women-owned franchisees	
→ Continue to drive diversity on the Board of Directors	

**Legend**

- Complete
- On track
- Needs attention
- New

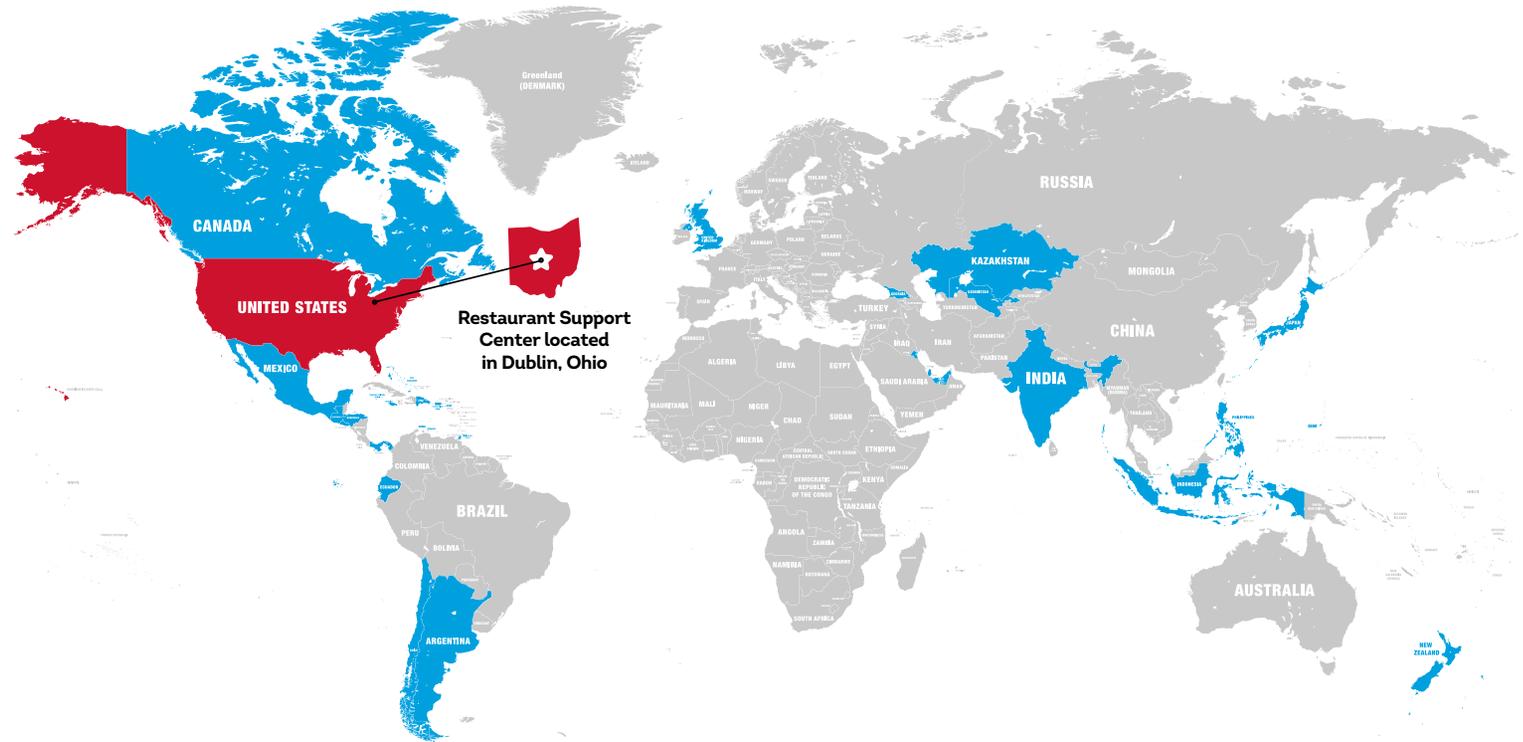
	Goal year	Status
<b>Benchmark, track and reduce our Scope 1, Scope 2 and Scope 3 greenhouse gas (GHG) emissions</b>	2023	
<b>Set a science-based target to reduce Scope 1, 2 and 3 GHG emissions, validated by the Science Based Target initiative</b>	2023	
<b>Compared to a 2019 base year, reduce:</b>		
→ Absolute Scope 1 and 2 greenhouse gas emissions by 47%	2030	
→ Scope 3 greenhouse gas emissions intensity by 47% per metric ton of purchased goods	2030	
→ Scope 3 greenhouse gas emissions intensity by 47% per franchise restaurant	2030	
<b>Sustainably source 100% of our customer-facing packaging in the U.S. and Canada</b>	2026	
<b>Through the U.S. Department of Energy's Better Buildings® Challenge, reduce energy consumption in Company-operated restaurants by 20% per transaction, from a 2012 baseline</b>	2025	

<sup>1</sup> To inform solutions that will aim to eliminate the routine use of medically important antibiotics, we will need to gain greater visibility into the use of antibiotics further upstream than our direct and approved raw materials suppliers. This will help us to better understand which antibiotics are being used and for what purposes. This applies to our beef and pork supply chains in the U.S. and Canada and our chicken supply chain in Canada. More information is available [here](#).

# Business snapshot

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- REPORTING & STAKEHOLDER ENGAGEMENT
- GOVERNANCE

**32**  
COUNTRIES & U.S.  
TERRITORIES



**\$13.3B+**

In Systemwide sales

**4.9%**

Global same-restaurant sales growth

**7,095**

Restaurants across the globe

**6,680**

Franchise-operated restaurants

**\$2.1B**

In revenue

**10%+**

Global digital sales mix at year end 2022

**415**

Company-operated restaurants

**14,500**

Company employees

# Reporting & stakeholder engagement

A LETTER FROM TODD A. PENEGOR

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## Reporting

This report provides an overview of The Wendy's Company's activities related to corporate responsibility topics.

Unless otherwise indicated, it covers activities during the 2022 calendar year. Our most recent annual Corporate Responsibility report, prior to this document, was published in 2022 and covered the 2021 calendar year. The material business updates in this report primarily concern our U.S. and Canadian restaurants, which constitute nearly 90% of our restaurant footprint, unless otherwise indicated. Where Wendy's is mentioned as an employer, the reference is to The Wendy's Company and employees in our Company-operated restaurants, field support roles and corporate staff.

We recognize leading reporting standards such as the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB) and United Nations Sustainable Development Goals. We strive to embed their principles and frameworks throughout our report. The reporting indices included at the end of this report reflect disclosures against those standards. The United Nations Sustainable Development Goals that we have identified in alignment with our priority impact areas can be found on our [website](#).

We intend to continue issuing annual versions of this report to disclose our corporate responsibility strategy and initiatives, including progress on our goals. For any questions or comments regarding topics covered in this report, please contact us at [corporateresponsibility@wendys.com](mailto:corporateresponsibility@wendys.com).

## Stakeholder engagement

Our stakeholders help inform how we do business every day, and we regularly communicate with them in a variety of ways. Formal communications include our Corporate Responsibility report, website updates, SEC filings, earnings releases and presentations and our annual stockholder meeting. We also participate in one-on-one engagements, such as calls and meetings with suppliers, investors, NGOs and others. What we learn when we listen to these valued groups helps us consider outside perspectives alongside those of our internal team.

In 2020, we relied on significant stakeholder involvement to complete a comprehensive ESG materiality assessment to

better understand which topics were most important to these groups. That process shaped the material topics in this report that fall under our three Good Done Right pillars: Food, People and Footprint. On our [website](#), readers can view our materiality assessment and its findings along with a matrix that visually presents our priority topics. We plan to periodically update our materiality assessment in future years.

The following table provides a snapshot of the additional stakeholders we engaged with in 2022 to hear their views on corporate responsibility topics. It also lists the topics we covered as part of our communications.



Chief Executive Officer of Coralsa, Rodrigo Aldana (pictured holding award), was named the 2022 Founder's Award recipient. The Founder's Award, which is also considered Wendy's "Franchisee of the Year" award, is presented to a Wendy's franchisee with record sales and customer count increases attributed to excellent operations, people development, local marketing, and reinvestment. Rodrigo is seen here accepting the award with his team at Wendy's Annual Franchise Convention.

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# Reporting & stakeholder engagement

STAKEHOLDER GROUPS	ENGAGEMENT ACTIVITIES
<p><b>STOCKHOLDERS</b></p>	<p>In 2022, we conducted a comprehensive ESG-focused stockholder outreach campaign covering holders of nearly 60% of our outstanding stock, including 1:1 meetings with holders of more than 50% of our outstanding stock.</p>
<p><b>FRANCHISEES</b></p>	<p>We engage with franchisees through regular meetings with various franchise councils focused on specific subject matter such as national marketing and technology, and regional franchise associations in the U.S. and Canada. The results of the 2022 Franchise Business Review survey indicate a high overall satisfaction rating among our franchisees, and paced more than 10 percentage points ahead of the industry in the U.S. and Internationally.</p>
<p><b>SUPPLIERS</b></p>	<p>In 2022, Wendy's enlisted a technology partner to begin conducting individual sustainability performance assessments of suppliers considered to be in scope for the Responsible Sourcing program. This tool will help us continue to evaluate our suppliers, recognize where each of them are on their own sustainability journey and benchmark their progress. So far, approximately half our 140 suppliers in scope have been invited to participate.</p>
<p><b>EMPLOYEES</b></p>	<p>Wendy's maintains and supports Employee Resource Groups (ERGs) for Company employees to function as forums for learning and inclusion, each with an executive sponsor from our senior leadership team. Our newest ERG, GiveCare, launched in 2022 to provide support and resources for parents and caregivers and to offer a safe space for employees to share these experiences. Additionally, for the seventh consecutive year, Wendy's administered our Voice of Wendy's employee engagement survey for all Company employees.</p>
<p><b>CUSTOMERS &amp; COMMUNITIES</b></p>	<p>Wendy's engages with customers through a number of platforms including through our Customer Care channels, Voice of the Customer survey, customer taste panels, the Square Deal Blog, social media and WendyMail. We also conduct an annual survey in the U.S., Canada and the U.K. to identify consumer preferences, trends and points of view on ESG topics.</p>
<p><b>INDUSTRY GROUPS AND THIRD-PARTY COUNCILS</b></p>	<p>Wendy's engages with several industry and third-party groups engaged in ESG topics. For instance, the U.S. Roundtable for Sustainable Beef and the Canadian Roundtable for Sustainable Beef are focused on responsible beef production throughout the value chain. Our Animal Welfare Council includes internal and external experts working to enhance animal welfare standards in our supply chain. And the NextGen Consortium combines leading brands and industry experts to reimagine foodservice packaging.</p>
<p><b>POLICY LEADERS</b></p>	<p>Wendy's engages with policy leaders to inform them of our ESG goals and key progress. We also advocate for public policies that align with our Good Done Right platform. Our key trade association memberships include the International Franchise Association, National Restaurant Association (U.S.), Canadian Franchise Association, Restaurants Canada, U.S. Chamber of Commerce and the Sustainable Restaurant Association (U.K.).</p>

# Governance

## Board of Directors

Our directors have a diversity of experience and perspective that spans a broad range of industries in the public, private and not-for-profit sectors. They bring to our Board a wide variety of skills, attributes, qualifications and experiences that strengthen the Board's ability to carry out its oversight role on behalf of our stockholders.

Our Board of Directors oversees the Company's corporate governance strategy, policies and programs and monitors emerging best practices in corporate governance. Members of our Board sit on various standing committees, many of which oversee functions responsible for carrying out our ESG objectives.

These Board committees include Wendy's:

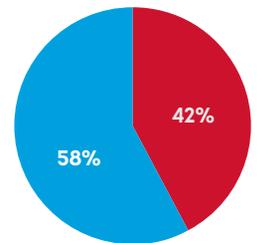
- **Nominating and Corporate Governance Committee:** Assists the Board in reviewing and overseeing the membership of the Board and corporate governance principles applicable to the Company
- **Corporate Social Responsibility Committee:** Assists the Board in reviewing the Company's CSR initiatives, including ESG topics, community outreach and philanthropy
- **Compensation and Human Capital Committee:** Assists the Board in discharging its responsibilities relating to compensation of non-employee directors and executive officers and reviewing the Company's human capital management strategies and policies, including those regarding Diversity and Inclusion

- **Audit Committee:** Assists the Board in overseeing the Company's accounting and financial reporting processes and the integrated audits of the Company's financial statements, as well as the Company's risk assessment and risk management policies
- **Technology Committee:** Assists the Board in overseeing the Company's overall development, use and risk management of information technology, including digital customer engagement initiatives and the Company's cybersecurity and data privacy programs and policies

Additional information regarding our Board of Directors can be found in The Wendy's Company's [proxy statement](#) for our 2023 annual meeting of stockholders.

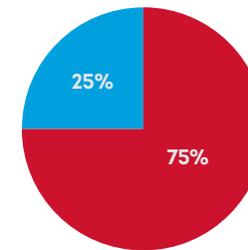
Director Skills and Attributes	Number of Directors
Corporate Strategy and Planning	10
Operations	10
Industry Experience	10
International	10
Marketing, Brand Management and Digital	10
Franchise	10
Financial Reporting, Oversight and Accounting	10
Public Co. Board Experience and Corporate Governance	10
Human Capital Management	10
Sustainability/ESG	10
Senior Leadership Experience	10

### BOARD DIVERSITY



Contribute to gender or racial/ethnic diversity

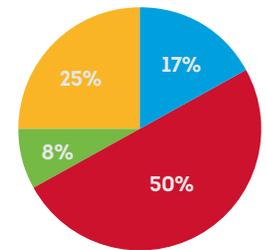
### BOARD INDEPENDENCE



Independent

Not independent

### TENURE



0-4 Years

5-9 Years

10-14 Years

15+ Years

# Governance

## Management

To support our overall ESG strategy, build a sustainable and resilient supply chain, manage climate risk and support safe and responsible work environments, it is vital to establish and observe sound governance and risk management practices.

To ensure we meet that standard, our Chief Corporate Affairs & Sustainability Officer has exercised management accountability for corporate responsibility efforts since 2014, including overseeing steps to formalize those initiatives in 2019. Additionally, Wendy's Chief Financial Officer and our Chief Corporate Affairs & Sustainability Officer jointly lead our ESG Steering Committee. The ESG Steering Committee, made up of senior management personnel, is responsible for:

- Identifying and monitoring ESG risks and opportunities
- Setting global ESG strategies
- Overseeing activities and strategic rollouts across the business
- Approving ESG goals, key performance indicators (KPIs) and metrics

As Wendy's ESG efforts continue to gather momentum, the ESG Steering Committee is taking steps to shift focus from foundational, strategic work to driving direct action that builds on the groundwork we've established. For example, working groups under the committee are creating action plans on food and packaging procurement, renewable energy and energy efficiency and other areas. Since Q4 2022, a working group on climate risk has been creating an action plan to better evaluate and manage the physical and transition risks associated with climate change.

A LETTER FROM TODD A. PENEGOR

GOALS AND KEY PROGRESS

BUSINESS SNAPSHOT

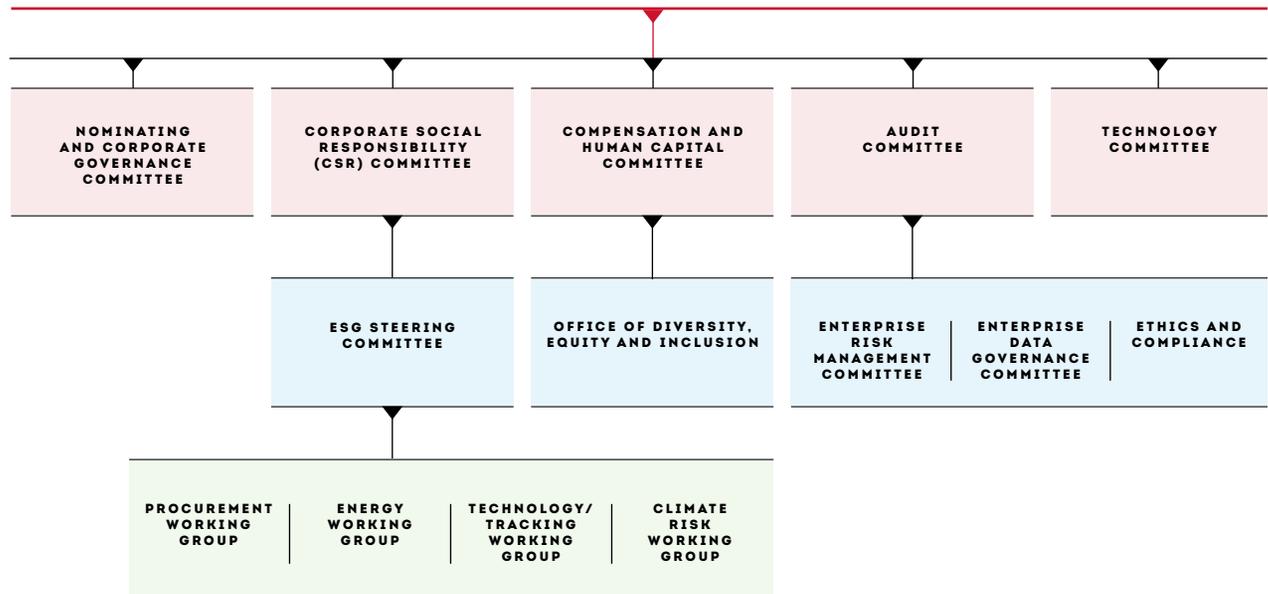
REPORTING & STAKEHOLDER ENGAGEMENT

GOVERNANCE

## CORPORATE RESPONSIBILITY AND ESG GOVERNANCE

### BOARD OF DIRECTORS

Oversees the Company's corporate governance strategy, policies and programs and monitors emerging best practices in corporate governance



A variety of cross-functional working groups support the ESG Steering Committee in shaping and carrying out our global ESG strategy. Their focus is on our Good Done Right goals. These groups are responsible for:

- Staying current on risks and opportunities
- Implementing activities and executing global ESG strategies

- Recommending and monitoring progress against ESG goals, KPIs and metrics
- Supporting the development of and approving Wendy's annual Corporate Responsibility reporting processes

# Governance

Beyond our ESG Steering Committee and working groups, we have dedicated teams that lead strategy and execution for specific components of our ESG programs, including our:

- **Office of Diversity, Equity and Inclusion:** Sets strategy and oversees programs to create a culture in which all members of the Wendy's family can bring their true, authentic selves to work and have a sense of belonging
- **Enterprise Risk Management Committee:** Oversees the Company's Enterprise Risk Management program to support the Company's efforts to assess, monitor and mitigate a broad range of enterprise risks
- **Enterprise Data Governance Committee:** Advances Company objectives and business strategy through the development, implementation and effective operations of the protection and management of data throughout its lifecycle
- **Ethics and Compliance Team:** Fosters a culture of high performance with integrity through partnership with the business to minimize compliance risk, protects the Company's brand and reputation and provides employees an anonymous channel for reporting concerns

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## Data privacy & information security

Wendy's respects the privacy of the people and organizations we work with. We are committed to protecting the personal information we collect or receive about our customers, employees, franchisees and other business partners. Wendy's privacy policy makes these practices transparent to everyone, including what kinds of information we collect and how we use it, the options people have in providing information to us and our commitment to protecting privacy.

Wendy's maintains a comprehensive cybersecurity program, led by our Chief Information Security Officer and dedicated team that directs, coordinates, plans and organizes information security activities throughout the Company. This includes daily activity as well as annual mandatory training sessions for Company employees. Wendy's also manages another program focused on international and domestic data privacy and information protection compliance. Accuracy and verification are an important part of responsible data practices, and we account for those in our security and privacy protocols.

We adhere to the Center for Internet Security (CIS) Critical Security Controls Framework in designing and operating our controls. We undergo an annual assessment by CIS to track the maturity of our program. We also submit to multiple annual external assessments against the Payment Card Industry Data Security Standard (PCI DSS).

Several dedicated teams of specialists within our Information Security Department routinely conduct internal and external vulnerability and penetration assessments in accordance with both PCI DSS and industry-accepted practices. We regularly conduct tabletop exercises and incident response plan testing to evaluate our incident response capabilities.

Wendy's is active in the information security community. We are a core member of the Retail and Hospitality Information Sharing and Analysis Center, which represents more than 200 companies in retail, restaurant, hotel, gaming, casino and other consumer-facing industries. As a member, Wendy's benefits from real-time collaboration, industry-specific benchmarking, threat intelligence reports and analysis, industry-relevant committees and working groups, and numerous training, education and networking opportunities.

# FOOD

Delivering high-quality food, transparently



RESPONSIBLE SOURCING



FOOD SAFETY



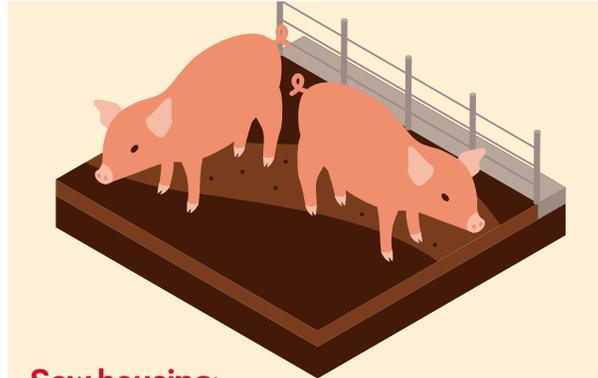
FOOD QUALITY AND INNOVATION

**GOOD** DONE  
RIGHT.

## Food goals and progress

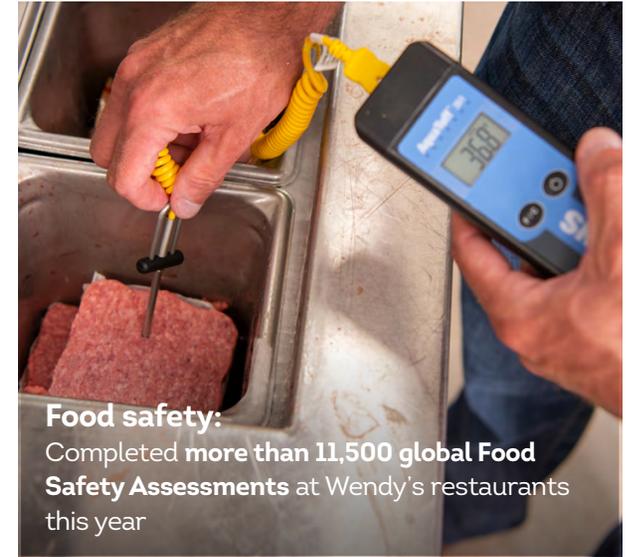
### Responsible sourcing:

Identified approximately **140 suppliers** in scope for the program, established the criteria we will use to measure progress and enlisted a technology partner to aid in assessing supplier performance



### Sow housing:

Achieved our **10-year goal** to transition our pork supply chain in the U.S. and Canada away from sow gestation stalls in favor of open pen or group housing for confirmed pregnant sows

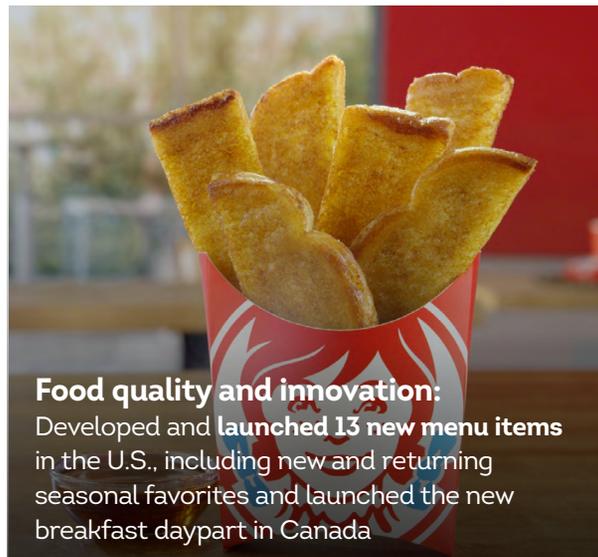
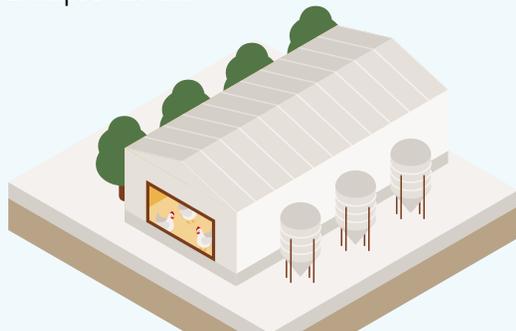


### Food safety:

Completed **more than 11,500 global Food Safety Assessments** at Wendy's restaurants this year

### Animal Care Standards Program:

Evaluated **about 30 suppliers spanning 90 facilities** across our beef, pork, chicken and egg supply chains, helping us benchmark performance and identify trends and areas for improvement

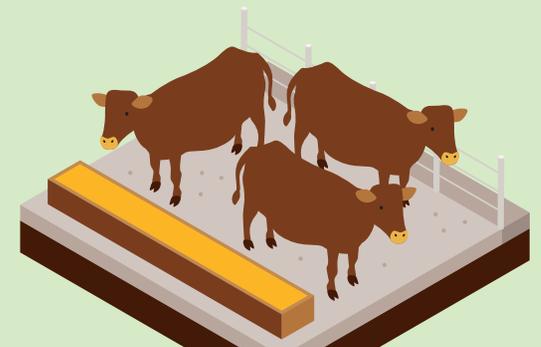


### Food quality and innovation:

Developed and **launched 13 new menu items** in the U.S., including new and returning seasonal favorites and launched the new breakfast daypart in Canada

### Supplier engagement and auditing:

Conducted and reviewed about **775 audits**, including a mix of Wendy's-led and third-party audits, in the U.S. and Canada as part of our food safety and quality programs



# Responsible sourcing

As we work toward our responsible sourcing goal, we will improve the ways we source our ingredients, engage with our suppliers and demonstrate accountability for ethical business practices, sustainability and social responsibility. Since announcing the goal in 2021, we've been working diligently to lay the groundwork for the changes the goal requires, including engaging suppliers and establishing measurable baselines, and we are now putting that progress into action.

## GOAL



**Responsibly source our top 10 priority food categories by 2030 in the U.S. and Canada**

## Implementing the program

In 2021, we convened a responsible sourcing working group to drive progress, including establishing boundaries for each of the priority food categories to identify the products on our menu included in each category, determining potential focus areas for each, and specifying the metrics we plan to use to evaluate continuous improvement with our suppliers and allow Wendy's to demonstrate progress to the goal. In 2022, we built on this foundation by defining which suppliers fall within scope for this program and solidifying the topics into specific criteria to measure success for each priority food category. We also used [EcoVadis ratings and scorecards](#) to assess supplier data to demonstrate alignment and advancement toward our responsible sourcing goal.

## Setting the scope

A major step in program activation involved outlining which suppliers fall within the scope of the program, including those who:

- Supply at least one product included in a Wendy's top 10 priority food category
- Control or influence manufacturing for at least one product in a Wendy's top 10 priority food category
- Exceed an annual threshold in global spending with Wendy's

We have identified about 140 in-scope suppliers, and we have begun to engage them in the program. We also plan to conduct an annual review of program eligibility so that relevant suppliers are notified and can be engaged.

## Solidifying the criteria

One of the more complex aspects of our work to date has been establishing the specific criteria we will use to measure performance and progress toward our responsible sourcing goal and establishing our baselines and roadmap toward our goal in each category. This is especially true for the priority food categories for which established frameworks and certifications do not exist. In these cases, we have and will continue to engage industry associations, subject matter experts, our Animal Welfare Council and NGOs to further refine applicable standards.

## FOOD GOALS AND PROGRESS

### RESPONSIBLE SOURCING

#### FOOD SAFETY

#### FOOD QUALITY AND INNOVATION

The responsible sourcing program criteria, which is summarized on the following page, will require our in-scope suppliers to:

- Participate in the risk-based ESG disclosure and audit program, which includes:
  - Participation in EcoVadis sustainability performance assessments and demonstration of continuous improvement
  - Submission of audit findings and summary reports from approved audit protocols, if requested
- Acknowledge and comply annually with the Wendy's Supplier Code of Conduct
- Demonstrate greenhouse gas (GHG) emissions reduction
- Demonstrate progress against specific criteria pertaining to the relevant top 10 priority food category they supply, with a goal of achieving the criteria by 2030



# 2030 Responsible Sourcing Program criteria for the U.S. and Canada

- FOOD GOALS AND PROGRESS
- RESPONSIBLE SOURCING
- FOOD SAFETY
- FOOD QUALITY AND INNOVATION

ALL SUPPLIERS IN SCOPE							
		● Acknowledge and comply with Supplier Code of Conduct	● Participate in the disclosure and audit program	● Demonstrate GHG emissions reduction			
CATEGORY SPECIFIC							
		IMPROVE OPERATIONAL SUSTAINABILITY <sup>2</sup>	DEMONSTRATE CERTIFIED-SUSTAINABLE SOURCING <sup>2</sup>	PROVIDE HUMAN RIGHTS ASSURANCE	ANIMAL CARE STANDARDS PROGRAM PROGRESSION	ACHIEVE ANTIBIOTICS GOAL	EXAMPLES OF CERTIFICATIONS / FRAMEWORKS <sup>3</sup>
PROTEINS	<b>Beef</b> Beef for hamburger patties	●	●		●	●	U.S. Roundtable for Sustainable Beef, Canadian Roundtable for Sustainable Beef, Global Roundtable for Sustainable Beef
	<b>Chicken</b> Filets for chicken sandwiches and white meat chicken included in nuggets	●			●	●	U.S. Roundtable for Sustainable Poultry & Eggs
	<b>Pork</b> Pork products including bacon and sausage	●			●	●	Food Alliance Certification
	<b>Dairy</b> Frosty, milk and cheese	●			●		FARM, ProAction, Sustainable Dairy Initiative
	<b>Eggs</b> Shell eggs	●			●		U.S. Roundtable for Sustainable Poultry & Eggs
PRODUCE	<b>Fresh Tomatoes and Lettuce / Leafy Greens</b>			●			Farm Sustainability Assessment, Field to Market, SMETA 4 Pillar, SA8000
	<b>Potatoes</b> Fries, baked and seasoned potatoes	●	●				Potato Sustainability Alliance
	<b>Beverages</b> Cold drinks, coffee and tea	●	●				Sugar: Bonsucro, Coffee & Tea: Rainforest Alliance, Fair Trade
OTHER	<b>Buns and Bakery</b> Wheat, oils and sweeteners in buns and bakery products	●	●				Wheat: Farm Sustainability Assessment Oils: Roundtable on Sustainable Palm Oil, Round Table on Responsible Soy Association, U.S. Soy Sustainability Assurance Protocol Sugar: Bonsucro
	<b>Oils</b> Fryer oil/shortening, dressings, margarine	●	●				Roundtable on Sustainable Palm Oil, Round Table on Responsible Soy Association, U.S. Soy Sustainability Assurance Protocol

<sup>2</sup> Where indicated, industry certifications and frameworks are required to demonstrate achievement of criteria  
<sup>3</sup> Example certifications and/or frameworks are noted; others may be submitted for review / approval by Wendy's

# Responsible sourcing

## Assessing performance

Another critical component of our work has been enlisting a technology partner to help us measure progress. In 2022, we began working with EcoVadis to conduct individual annual sustainability performance assessments of our in-scope suppliers. The information we gain will help us evaluate our suppliers against our specific responsible sourcing criteria as well as broader, industry-wide indicators. The visual below summarizes the topics EcoVadis uses to assess various suppliers and industries.

Our suppliers' participation in EcoVadis will allow us to recognize where they stand on their sustainability journeys, help us benchmark our performance against our peers' progress and hold Wendy's accountable to advance progress toward our responsible sourcing goal. In conjunction with these efforts, we are also in the process of building out the tools we will use to manage supplier participation and performance.

## Actions to date

- **~50% of in-scope suppliers have been invited to participate**, with the remaining in-scope suppliers to be invited in 2023, including select raw material suppliers
- **Approximately 70% of those invited have engaged**, meaning the supplier is already in the process of or has completed its EcoVadis assessment

## Driving progress

Looking ahead, we plan to begin reporting against category-specific responsible sourcing criteria, based on supplier disclosures, in 2024. We also plan to explore place-based pilot programs tailored to local and/or regional ecosystems in priority focus areas, such as emissions reduction in the agriculture supply chain, with select suppliers, NGOs and industry organizations.

### ECOVADIS ASSESSMENT TOPICS

ENVIRONMENT	SOCIAL	ETHICS	SUSTAINABLE PROCUREMENT
<ul style="list-style-type: none"> <li>• Energy Consumption &amp; GHGs</li> <li>• Water</li> <li>• Biodiversity</li> <li>• Local &amp; Accidental Pollution</li> <li>• Materials, Chemicals, &amp; Waste</li> <li>• Product Use</li> <li>• Product End-of-Life</li> <li>• Customer Health &amp; Safety</li> <li>• Environmental Services &amp; Advocacy</li> </ul>	<ul style="list-style-type: none"> <li>• Employee Health &amp; Safety</li> <li>• Working Conditions</li> <li>• Career Management &amp; Training</li> <li>• Child Labor, Forced Labor &amp; Human Trafficking</li> <li>• Diversity, Discrimination &amp; Harassment</li> <li>• External Stakeholder Human Rights</li> </ul>	<ul style="list-style-type: none"> <li>• Corruption</li> <li>• Anticompetitive Practices</li> <li>• Responsible Information Management</li> </ul>	<ul style="list-style-type: none"> <li>• Supplier Environmental Practices</li> <li>• Supplier Social Practices</li> </ul>

- FOOD GOALS AND PROGRESS
- RESPONSIBLE SOURCING
- FOOD SAFETY
- FOOD QUALITY AND INNOVATION



## Engaging The Nature Conservancy for a better view of beef sourcing

Beef is one of our most complex top 10 priority food categories with the greatest potential for impact. In 2022, Wendy's engaged The Nature Conservancy (TNC), a global environmental nonprofit, to help shape the responsible sourcing program for Wendy's beef. As part of the project, TNC provided recommendations on sourcing criteria, certification programs, ways to engage suppliers and thoughts on how to scale our program. As members of the U.S. Roundtable for Sustainable Beef and the Canadian Roundtable for Sustainable Beef, we look forward to continuing to collaborate to scale the availability of sustainable beef.

*Wendy's is among the latest businesses to set an industry example for sourcing of responsibly produced beef by committing to goals, defining criteria and making plans for action. We are excited that they are taking a multi-pronged approach to advancing their goals in their own supply chain and across the industry. We expect that Wendy's actions will make a lasting difference for conservation, climate and the business of producing beef.*

- WILLIAM BURNIDGE, DEPUTY DIRECTOR, REGENERATIVE GRAZING LANDS STRATEGY, NORTH AMERICA AGRICULTURE PROGRAM

# Responsible sourcing

## Wendy's Animal Care Standards Program continues its progress

Animal care is a vital component of our commitment to responsible sourcing, and the Wendy's Animal Care Standards Program (ACSP) is the cornerstone of that effort. In partnership with our Animal Welfare Council, Wendy's has continued to implement the ACSP, which uses a detailed assessment tool to evaluate standards and practices within our protein supply chain. By the end of 2024 in the U.S. and Canada, Wendy's aims to have a comprehensive accounting of animal welfare practices for beef, pork, chicken, eggs and dairy through this program. The findings will allow us to better monitor farm conditions and animal care, quantify the results, identify best practices and better recognize progressive suppliers for their efforts.

While we've long conducted animal welfare audits to monitor, verify and evaluate proper animal handling, we are now cataloging the animal welfare practices across our key proteins through the ACSP and working to gain greater visibility further back within our supply chain in the process. A snapshot of our progress toward our vision of greater visibility is included in the graphic to the right.



### INCREASING SUPPLY CHAIN VISIBILITY THROUGH ANIMAL CARE STANDARDS PROGRAM (ACSP) IMPLEMENTATION IN THE U.S. AND CANADA

#### INDUSTRY OVERVIEW

The broiler chicken industry is almost completely vertically integrated, meaning in most cases the production companies own and operate each part of the life cycle at their own facilities.

The egg layer industry is moderately integrated. Most production companies do not own their own breeder stock.

The beef industry is very decentralized, with each part of the life cycle independently owned and operated.

The pork industry is moderately integrated, with some production companies owning and operating each part of the lifecycle while others do not.

The dairy industry is very decentralized, comprised of many independent owners and regional co-ops throughout the life cycle.

#### SUPPLY CHAIN

##### CHICKEN



##### EGGS



##### BEEF



##### PORK



##### DAIRY



● Greater or full visibility at this stage    ○ Partial or no visibility at this stage

# Responsible sourcing

## Key findings

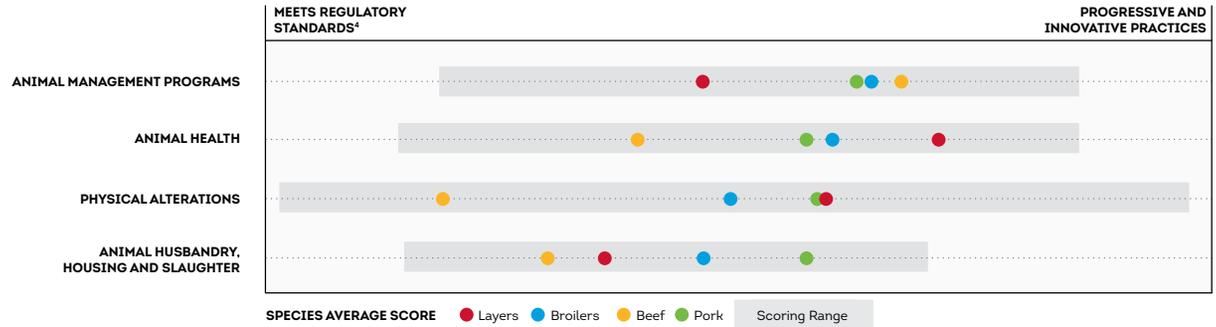
In 2022, we evaluated approximately 30 suppliers to benchmark performance and identify trends and opportunities for improvement across the key focus areas of animal management programs; animal health; physical alterations and animal husbandry, housing and slaughter, with more details about each available on our [website](#). As part of this process, we collaborated with each supplier to discuss their program and results in detail, and as a follow-up, we plan to blind-share data across suppliers to further share learnings and areas for continuous improvement.



## Suppliers who go above and beyond

One of the key benefits of the ACSP is that it allows us to better identify progressive practices across the four key areas we assess, which are detailed on our [website](#). We consider progressive and innovative practices to be those that seek to improve upon the ways animals are raised today, exceeding regulatory standards as well as what are considered current industry best practices. For example, within our Animal Husbandry, Housing and Slaughter focus area, one of our Canadian chicken suppliers uses Controlled Atmosphere Stunning (CAS) as the means of rendering chickens insensible to pain before processing. Within our animal management program focus area, several of our U.S. chicken suppliers have continued to invest in internal research capabilities, including building dedicated chicken research houses, that enable them to study feed, housing conditions and enrichments and measure key animal welfare outcomes.

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## Tracking antibiotic use

By the end of 2030, our goal is that 100% of our U.S. and Canadian beef, chicken and pork will be sourced from suppliers that prohibit the routine use of medically important antibiotics. **In the U.S., we have already achieved 100% of our goal within our chicken supply chain.**

Through the ACSP, we gained a greater sense of the scope of antibiotic use within our chicken supply chain and the tools and practices that enabled our U.S. chicken suppliers to meet our goal. This included leveraging custom blends of probiotics and essential oils and strictly adhering to daily management practices that support overall bird health. As it relates to beef and pork, we are seeing some supply chain partners innovating in this area, but overall, there is a lot of needed progress yet to be made. Wendy's largest beef producer consortium has completed a series of studies on the most commonly used antibiotic for cattle feeding strategies. The result of this research is better understanding of timing and usage rates, and has allowed for a reduction of prophylactic antibiotic use by approximately 15% per head. Through the ACSP, we are working to increase our visibility into these more complex and decentralized supply chains in order to better establish baselines and set strategies for achieving our goal.

<sup>4</sup> All suppliers across all categories and species must meet or exceed regulatory standards.

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# Responsible sourcing

## Sustained progress across priority food categories in 2022

In addition to continuing to implement the Wendy's Animal Care Standards Program and broader responsible sourcing program, we progressed within our priority food categories:



### Pork

Wendy's met the 10-year goal we set to transition our pork supply chain in the U.S. and Canada away from sow gestation stalls, in favor of open pen or group housing, for confirmed pregnant sows.



### Beef

In 2018, Wendy's began partnering with Progressive Beef, an innovative animal care and sustainability program built on industry-leading best practices and third-party verification. In 2022, we continue to see participation in the program among our beef suppliers, with about half of our U.S. beef supply coming from Progressive Beef-certified feed yards.



### Produce

We work to bring freshness, peak quality and great flavor to every item on our menu, and produce is an area of continued focus. In 2022, we marked four full years of exclusively providing greenhouse-grown tomatoes to Wendy's restaurants in the U.S. and Canada and our second full year of sourcing greenhouse-grown lettuce for salads and sandwiches in Wendy's Canadian restaurants.



### Coffee

In alignment with our responsible sourcing program and criteria, the coffee served in Wendy's U.S. and Canadian restaurants is sourced from certified-sustainable suppliers, which meet comprehensive standards for environmental stewardship and improved farmer livelihoods at the time of delivery to Wendy's.

## Innovating today, for tomorrow

In early 2023, Wendy's began testing greenhouse-grown spring mix salad greens for the U.S. from AppHarvest, a certified B Corp and Public Benefit Corporation that is working to create quality jobs and prosperity in the heart of Appalachia, as well as contribute to a climate resilient, domestic food supply.



## Food safety

We embed food safety throughout our quality assurance (QA) processes, procedures and equipment—from auditing our suppliers' farms and facilities to setting standards for our Company and franchised restaurants around the globe. We also look for ways to continually accelerate food safety innovation and education.

### Building out our end-to-end data platform: WeSafe

For the past several years, Wendy's has invested in WeSafe, an innovative platform designed to help streamline data tracking in our supply chain as part of our food safety and QA program. In 2022, we added additional partners and data streams to expand the scope of the data we track from supplier to customer, and we now employ WeSafe as our risk assessment platform to help us monitor, assess and address food safety and quality risks throughout that journey. This year, we tracked nearly 10 million data points across all major Wendy's food products, with data spanning:

- Third-party plant audits
- Plant production data and audits
- Shipping trailer temperatures
- Analytical laboratory results and weekly product cuttings
- Wendy's plant certification audits
- Microbiological results
- Feedback from customers, distribution centers and restaurant operators
- Animal Care Standards Program evaluations
- Animal welfare audits
- Specification management system inputs and validations

### Implementing Wendy's Food Safety Assessments program

In 2022, we continued our enhanced Restaurant Food Safety Assessments (FSAs) program in partnership with EcoSure®, a public health, food safety and brand protection division of Ecolab®. These assessments help Wendy's restaurant operators around the globe build food-safe behaviors and adhere to best-in-class food safety and operational procedures while noting areas for continued improvement and education.

Through the FSAs program, restaurants are evaluated and scored on their performance against food safety and critical risk factors. Restaurant teams are then given tools to address any needed corrective actions and receive follow-ups by our quality assurance team as needed to coach and train. As a result, we are seeing stronger relationships develop and better, more consistent food safety results.

This year, Wendy's:

- Conducted more than 11,500 global FSAs at Wendy's restaurants across the globe
- Achieved an overall score improvement since we launched the program in 2021 and doubled the number of scores rated exceptional or better in that same period



FOOD GOALS AND PROGRESS  
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FOOD QUALITY AND INNOVATION



### Adding augmented reality smart glasses to our QA toolbox

In 2021, we joined forces with TeamViewer (formerly NSF EyeSucceed) on a pilot program to support food safety and QA practices and oversight with augmented reality smart glasses. Wendy's suppliers and distribution centers in the U.S. and Canada tried the new tools, and some restaurant team members also used them for remote training and education.

In 2022, we bought more smart glasses and upgraded the TeamViewer initiative from a pilot to a standard part of our QA program. Now, we use the technology for a wider variety of purposes—conducting product evaluations in our labs, leading remote guided trainings and for one-on-one communication during remote audits and assessments. Smart glasses with augmented reality capabilities will not replace in-person visits, but they extend our reach and help strengthen our relationships with supplier partners and restaurant operators. We will continue to look at ways to expand the program in the future.

## Food safety

### Expanding food safety education and training

The importance of reinforcing and continually enhancing our food safety culture is why we invested in new training and education opportunities, including in-person, hands-on training, added field-based restaurant QA team members to provide more localized support and expanded our global food safety team internationally. We also sought additional occasions outside of regular training and assessments to share educational materials with our employees, restaurant team members and franchisees, and recognized the work everyone does collectively in this critical area.

Key 2022 highlights included:

- Revising the questions in our food safety certification, which is an online course through Wendy's training platform, WeLearn, that every new Company and franchise employee must complete within the first two weeks of onboarding, to align closely with the FSAs program after it was introduced
- Leveraging field-based QA teams to conduct in-restaurant food safety workshops, which have translated to improved FSAs results; these trainings are also available online for remote learning and education
- Celebrating World Food Safety Day (June 7) throughout the month of June via informative articles written by Wendy's experts about food safety risks and opportunities, and regular coaching about the tools available to team members
- Supporting "train the trainer" opportunities for team members so they can be better equipped to share expertise with others. For example, our QA team attained ServSafe "train the trainer" certification, and we conducted training for franchisees' field trainers to bring increased food safety awareness and management in the Asia-Pacific, Middle East and Africa region



### Ecolab

This year, Ecolab, through its EcoSure program, helped Wendy's complete more than 11,500 FSAs at Wendy's restaurants across the globe, helping instill best-in-class practices and strengthen our culture of food safety at restaurants. That's one of the reasons why Ecolab is the 2022 recipient of Wendy's Good Done Right Award, which recognizes suppliers who exemplify a commitment to enhancing Wendy's corporate responsibility pillars of Food, People and Footprint.

Beyond supporting Wendy's food safety efforts, Ecolab, which also provides cleaning supplies to Wendy's, has helped remove more than 630,000 plastic gallon bottles from cleaning materials a year from our System through proactive back-of-house packaging changes. This represents approximately 187,000 pounds of plastic

and 70,000 pounds of corrugate. It is also a generous supporter of Wendy's signature charity partner, the Dave Thomas Foundation for Adoption.

In addition, two valued partners received Honorable Mentions as part of the Good Done Right Award.

→ **Sysco**, one of our largest distributor partners in the U.S. and Canada, recently announced the creation of a solar farm in Canada to help it reach its global goal of reducing carbon emissions by 27.5% by 2030.

→ **Mother Parkers Tea & Coffee** partners with Wendy's to source certified-sustainable coffee to our restaurants in Canada. Mother Parkers is also committed to combatting climate change, reducing emissions, restoring forests and supporting communities.

## Food quality and innovation

Guided by our food vision, **Fast Food Done Right**, we will continue delivering high-quality menu items, while providing consumers with choices and the ability to customize items to meet their lifestyle needs.

### Fueling fast food forward

Wendy's vision for the food we serve is specific and demanding: Our food is Real, Fresh, Craveable, Forward-Leaning and Doesn't Cost a Fortune. Fast Food Done Right is a standard we hone every day at the Restaurant Support Center and in our restaurants across the globe. In 2022, we delivered our vision through the development and launch of 13 new menu items, including new and returning seasonal favorites and limited-time offers (LTOs). A few examples follow.



Kicking off in February 2022, our Crispy Panko Fish Sandwich made a limited-time appearance, featuring Wild Alaskan Pollock from the world's largest certified-sustainable fishery. Soon after that offer concluded, our Summer of Strawberries began, featuring the Strawberry Frosty, the Strawberry Chicken Salad and a kids' meal side of fresh strawberries. In May, we launched breakfast in Canada, inviting Canadians to wake up to the bold flavor of innovation and fresh-made, high-quality ingredients they have come to expect from us. Other notable breakfast menu items included the introduction of French Toast Sticks in the U.S. and Canada and the return of the popular Hot Honey Chicken Sandwich as an LTO. Following the summertime hit, Strawberry Frosty, the new Peppermint Frosty was introduced in the U.S. to celebrate the holidays and continue tapping into iconic seasonal flavors.



### FOOD GOALS AND PROGRESS

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### Inside the test kitchen

Fast Food Done Right remains at the core of our culinary team's work, as we test and create new menu items. We keep our customers at the forefront of our development with craveable options that are easy to prepare for our crew. In 2022, we celebrated several victories in pushing flavor with forward-leaning menu items, including:

- Launching our first major breakfast innovation menu item, Homestyle French Toast Sticks, which have quickly become a momentum driver for the morning daypart.
- After introducing our highly rated Hot & Crispy Fries in 2021, we were able to explore various topping options, including the launch of Garlic Fries. We completed roughly 22 iterations of Hot and Crispy Garlic Fries, including both sauce and dry seasoning versions before we found the perfect recipe.

In 2023, we're not going to shy away from high-impact flavors on our menu. To continue to deliver what we know Wendy's fans crave, our team brings a variety of backgrounds from food science, animal science, nutrition and biology to formal chef training. Together, Vice President of Culinary Innovation John Li and his team bring forward best practices and bold flavors to our menu of iconic items and new additions.



# PEOPLE

Fostering more equitable workplaces and communities



WORKPLACE



COMMUNITY

**GOOD** DONE  
RIGHT.

## People goals and progress

### Diversity, Equity and Inclusion:

#### Increased the diversity of representation

among management and leadership at the Company, and, for the first time, received recognition from McKinsey & Company and LeanIn.org's 2022 Women in the Workplace Study for meeting all recommended DE&I actions



### PEOPLE GOALS AND PROGRESS

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### Franchisee recruitment:

Nearly doubled new, approved franchise candidates entering the Wendy's System, compared to the prior year, through our new franchisee recruiting initiative, Own Your Opportunity

### Expanded employee support:

Introduced a new Employee Resource Group, GiveCare, to support employee caregivers



### Awards and recognition:

- **QSR Magazine:** Best Restaurant Brands to Work For
- **Forbes:** World's Best Employers 2022 list
- **Human Rights Campaign (HRC):** Best Place to Work for LGBTQ+ Equality according to the HRC's Corporate Equality Index, scoring a 100% for the third year in a row
- **Engage for Good's Halo Awards:** 2023 consumer donation finalist for the 2022 "Wendy's Frosty Treats Warm Hearts Campaign"

### Supporting foster care adoption:

Broke in-restaurant fundraising records with **more than \$8.2 million raised**<sup>5</sup> across the Wendy's System through Boo! Books sales, benefitting the Dave Thomas Foundation for Adoption, which celebrated its 30th year of helping find forever families for children waiting in foster care.



Dave Thomas  
Foundation  
for Adoption®

<sup>5</sup> At participating U.S. Wendy's restaurants. 85¢ of every \$1 coupon book sold from 9.5.2022 - 10.31.2022 benefited the Dave Thomas Foundation for Adoption.

## PEOPLE GOALS AND PROGRESS

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There are many roles at Wendy's, and we want each one to offer satisfaction, respect and a chance to grow. In 2022, we continued to demonstrate our intent to be an employer of choice. We made progress against our Diversity, Equity & Inclusion (DE&I) focus areas, continued supporting flexible work arrangements for field and restaurant support employees and introduced new initiatives to support our employees' well-being. To make the most of career opportunities for employees at all levels, we enhanced our training offerings with new, supportive resources.



### Diversity, Equity and Inclusion

We know that to have a culture in which our employees feel empowered to be their true, authentic selves at work requires a partnership at all levels of our organization. The Company's senior leaders and Board of Directors play a pivotal role in defining our DE&I goals and guiding our efforts to achieve them. Our Office of Diversity, Equity and Inclusion serves as a resource for education, training and initiatives to support all employees.

#### Our DE&I focus areas:

- Increase representation of women in leadership
- Increase diverse representation in management and leadership
- Understand and address [what has been referred to](#) as the "broken rung" of leadership
- Increase representation of diverse and women-owned franchisees
- Continue to drive diversity on the Board of Directors

## GOAL



Wendy's aims to increase the representation of underrepresented populations among our Company's leadership and management, as well as the diversity of our franchisees.

To support these areas, we have developed a multi-year strategy focused on education, training, recruitment, hiring, talent development and retention. This includes:

- Actively monitoring and reporting on current demographic data by gender, race and ethnicity
- Expanding our recruiting efforts to include educational institutions known for having a strong, diverse talent pool
- Continuing to offer training and development in this area, including on allyship and mitigating unconscious bias
- Leveraging our Employee Resource Groups (ERGs)

*Our vision is to become the world's most thriving and beloved restaurant brand. We rely on the diverse perspectives of our people at all levels to make us stronger as an organization. Progress toward our vision is only possible when our people, our franchisees and our partnerships reflect the diversity of the communities we serve.*

– DR. BEVERLY STALLINGS-JOHNSON, CHIEF DIVERSITY, EQUITY AND INCLUSION OFFICER

<sup>6</sup> Unless otherwise expressly stated, this section is limited to Wendy's Company employees, not franchisees or their employees.

## PEOPLE GOALS AND PROGRESS

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## Workplace

### Building an inclusive workplace

As Wendy's continues our DE&I journey, we are proud of the progress we have made to educate Company leaders, increase representation from diverse groups and create an environment where employees feel included and engaged.

According to our recent Voice of Wendy's engagement survey, 94% of Company employees who participated in the survey across our restaurant and support team locations "agree" or "strongly agree" with the statement that "diversity is valued at Wendy's." We also asked employees to list three to five words that describe our Company's culture today. One of the words most frequently used by Company corporate employees was "inclusive."

Once again, this year we collaborated with McKinsey & Company and LeanIn.org on a survey for Company employees which allowed us to benchmark our results against other companies, identify our strengths and development areas to address and track our progress over time. The [Women in the Workplace Study](#), the largest study of women in corporate America, included data from more than 333 companies employing more than 12 million people. Our results demonstrated that out of 39 categories comparing HR policies, programs and DE&I practices, Wendy's met all recommended actions, outperforming our peers across multiple categories and showing tremendous improvement since we first began participating in the Women in the Workplace Study in 2018.

### Training

In May 2022, we launched a new training resource, GlobeSmart®, a cross-cultural and inclusion learning platform, to provide all Company corporate employees with user-friendly resources and learning opportunities that can help educate on cultural differences that may be relevant in the workplace and help to equip employees to make stronger cross-cultural connections and relationships both internally and externally. GlobeSmart has various resources and materials that are aimed at helping to bridge work style, communication and cultural differences, all of which we believe will further support our teams in creating and maintaining an inclusive culture. We also introduced a new training program available to Company leaders and hiring managers focused on further developing capabilities around the hiring process, including strategies for mitigating unconscious bias.

### Recruitment and hiring efforts

An important part of our workforce strategy is our partnership with the Thurgood Marshall College Fund (TMCf). As a key sponsor of TMCf's Leadership Institute conference, which hosted more than 400 students from 47 historically black colleges and universities (HBCUs), we participated in the organization's career fair and hosted career sessions for attending students.

During the summer, we were fortunate to welcome another diverse class of interns to the Wendy's family, both virtually and in-person in Dublin, Ohio. While focusing on individual projects, they all had the opportunity to learn more about Wendy's, learn new skillsets, build connections and support one another's professional development.

### REPRESENTATION BY GENDER, RACE & ETHNICITY

	NUMBER	GENDER		ETHNICITY						
		EMPLOYEES	MEN	WOMEN	WHITE	HISPANIC OR LATINX	BLACK	ASIAN	AMERICAN INDIAN OR ALASKA NATIVE	NATIVE HAWAIIAN / OTHER PACIFIC ISLANDER
<b>RESTAURANT CREW MEMBERS</b> VS. 2020	11,050 +50	47% +4%	53% -4%	24% -7%	39% +2%	34% +6%	2% -1%	1% NC	<1% NC	0% NC
<b>RESTAURANT MANAGEMENT</b> VS. 2020	2,400 +300	32% -1%	68% +1%	28% -7%	36% NC	29% +6%	3% -1%	3% +1%	1% NC	0% NC
<b>MANAGERS &amp; PROFESSIONALS</b> VS. 2020	900 +150	47% -1%	53% +1%	72% -6%	11% +2%	12% +1%	4% +2%	<1% NC	1% NC	0% NC
<b>COMPANY LEADERSHIP (DIR+)</b> VS. 2020	150 NC	64% -6%	36% +6%	77% -6%	9% +3%	7% +2%	6% +1%	1% +1%	0% -1%	0% NC
<b>ALL COMPANY EMPLOYEES</b> VS. 2020	14,500 +500	45% +3%	55% -3%	28% -6%	36% +1%	32% +6%	2% -1%	1% NC	<1% NC	<1% NC

This chart covers Wendy's Company employees across our global presence in 2022, except the race and ethnicity information, which reflects U.S. employees only.

## Workplace

### Talent development and retention

We strive to demonstrate Wendy's DE&I values as part of the employment experience. Each new restaurant support hire receives a welcome letter from Dr. Beverly Stallings-Johnson as part of their onboarding, which reinforces the Company's commitment to DE&I and shares resources for joining ERGs. To create opportunities for education and to build allyship with employees and franchisees across the globe, Wendy's collaborated with Company employees from all different backgrounds and cultures to build a robust calendar of culturally significant events, which are recognized in our daily email newsletter.

Wendy's had strong representation from both women and allies at the 2022 Women's Foodservice Forum (WFF) Leadership



Conference, which focused on leadership topics for women in the foodservice industry. Extending beyond the conference, attendees have access to the WFF Connect member community, which offers unique learning resources and career development guidance tailored to advancing women in the food industry. The Company was also able to offer WFF memberships to additional employees sourced through our ERGs.

### Franchise recruitment

In 2022, Wendy's made bold moves to increase underrepresented populations within the franchisee candidate pipeline and create expanded restaurant ownership opportunities for all.



#### Own Your Opportunity

Wendy's launched a new franchise recruitment initiative, Own Your Opportunity, to create more franchise ownership pathways for entrepreneurs, including underrepresented populations such as women and people of color. Through the Own Your Opportunity initiative, Wendy's:

- Lowered liquidity and net worth requirements for all new franchise applicants
- Expanded financing opportunities with three preferred U.S. lenders: City National Bank, Huntington National Bank and Wintrust Franchise Finance
- Introduced new restaurant formats that carry a lower initial financial commitment

By removing traditional barriers to franchise ownership, we aim to attract new candidates to the Wendy's System, including diverse candidates. Today, new approved franchise candidates entering the Wendy's System have nearly doubled, compared to the prior year, representing an increase of approximately 10% of Wendy's total franchise base.

#### PEOPLE GOALS AND PROGRESS

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### Our commitment to pay equity

Consistent with our policies and values, the Company is committed to an equitable approach to our pay practices. As part of our ongoing commitment, we signed The Columbus Commitment Pledge created by the Columbus Women's Commission. The pledge is a voluntary, employer-led initiative to further education, innovation and information sharing with other organizations in Columbus, Ohio to help support equitable pay practices.

## PEOPLE GOALS AND PROGRESS

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### Supporting employees

Wendy's regularly adjusts compensation and benchmarks our benefit program offerings to keep pace with industry standards at all Company employee levels. We also offer a variety of resources to support our Company employees both while at work and beyond.

### Employee Resource Groups

Wendy's maintains and supports ERGs which help create forums for learning and inclusion, each with an executive sponsor from our senior leadership team. These employee-led groups heighten our opportunities to celebrate diverse backgrounds, empower employees to bring their authentic selves to work and offer leadership and professional development opportunities. They also allow our leaders to actively participate in grassroots mentoring and coaching and help deepen connections between our employees and the community. Each group holds events and participates in programming to further promote its internal mission. Additionally, the ERG employee leaders participated in a meeting with our Board members to highlight ERG engagement, accomplishments and demonstrate their alignment to the Company's DE&I focus areas and impact on helping to create a more inclusive culture.

### Facilitating participation in the democratic process

Ahead of the 2022 midterm elections, we promoted our Wendy's [WeVote website](#) to allow users to validate voter registration information, preview ballots and find essential state-specific election details. The site also includes a candidate research feature with easily accessible links to public resources for Company employees and franchisees.

### ERG EVENT HIGHLIGHTS

#### GiveCare

This new ERG focuses on caretakers for children, siblings, parents, partners and/or other family members and aims to provide support and a safe space for working caregivers. GiveCare hosted a self-care day in November for National Caregivers Month, complete with take-home meals, chair massages and yoga.

#### WeQual

Wendy's Equality ERG kicked off Pride Month by hosting the second annual Pride Flag Raising at the Restaurant Support Center (RSC) in Dublin, Ohio. The Company also supported participation in the Columbus Pride March and the Chicago Pride Parade.

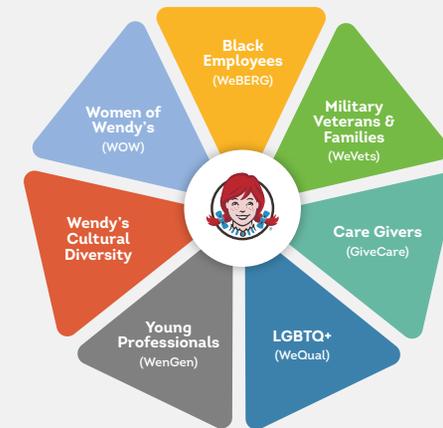
#### WenGen

Wendy's Young Professional ERG hosted an Investing 101 Lunch and Learn in partnership with WeBERG and WeQual focused on personal finances and how employees can take steps to secure their financial future. The session featured Wendy's employees who shared their experiences with investment, real estate, saving and managing their own personal finances.

#### Wendy's Cultural Diversity

Wendy's Cultural Diversity ERG partnered with WeBERG by inviting their members to participate in the YWCA Columbus 21-Day Racial Equity Challenge. The challenge created dedicated time and space to build more effective social justice habits, particularly those dealing with issues of race, power, privilege and leadership.

### EMPLOYEE RESOURCE GROUPS



#### WOW

Women of Wendy's members took part in this year's Ohio Diversity Council Central Ohio Leadership Symposium which focused on exploring the ways women can reintegrate, restore and reemerge in the workplace.

#### WeVets

Wendy's Veterans ERG supported the Wounded Warriors Project by hosting a virtual Carry Forward 5K in which the Wendy's community was encouraged to complete a 3.1 mile run while carrying a flag, a weight or another person.

#### WeBERG

In February, Wendy's Black ERG hosted a conversation with Junior Bridgeman, an American businessman and former professional basketball player, and the Bridgeman family, who are current Wendy's franchisees, on Building Generational Wealth.

## Workplace

### Flex Work Program

We have embraced a flexible work environment to best meet the needs of employees and expand our opportunity to attract the highest quality talent from a broader candidate pool. In 2022, the majority of Company restaurant support roles were open to remote or hybrid work.

### WeCare

Wendy's launched the WeCare program in 2017 to offer short-term financial assistance to team members within the Wendy's System in the U.S., U.S. Territories and Canada who were negatively affected by provincial, state or federal-declared natural disasters or states of emergency and experienced financial hardship. Since 2017, we have awarded nearly 400 grants totaling more than \$150,000.

In 2022, WeCare distributed more than 110 grants to Wendy's franchise and Company employees across the U.S. and Puerto Rico in response to events like flooding in South Carolina and Kentucky and Hurricanes Fiona (Puerto Rico) and Ian (Florida).

#### 2022 details:

- **5** weather events supported
- **More than 110** grant recipients across both Company and franchise restaurants
- Majority of grants given in Puerto Rico and Florida in response to Hurricanes Fiona and Ian
- **\$28,250** in total grant money distributed

### Education and training

Wendy's offers robust training and development programs to help team members achieve their true potential. Our training journey is based on a progression – from functional, operational training such as sandwich builds to more sophisticated programs

*As a leader, I see the benefits of Wendy's flexible work program allowing our teams to recruit talent from across the country. We have attracted and retained some of the best and brightest in the market because we allow employees to work either remotely or in a hybrid environment.*

- KEVIN VASCONI, CHIEF INFORMATION OFFICER

to help amplify leadership. In 2022, across the Wendy's System, team members completed nearly 1.7 million hours of training globally, including a mix of online and hands-on training in restaurants, as well as mandatory food safety standards courses.

Eligible Company employees can take advantage of additional education and training opportunities. These range from virtual and in-person courses hosted and/or led by Wendy's, such as the GlobeSmart learning modules, to opportunities to participate in third-party industry conferences and trainings. Wendy's also offers a wide variety of training and development programs that interested managers can use to invest in their own personal and professional development.

### Welcome to the Family: Wendy's new onboarding experience

In 2022, Wendy's debuted a new Welcome to the Family experience: an onboarding event that provides new Company employees the opportunity to build connections and learn about the Wendy's brand. Led by the Training and Development team, the one-and-a-half-day event for new Restaurant Support Center and Field Support team members from all over the world provides opportunities to build relationships, participate in an immersion session at the Culinary Kitchen and have dinner with members of the Wendy's senior leadership

#### PEOPLE GOALS AND PROGRESS

##### WORKPLACE COMMUNITY

team. The onboarding experience also helps new employees learn about different business functions and encourages understanding of the brand in new ways. We plan to continue hosting this event several times each year to capture as many new employees as possible.

### WeLEAD

Our people drive Wendy's success and help us stand apart. We are focused on building a performance-driven culture and developing talent at all levels of our organization.

*We all like to think the best of ourselves, but being able to say, 'Am I really great at this, or can I stand to improve, and what impact does that have to the business?' opens up the opportunity to truly learn at the highest level.*

- FRANCHISE OPERATIONS COACH AND 2022 WeLEAD PARTICIPANT

In 2022, we introduced WeLEAD, an intensive small-group training program focused on essential leadership skills. WeLEAD is intended to kick start individual leadership journeys through customized learning experiences rooted in Wendy's five Leadership Success Factors: Inclusive Mindset, Develops Self and Others, People Effectiveness, Business-Focused and Results-Driven. The curriculum readies participants to make a difference and covers



## Workplace

core learning experiences as well as ones that reflect individuals' interests, all with an emphasis on Wendy's "people-first" business approach. Each six-month WeLEAD program includes both corporate and Company restaurant leadership participants who were nominated by their functional leadership teams.

### Mentoring program

In 2022, we piloted a new mentoring program with mentees from our ERGs. In 2023, we will expand the mentoring program to include all Company field and restaurant support employees to encourage ongoing career advancement.

### Supporting well-being

From enhancements to our paid sick time policy to our flexible work policy, over the last several years we have increased resources for employees to support their own well-being and each other.

For the seventh consecutive year, Wendy's administered our Voice of Wendy's employee engagement survey for all Company employees, with an opportunity for interested franchisees to participate as well. In 2022, Wendy's partnered with a new survey vendor to provide restaurant managers and operators with more data capabilities, including industry benchmarks such as "Best Employer" norms, and actionable insights that they can use to help support their efforts to better attract, engage and retain employees.

### Workplace well-being

As the Company and our communities transitioned from pandemic crisis intervention to ongoing prevention and protection, we continue to prioritize workplace well-being, by reinforcing the expectation that our Company employees respect and support their colleagues and take advantage of sick time when needed. Across the System, we continue to focus on food handling and handwashing through processes like reviewing cleaning procedures, maintaining an adequate supply of cleaning products at our restaurants and our Annual Food Safety Recertification, which all restaurant crew and managers System wide are required to complete.

### Mental health in focus

A focus on mental health in the workplace is critical to employee well-being. The Wendy's Company offers several benefits that can help support the health and well-being of our employees.

In 2022, we offered an online training program called *Notice. Talk. Act. at Work*<sup>®</sup>, developed by the American Psychiatric Association, to help people managers effectively navigate difficult situations. *Notice. Talk. Act. at Work* strengthens employees' knowledge of the impact of mental health in the workplace and helps people managers be better equipped to:

- First, NOTICE changes that are not typical and may be signs of a potential mental health concern,
- Second, TALK by checking in and letting the person know that you care and
- Third, ACT by connecting a person with available services and support.

#### PEOPLE GOALS AND PROGRESS

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##### COMMUNITY

### Recognition

We are incredibly proud of the collective and individual progress we made throughout the Wendy's System and believe in the importance of celebrating our people. In 2022, this included recognizing our restaurant teams through platforms like the Top General Manager, which honored our System's best of the best for their strong leadership and dedication to creating great restaurant experiences.



## Community

To enrich the people and communities around us, Wendy's and our people share time, donate money and cultivate hope. As one example, our System delivered record-breaking in-restaurant fundraising campaigns to support the work of the Dave Thomas Foundation for Adoption, which marked its 30th anniversary in 2022. Financial grants through our Community Giving Program continue to provide funds for education and opportunity, fight hunger and promote equity. The big steps we take as a company are mirrored in the everyday commitments our people make—often without fanfare— to driving personal, local change for the better.



*There is no relationship like the one between Wendy's and the Dave Thomas Foundation for Adoption. Individuals and other organizations look to our relationship as the high bar they need to reach if they want to accomplish a profound difference-making partnership.*

- RITA SORONEN, PRESIDENT & CEO OF THE  
DAVE THOMAS FOUNDATION FOR ADOPTION

### Wendy's support of the Dave Thomas Foundation for Adoption

Created by Wendy's founder Dave Thomas who was adopted, the Dave Thomas Foundation for Adoption and the Dave Thomas Foundation for Adoption-Canada have a singular focus: to find safe, loving and permanent families for the longest-waiting children in foster care. As of 2022, the Wendy's System and its customers have raised nearly \$300 million to support the Foundation's implementation of critical national service programs, foster care adoption awareness campaigns and innovative grantmaking. This partnership has helped establish influential programs, including Adoption-Friendly Workplace™, National Adoption Day and Wendy's Wonderful Kids®.

In 2022, Wendy's employee, franchisee and customer support of the Foundation was as strong as ever, raising more than \$19 million for the Foundation:

- In-restaurant campaigns, including Boo! Books and Frosty® Key Tags, collected more than \$13 million
- Other fundraising activities, including the Frosty® 5K, Wendy's Convention, Company and franchise giving, raised more than \$6 million

The 2022 Wendy's Season of Giving results showed an incredible **38% year-over-year increase** from 2021.

#### PEOPLE GOALS AND PROGRESS

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## Wendy's Wonderful Kids®

Through the Wendy's Wonderful Kids program, the Dave Thomas Foundation for Adoption provides grants to organizations to hire adoption professionals, known as recruiters, who serve children most at risk of aging out of foster care without a permanent home, including teenagers, children with special needs and sibling groups. These professionals use an evidence-based, child-focused recruitment model to find the right family for every child. A rigorous, five-year evaluation in the U.S. revealed that **children referred to Wendy's Wonderful Kids are up to 1.7 times more likely to be adopted.** Thanks to Wendy's unwavering support, the Foundation has grown the program from seven recruiters in 2004 to more than 500 recruiters supported in all 50 states and six provinces in Canada. Thanks to this commitment, the Foundation has found forever homes for nearly 13,000 children and counting.



Jermesha, Floyd and Jermain were placed in foster care after enduring abuse, malnourishment and neglect. For five long years, the siblings were often separated and longed for a safe, permanent home. Thankfully, they were adopted by Mark and Celeste with help from the Dave Thomas Foundation for Adoption and the generosity of the Wendy's family. Now, with the support and safety of their forever family, the siblings can focus on their future, together.

## Community

### Supporting social justice in our communities

Wendy's launched a number of partnerships focused on social justice in 2020. In 2022, we continued to support those causes and strengthened relationships with the Thurgood Marshall College Fund (TMCF), YWCA Columbus and the Columbus Urban League.



Our partnership with **TMCF** entered its fourth year, supporting social justice, youth and education in the Black community, while also playing a key part in Wendy's workforce strategy to recruit diverse talent.



We supported the **Columbus Urban League (CUL)** through sponsorship of their HerStory Makers Event, Empowerment Day and a recruiting fair for working moms. Additionally, Wendy's employees volunteered for the league's Diaper Drive, Juneteenth on the Ave and Mock Interview Sessions. To further CUL's mission to advance racial equity and social justice, Stephanie Shaw,

Wendy's Vice President of Enterprise Technology, joined the organization's Board of Directors.



Since 2020, Wendy's has supported the important work of the **YWCA Columbus** through grants to the Leadership and Social Justice Department, DE&I training services and scholarships for educational summer camps and after-school programs. This year, Wendy's sponsored the YWCA Columbus' Activists and Agitators event, which helped drive action on housing justice.

As part of Wendy's ongoing philanthropic efforts, we also support a variety of organizations across the globe that align with our core categories of charitable support: foster care adoption, hunger and food integrity, youth and families and vibrant communities. In 2022, Wendy's continued its four-year commitment to support the Mid-Ohio Food Collective's Rooted in You campaign, in addition to donating nearly \$130,000 to 26 U.S. and Canadian organizations through the Wendy's Community Giving Program.

#### PEOPLE GOALS AND PROGRESS

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### Founder's Week Volunteer Day

To celebrate our values and support our local community, Wendy's hosted a Volunteer Day as part of the 2022 Founder's Week. Wendy's Company and QSCC employees in Central Ohio joined in a Takeover Day at the Mid-Ohio Food Collective, working as food pantry shopping assistants or sorting and packing food in the collective's warehouse. Company employees not local to Central Ohio were encouraged to volunteer the same day with organizations in their area that focused on one of Wendy's pillars of charitable giving.

## 2022 Community Giving Program (CGP) Highlights

### Foster Care Adoption

**Foster Source** – This Colorado-based cause's mission is to support and wrap their arms around foster parents so they may foster longer and better. Foster Source has sponsored private therapy for nearly 400 foster and kinship caregivers, nearly 100 more foster parents in the last year. Wendy's CGP grant helped the organization offer the same mental health services and trauma parenting support to kinship parents without having to turn families away.

### Hunger and Food Integrity

**Common Grounds Free Store** provides about 100 free meals 5 days a week for its neighbors who need them in Delaware, Ohio, along with free clothes, shoes, household goods, and personal and infant care items. Wendy's CGP grant helped the Free Store serve nearly 13,000 meals throughout the year.

### Youth and Families

**Casa Valentina** – Casa Valentina's mission is to provide at-risk and former foster care youth with safe, affordable housing, life skills and continued support, so they can achieve and maintain self-sufficiency. Wendy's CGP grant was used to purchase furniture for apartments that house 14 youth. The remaining funds are earmarked to assist with a Backyard Beautification project to create a comfortable backyard space for 21 residents.

### Vibrant Communities

**Crisis Text Line** – The Crisis Text Line is a national organization that provides free, 24/7, high-quality text-based mental health support and crisis intervention by empowering a community of trained volunteers to support people in their moments of need. Wendy's CGP grant enabled Crisis Text Line to support 217 texters during their urgent moments of crisis.

# FOOTPRINT

Delivering more with less environmental impact



CLIMATE AND ENERGY



WATER



WASTE



SQUARELY SUSTAINABLE  
COUNCIL

**GOOD** DONE  
RIGHT.

## Footprint goals and progress

### Climate

Completed our goal to benchmark and track our **Scope 1, Scope 2 and Scope 3 greenhouse gas (GHG) emissions** and set a science-based target by the end of 2023

Set near-term science-based targets committing to GHG emissions reductions across our System by 2030



### Energy efficiency

Introduced Wendy's *Global Next Gen* design, our new restaurant build standard, which includes several energy efficient features and technologies

### FOOTPRINT GOALS AND PROGRESS

CLIMATE AND ENERGY

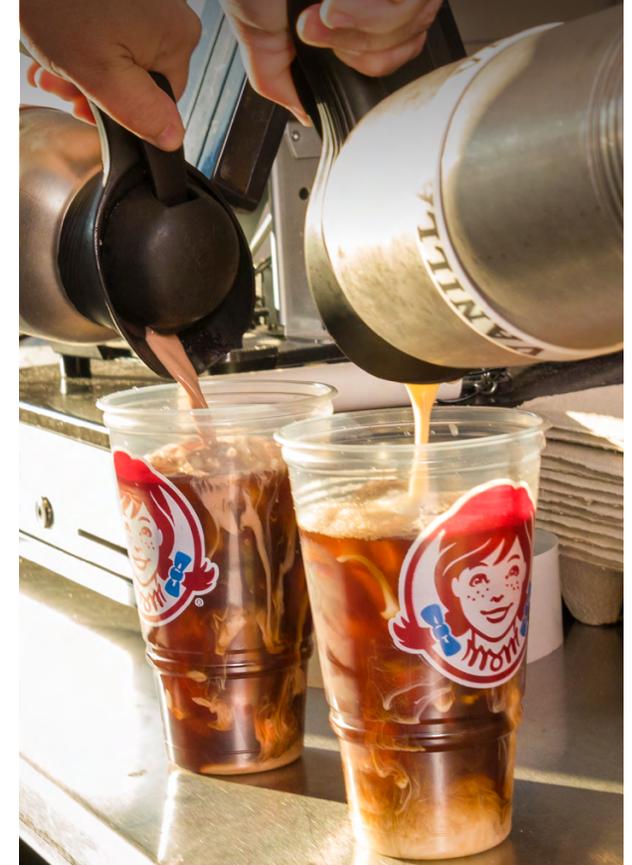
WATER

WASTE

SQUARELY SUSTAINABLE COUNCIL

### Sustainable packaging

Surpassed the halfway mark on our goal of sustainably sourcing 100% of our customer-facing packaging by 2026 following the rollout of our clear plastic drink cups that more customers can recycle



# Climate and energy

Wendy's embraces our role and responsibility in mitigating our climate impact. To meaningfully reduce Company and value chain emissions, Wendy's has committed to significant cuts in emissions.

## Increasing transparency on our journey to achieving our greenhouse gas reduction targets

In 2021, Wendy's began the pursuit of science-based targets to address Scope 1, 2 and 3 greenhouse gas (GHG) emissions in accordance with the Science Based Targets initiative (SBTi), a global body that enables businesses to set ambitious emissions reduction targets in line with the latest climate science. In early 2023, we announced The Wendy's Company's near-term science-based emissions reduction targets, which were validated by SBTi in late 2022, achieving our commitment nearly a year ahead of schedule.

Wendy's Scope 1 and 2 science-based target aims to reduce emissions within Company operations at a pace consistent with keeping warming below 1.5°C, which aligns to the latest science<sup>7</sup>.

### GOAL



### Our near-term science-based target

Compared to a 2019 base year, by 2030, Wendy's goal is to reduce:

- Absolute Scope 1 and 2 GHG emissions by 47%
- Scope 3 GHG emissions from purchased goods and services 47% per metric ton of goods
- Scope 3 GHG emissions from franchises 47% per restaurant

This designation is the most ambitious designation available through the SBTi's validation process, which aims to avoid the worst impacts of climate change. Our Scope 3 targets are aligned to SBTi's well below 2°C criteria.

The process of setting and submitting our science-based target has helped us better understand our greatest emissions sources and areas of opportunity to make significant emissions cuts across our operations and supply chains. The SBTi assessed Wendy's proposed targets against the group's quantitative and qualitative criteria and validated that the targets meet all the criteria for timeframe, emissions coverage and ambition.

Through the process of setting science-based targets, Wendy's identified two areas of focus for scaling Scope 3 emissions reductions across its System: purchased goods, which represent nearly 85% of the Company's Scope 3 emissions, and franchised restaurants, which contribute 10%. The bulk of our purchased goods emissions are aligned to food and packaging, with beef, chicken, dairy and pork comprising our most significant specific emissions categories.

The following visual details prospective operational actions to reduce GHG emissions in line with our goal. We continue to explore new ways to reduce our emissions footprint and will continue to communicate our progress.



### Energy Efficiency

- Improving energy efficiency with new equipment retrofits and upgrades
- Leveraging Wendy's more efficient *Global Next Gen* design standard for new builds
- Engaging franchisees to reduce emissions through the Wendy's Energy Challenge
- Reducing fuel use in Wendy's Company-operated fleet

### Purchasing Practices

- Updating procurement and operational policies and considering sustainability in procurement decisions
- Collaborating with suppliers, in scope for Wendy's responsible sourcing goal, to identify ways to reduce emissions or sequester carbon in their operations and shared supply chain

### Low-GWP Refrigerants

- Transitioning to refrigerants with a lower global warming potential (GWP)

### Agriculture

- Exploring place-based projects that assist suppliers in adopting more climate-friendly practices and are tailored to local and/or regional ecosystems
- Evaluating projects to reduce emissions in grazing and feeding, while maintaining or improving animal welfare

### Renewable Energy

- Identifying projects that enable a renewable energy transition
- Developing a renewable electricity procurement strategy across System operations

### FOOTPRINT GOALS AND PROGRESS

#### CLIMATE AND ENERGY

#### WATER

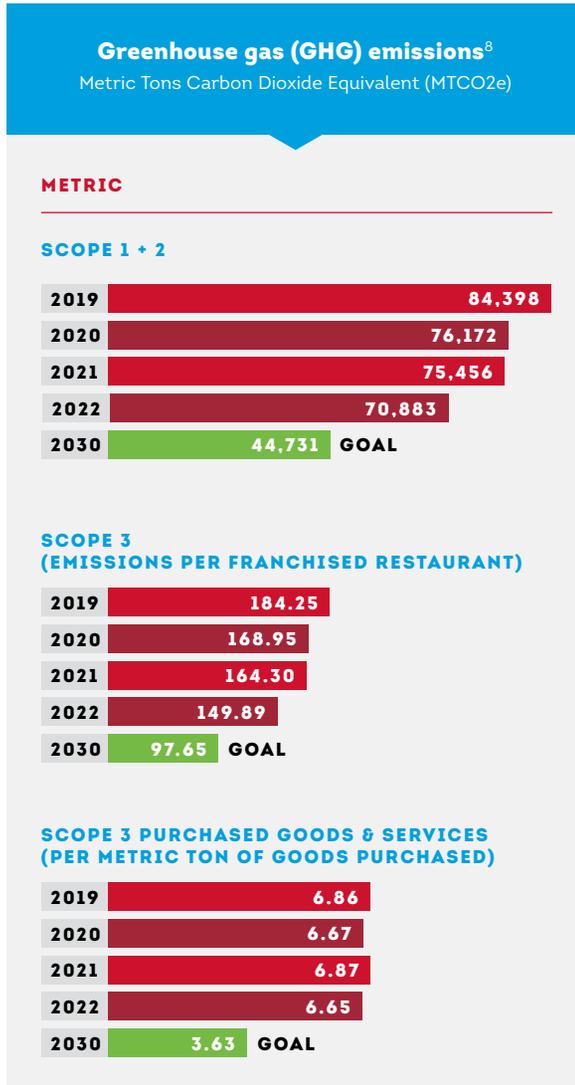
#### WASTE

#### SQUARELY SUSTAINABLE COUNCIL

<sup>7</sup> Based on findings from the Intergovernmental Panel on Climate Change (IPCC)

# Climate and energy

FOOTPRINT GOALS AND PROGRESS  
 CLIMATE AND ENERGY  
 WATER  
 WASTE  
 SQUARELY SUSTAINABLE COUNCIL



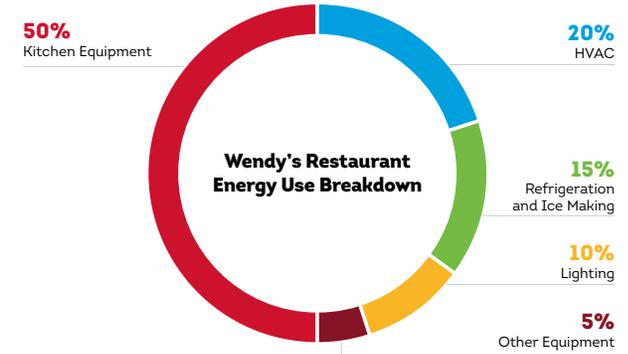
In compliance with the SBTi, Wendy's will review the approved target(s) at least every five years and, if necessary, recalculate and revalidate them for continued recognition by SBTi. SBTi also requires us to set a Forests, Land and Agriculture (FLAG) target, so we aim to have a FLAG emissions goal in place by the end of 2024.

As part of our ongoing dedication to climate transparency, we also reported 2022 data to the CDP Climate Change Disclosure for the second year. [See our disclosure here.](#)

## Reducing our energy consumption and emissions

In 2022, Wendy's reduced Scope 1 and 2 emissions by 16% compared to our 2019 base year<sup>9</sup>, achieving 34% of our Scope 1 and 2 emissions reduction goal, primarily associated with implementing energy efficiency projects as part of the Wendy's Energy Challenge. We have also made progress against our Scope 3 targets, achieving nearly 40% of our franchise reduction goal and more than 6% of our purchased goods and services reduction goal. We look forward to accelerating our progress in reducing emissions tied to our purchased goods and services as we explore and implement practices to support and engage our suppliers.

Wendy's Scope 1 and 2 emissions, those resulting from our operations, are primarily associated with energy use in our Company-operated restaurants, which is essential to making them suitable for food production and storage and providing a welcoming environment for our customers. This includes the kitchen equipment our restaurant team members use to cook, the refrigeration equipment that keeps our ingredients fresh, and the heating, cooling and lighting systems that keep our restaurants comfortable.



Approximations based on Wendy's commissioned Energy Breakdown Study for Smart 2.0 Company restaurants located in the United States in 2021.

## Completing our initial climate roadmap –and resetting our focus

In 2021, we committed to a climate roadmap for completion by the end of 2023, with the goal of establishing a science-based target and interim milestones. With the publication of our near-term science-based target, this roadmap is complete ahead of schedule. Now, the real work begins to scale up emissions reduction activities in our restaurants and supply chains.

<sup>8</sup> Scope 1 emissions are defined as direct Company GHG emissions, including natural gas, propane, mobile and stationary fuels and refrigerants; Scope 2 as indirect emissions derived from energy sources (electricity, steam, heat and cooling); and Scope 3 as all indirect upstream and downstream emissions that occur in the value chain, including franchised operations.

<sup>9</sup> Our science-based target covers all Scope 1 and 2 emissions in The Wendy's Company's GHG inventory and was developed in line with the GHG Protocol Corporate Standard. The Scope 3 target includes Category 1: Purchased Goods & Services and Category 14: Franchises, which comprise approximately 95% of Wendy's Scope 3 emissions.

# Climate and energy

In 2022, we continued to implement solutions to reduce our energy use through energy efficiency projects, with the introduction of updated design standards and by procuring more efficient equipment and lighting.

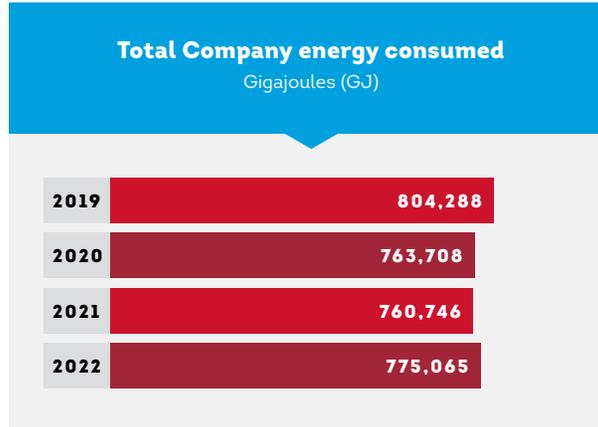
To reduce Scope 1 and 2 operational emissions, Wendy's is making investments to improve energy efficiency within Company-operated restaurants and increase the share of renewable energy that powers them. At the same time, energy efficiency initiatives within franchised Wendy's restaurants will address a portion of the emissions reductions needed to achieve our Scope 3 franchisee goal.

## Improving energy efficiency

Since 2015, a critical component of Wendy's energy efficiency efforts has been our participation in the U.S. Department of Energy's Better Buildings® Challenge. We set a goal to reduce the energy used by Company-operated restaurants and the Restaurant Support Center by 20% per transaction by 2025, from a 2012 baseline year. In 2022, Wendy's Company operations and the 388 Company-operated restaurants reporting data achieved a 17% reduction in energy use per transaction and a 28% reduction in energy per square foot.

### Wendy's Energy Challenge

Our own Wendy's Energy Challenge, inspired by the Better Buildings Challenge, invites our franchisees within and outside the United States to implement energy efficiency improvements and track and report their energy use. The 18 franchisees participating in the Wendy's Energy Challenge in 2022 represent a total footprint of 3.1 million square feet.



Company-operated restaurants participating in our program continued to implement energy efficiency and emissions reductions projects in 2022, including:

- Retrofitting 83 interior and exterior lighting projects
- Updating 28 HVAC systems to high efficiency units
- Transitioning freezers or refrigerators in 88 restaurants to R-290 refrigerant, a refrigerant with a lower global warming potential
- Completing 138 projects to replace kitchen equipment with newer, more efficient models

### GridPoint

Wendy's continues to install GridPoint® systems in Company-operated restaurants to capture real-time, equipment-level energy and facility data. In 2022, we installed these systems at 50 more Company-operated restaurants, bringing the total to 240.

## Renewable energy

In 2022, Wendy's began exploring sourcing options in each of our markets, considering everything from on-site generation to utility procurement options for retail and regulated markets to the procurement of renewable energy certificates (RECs). We will continue to develop and implement our renewable energy strategy as our renewable energy program matures.

The Wendy's Company is a subscriber to Duke Energy Florida's Clean Energy Connection program. Currently, seven Company-operated restaurants in this region are being powered by solar energy through participation in the program, totaling 1,274 kilowatts (kW).

As one of the inaugural subscribers to the Duke Energy community solar program, Wendy's aims to source 22 Company-operated restaurants with renewable electricity by the end of 2023 and approximately 35 Central Florida restaurants with 100% renewable electricity by 2025 based on Duke Energy's current development plans. Wendy's sourced 1,274 kW of clean energy from the program in 2022 and will ramp up to 6,363 kW by 2025.



## FOOTPRINT GOALS AND PROGRESS

## CLIMATE AND ENERGY

## WATER

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## Climate and energy

*We recognize our role in using resources and energy responsibly. With the introduction of our newly validated science-based targets, we enter our next phase of climate action and are exploring new ways to deliver more to our customers with a smaller emissions footprint.*

– LILIANA ESPOSITO, CHIEF CORPORATE AFFAIRS AND SUSTAINABILITY OFFICER

### Low Carbon Building Pilot

In 2021, Wendy's committed to participating in the U.S. Department of Energy Better Buildings® Low Carbon Building Pilot. This program is intended to help the Department of Energy and its partners understand and demonstrate ways to achieve real CO2 emissions reductions through currently available pathways in building operations with the goal of sharing these solutions with the market.

Wendy's committed to piloting the Low Carbon Building program at two Company-operated restaurants. This year, those programs focused on:

- Identifying energy efficiency measures, with the goal of implementation happening and results to be demonstrated in 2023
- Identifying two different renewable energy pathways in two states: Ohio, a deregulated state for energy utilities, and Florida, a regulated state



### Global Next Gen—a more efficient restaurant design standard

Wendy's announced a new traditional restaurant build, featuring a sleek and modern design. With an optimized layout and next-generation technology, the design will deliver more Wendy's to more people with an emphasis on convenience, speed and accuracy. The Global Next Gen design also includes several energy-efficient features and technologies to better serve today's customers:

- **Optimized infrastructure:** New restaurants use more efficient and right-sized building elements to decrease energy usage and costs:
  - 13% smaller footprint
  - Right-sized kitchen and HVAC equipment
  - Automated lighting controls and HVAC through building management system
  - Additional roof insulation
- **Enhanced efficiency:** When modelled against our most efficient existing restaurant design, the new design is up to 10% more energy efficient and saves 8% in energy costs

# Water

**Wendy's is working to eliminate water waste and surpass water reduction targets across our System by accelerating our use of updated, water-saving technologies.**

## Curbing water use within our operations

Wendy's joined the U.S. Department of Energy's Better Buildings® Water Savings Network in 2019 and set a goal to reduce water use in U.S. Company-operated restaurants and the Restaurant Support Center by 20% compared to a 2018 baseline. Two Wendy's franchise organizations, Wendium and Carlisle, also joined the challenge. The Wendy's Company achieved our goal in 2021, as did Wendium. And in 2022, Carlisle achieved its water reduction goal seven years ahead of schedule, reducing their water intensity by 28% compared to a 2018 baseline.

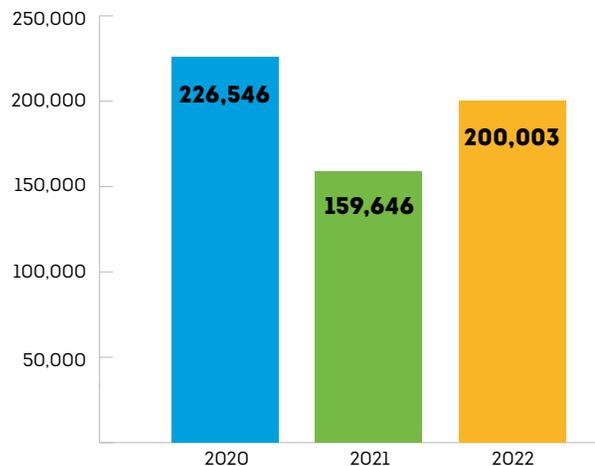
The conversion to new automated dishwashing equipment, or "warewash," is the single biggest water conservation measure Wendy's has implemented across the System, helping Wendy's, Carlisle and Wendium meet their goals. This new equipment reduces the average water use for dishwashing by 47% per cycle, and with almost 1,580 warewash machines in place to-date across the System, the total annual water reduction is more than 142 million gallons per year, enough to fill more than 215 Olympic-sized swimming pools. In 2022, our Company water use increased as a result of irrigation. Wendy's is piloting irrigation management systems to reduce this water use.

*By joining The Wendy's Company in committing to the Better Buildings Water Savings Network, Carlisle was able to hold ourselves to substantial reductions in our water consumption. This is about more than just setting and surpassing a goal, it's about adopting innovative solutions that allow us to conserve the water used in our Wendy's restaurants. Our collaboration with Wendy's offers a forum for sharing best practices and coming together to do more with less across sustainability focus areas. Many actions contributed to Carlisle meeting their goal, such as adding new taps to monitor irrigation usage, replacing water-cooled ice machines with condenser-cooled machines and tightening leak detection at high-use locations.*

- CHANCE CARLISLE, CHIEF EXECUTIVE OFFICER, CARLISLE LLC

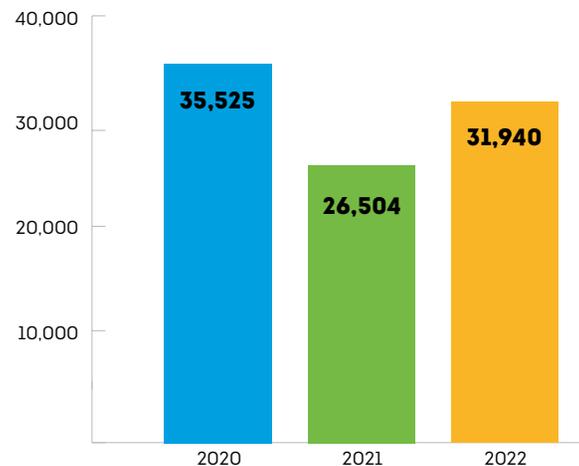
### TOTAL COMPANY WATER WITHDRAWN (KGAL)

Water from all sources



### TOTAL COMPANY WATER CONSUMED (KGAL)

Water used in irrigation



# Waste

Wendy's waste reduction efforts span our sustainable packaging commitment, which covers our customer-facing food packaging, management of front- and back-of-house waste and our diversion of food from landfills.

## Sustainable packaging

Over the past year, Wendy's continued to partner across our industry to assess opportunities to transition into more sustainable packaging alternatives for our current customer-facing restaurant packaging and to develop category-specific improvement plans. As we evaluate new packaging options, we look for ways to balance the sustainability attributes we seek with materials and formats that meet the performance needs of their contents and our customers. To validate the sustainable sourcing of our packaging materials, we are working with recognized third-party certification groups such as the Forest Stewardship Council (FSC), Sustainable Forestry Initiative (SFI) and Programme for the Endorsement of Forest Certification (PEFC).

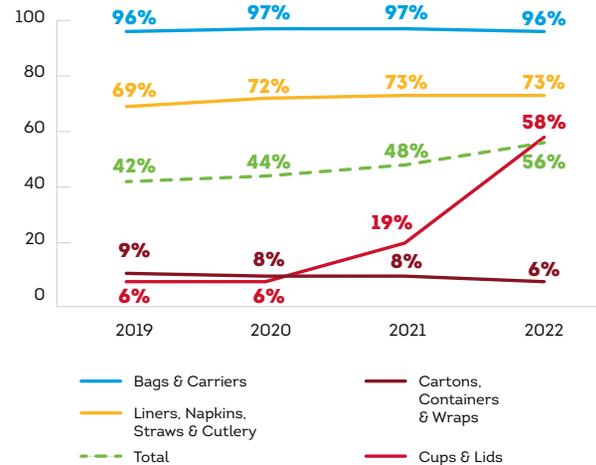


## Update on cups with increased recyclability

In 2021, we announced a collaboration to help us transition from plastic-lined paper cups with limited recyclability to single-substrate, clear plastic drink cups that more customers can recycle. In 2022, we focused on putting those new plastic cups into use and planning for and testing packaging for future years. We rolled the cups out to all markets<sup>10</sup>, which has played a significant part in advancing progress on our sustainable packaging goal. Our aim across U.S. and Canadian restaurants is for our cups to be made from 20% recycled content. These cups are measured using a mass balance approach with the potential to increase the amount of recycled plastic used in the future.

### PROGRESS TOWARD SUSTAINABLE PACKAGING GOAL

Line represents the percent of category packaging meeting "sustainably sourced packaging" definition



### GOAL



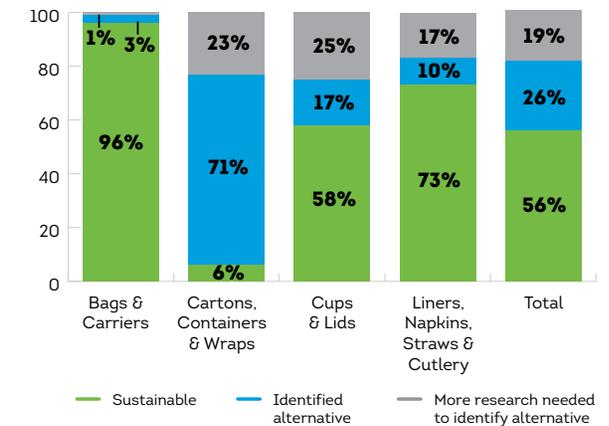
**Sustainably source 100% of our customer-facing packaging in the U.S. and Canada by 2026**

We made progress on our goal to sustainably source 100% of our customer-facing packaging in the U.S. and Canada by 2026<sup>11</sup> increasing the percentage of packaging meeting our sustainable packaging goal from 48% in 2021 to 56% in 2022.

To achieve our goal, we are working to transition to customer-facing packaging that:

- Has higher recycled content
- Uses fewer raw materials
- Adheres to a restricted substance list<sup>12</sup>
- Is recyclable, compostable or reusable
- Is sourced from areas that do not contribute to deforestation

### STATUS ACROSS CUSTOMER-FACING PACKAGING CATEGORIES



<sup>10</sup> Some locations prohibit plastic packaging, and Wendy's has identified alternatives in those markets.

<sup>11</sup> Unless otherwise noted, statements about packaging refer to brand-standard customer-facing packaging available in Wendy's restaurants in the U.S. and Canada.

<sup>12</sup> Wendy's is working to establish a restricted substance list.

## Waste

### Collaborating for industry-wide change

A barrier we face in achieving our sustainable packaging goal is lagging composting and recycling infrastructure. Most of our packaging leaves our restaurants with our customers, and while we are working to implement packaging that is recyclable or compostable, infrastructure to easily recycle or compost at home and curbside programs that accept foodservice packaging are limited. We are working with Closed Loop Partners' NextGen Consortium, a multi-year, global consortium that aims to address single-use foodservice packaging waste by advancing the design, commercialization and recovery of packaging alternatives, to improve both the recyclability of packaging and the building of infrastructure in locations that need it.

Since 2018, the Consortium has focused on redesigning the single-use hot and cold fiber beverage cup and has since expanded to focus on improving the recyclability of polypropylene packaging, the material used in our updated

beverage cups. The group supports materials recovery facility (MRF) grants and tests cups at paper mills and MRFs across the country to evaluate cup recovery. In 2022, the Consortium supported targeted interventions with strategic players to increase community access and create end markets for the fiber cup.

### Solving for single-use plastic alternatives in Canada

Canada has introduced a ban prohibiting the manufacture or sale of certain single-use plastic items as of the end of 2022. The ban includes single-use plastic checkout bags, cutlery, foodservice ware, stir sticks and straws. In preparation for the 2023 implementation deadline, Wendy's collaborated with our suppliers to identify alternatives for our affected packaging types, including eliminating plastic stir sticks and straws from our restaurants in Canada. This ban has also led to the increased exploration of and innovation in fiber-based packaging.

### Chicago recycling pilot

In 2022, Wendy's kicked off a pilot that introduced recycling for customers and restaurant teams at eight Company-operated restaurants in the Chicago area. We installed recycling bins and posted signage encouraging customers and employees to use them properly.

Through the pilot, we are monitoring recycling at participating locations using waste metering technology from RoadRunner (formerly Compology) to determine what and how much is put in the bins and use that information to gauge improvements.

We hope to build on this experience to change customer behavior as we expand our sustainable packaging offerings and continue educating consumers on proper disposal using the How2Recycle® label on recyclable food packaging, and as infrastructure enhancements support sustainable disposal of packaging.

FOOTPRINT GOALS AND PROGRESS

CLIMATE AND ENERGY

WATER

WASTE

SQUARELY SUSTAINABLE COUNCIL



FOOTPRINT GOALS AND PROGRESS

CLIMATE AND ENERGY

WATER

WASTE

SQUARELY SUSTAINABLE COUNCIL

## Waste

### Managing our waste

Managing our waste goes beyond the packaging we use in our restaurants. We take care to handle both our packaging and food waste in a way that limits waste to landfill. Some of our efforts have been in practice for many years while others are still in early and exploratory phases.

### Food waste

While our made-to-order menus help us minimize leftovers and waste at our restaurants, we continue to work to reduce food waste further within our restaurants and the Restaurant Support Center.

Wendy's Quality Assurance (QA) team regularly tests our products in the QA kitchen. Through continuous improvement projects, we have reduced the volume of product samples we receive and donated unused ingredients to charitable causes to minimize waste. In 2022, we donated nearly 3,000 pounds of unused product samples, ranging from chicken and fries to lemonade, to the Mid-Ohio Food Collective. Wendy's also donated nearly 16,000 pounds of food to the Plain City Food Bank. Through these partnerships, we also help feed local community members in central and eastern Ohio and prevent viable product from reaching landfills.

Although our food waste footprint is low within Wendy's distribution and operations systems, our ongoing partnerships recover cooking oil from our fryers and convert it into renewable diesel, a cleaner-burning biofuel that can reduce greenhouse gas emissions by approximately 65%, compared to traditional fossil fuels. In the U.S. and Canada, we converted more than 22.5 million pounds of used cooking oil into about 2.5 million gallons of renewable diesel, an amount of fuel replacing mileage equivalent to more than 120 trips to the moon and back.

### Restaurant Support Center composting program

As a result of an employee proposal, in the summer of 2022, employees from Corporate Services and Corporate Social Responsibility partnered with our Innovation Kitchen to implement its first-ever composting program. Equipped with

composting knowledge provided by our local hauler, Earth Peak Organics, the Innovation Kitchen has so far diverted more than 1,320 pounds of food from landfills. Instead, Earth Peak will convert the food waste into nutrient-rich fertilizer and fertilizer blends and sell it back to the community.



## Squarely Sustainable Council

Under the sponsorship of Wendy's Chief People Officer Coley O'Brien and Chief Financial Officer Gunther Plosch, our employee-led Squarely Sustainable Council (SSC) brings together employees and subject matter experts who share a passion for sustainability to advance environmental efforts at our Restaurant Support Center (RSC).



### Campus garden

In June, employees from across the RSC came together to plant our campus organic garden. Over the summer, the garden, which is managed by the SSC, boasted shishito peppers and a variety of herbs including basil, cilantro, dill, mint, tarragon and more. Our on-site café used the peppers and herbs for employees to enjoy.

As the weather changes, so does our garden produce. In the winter months, our garden will grow garlic to be used in café meals and the SSC will offer educational opportunities for its members and the wider RSC employee base.

### Earth Week

As part of our annual Earth Week celebration, the SSC hosted a variety of activities at the RSC, including:

- A campus clean-up consisting of both interior decluttering and exterior beautification projects, through which participating employees collected and recycled nearly 2,500 pounds of waste
- A spring-cleaning donation drive which resulted in donating 2,100 pounds of household items to Goodwill Dublin, a \$1,500 retail value, creating 40 hours of job services to unemployed and underemployed people in Central Ohio
- Speaking engagements on planting a pollinator garden and generating at-home energy savings
- Our annual Idea Forum and Competition

#### FOOTPRINT GOALS AND PROGRESS

##### CLIMATE AND ENERGY

##### WATER

##### WASTE

##### SQUARELY SUSTAINABLE COUNCIL



### Idea Forum and Competition

To harness the creativity of our people and crowdsource new and innovative ideas to help the Company reduce its environmental footprint, the SSC held its second annual Idea Forum and Competition. Four contestants pitched their ideas to members of Wendy's senior leadership team and leaders overseeing sustainability programming for a chance to win funding for their projects. A requirement of the competition, each competing project aligned with council pillars: use less, use better, spark action and engage partners as well as council success metrics.

In 2022, the winning project, "We-Cycle," proposed an on-site e-waste collection program to make it easier for employees to dispose of old computer equipment, cell phones, batteries, fluorescent lightbulbs and similar items. The program launched earlier this year on National Battery Day, February 18, 2023. WeCycle provides a collection point at the RSC for hard-to-recycle items, separated into five battery categories, which are then picked up by a certified electronics recycler.

A woman with blonde hair is smiling and looking out of the driver's side window of a red car. She is holding a black coffee cup in her left hand and a smartphone in her right hand. The phone screen displays a red background with the text "Scan Before You Pay" and a large QR code. The background shows the interior of the car, including the steering wheel and dashboard.

# METRICS

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Reporting

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# Metrics: Food



## External Framework Alignment

Topic	Metric	2022	SASB	GRI
<b>Food Safety</b>	Percentage of restaurants inspected by a food safety oversight body	All our restaurants operate in locations that are subject to regular inspections by public health authorities. Additional information is included in the <a href="#">Food Safety</a> section of our report.	FB-RN-250a.1	
	Number of recalls issued	Zero recalls were issued in 2022. A regional product withdrawal of sandwich romaine lettuce was initiated as a precautionary measure. Additional Information can be found below and in <a href="#">Wendy's 10-K</a> .	FB-RN-250a.2	
<b>Responsible Sourcing</b>	Percentage of food purchased that meets environmental and social sourcing standards	Refer to the <a href="#">Responsible Sourcing</a> section of our report for information on our approach to responsible sourcing of our ingredients.	FB-RN-430a.1	
	Percentage of food purchased that is certified to third-party environmental and/or social standards	See next page. Additional information is included in the <a href="#">Responsible Sourcing</a> section of our report.	FB-RN-430a.1	
	Percentage of eggs that originated from a cage-free environment	7% of the eggs we purchased for our U.S. restaurants were cage-free. Additional information is included in the <a href="#">Responsible Sourcing</a> section of our report.	FB-RN-430a.2	
	Percentage of pork that was produced without the use of gestation crates	100% of confirmed pregnant sows in the U.S. and Canada supply chain. Additional information is included in the <a href="#">Responsible Sourcing</a> section of our report.	FB-RN-430a.2	
	Percentage of food purchased that meets environmental and social sourcing standards <sup>131</sup>		FB-RN-430a.1	
	<b>All ingredients:</b> Wendy's Code of Conduct (U.S. and Canada restaurants)	100%	FB-RN-430a.1	

# Metrics: Food



## External Framework Alignment

Topic	Metric	2022	SASB	GRI	
Responsible Sourcing	<b>Beef:</b> Progressive Beef (U.S. restaurants)	49%	FB-RN-430a.1		
	<b>Beef:</b> Beef Quality Assurance (U.S. restaurants)	100%	FB-RN-430a.1		
	<b>Beef and Pork:</b> Professional Animal Auditor Certification / North American Meat Institute Animal Welfare (U.S. and Canada restaurants)	100%	FB-RN-430a.1		
	<b>Chicken:</b> Professional Animal Auditor Certification / National Chicken Council Animal Welfare (U.S. restaurants)	100%	FB-RN-430a.1		
	<b>Chicken:</b> Raised Without Antibiotics Important to Human Medicine <sup>[3]</sup> (U.S. restaurants)	100%	FB-RN-430a.1		
	<b>Pork:</b> Pork Quality Assurance Plus (U.S. restaurants)	100%	FB-RN-430a.1		
	<b>Fish:</b> Marine Stewardship Council (U.S. restaurants)	100%	FB-RN-430a.1		
	<b>Dairy Products:</b> National Dairy FARM Program (U.S. restaurants)	100%	FB-RN-430a.1		
	<b>Fresh Produce:</b> Certain suppliers of fresh produce are subject to Wendy's requirement to provide additional third-party assurances and requirements related to human rights and labor practices	Additional information can be found on our <a href="#">Supply Chain Practices</a> webpage.		FB-RN-430a.1	
	<b>Coffee:</b> Sourced with a 3rd party sustainability certification (U.S. and Canada)	100%		FB-RN-430a.1	
<b>Palm Oil:</b> Roundtable on Sustainable Palm Oil (All U.S. and Canadian restaurants)	100% RSPO certified through RSPO-MB or Palm Trace credits.		FB-RN-430a.1		

# Metrics: People



## External Framework Alignment

Topic	Metric	2022	SASB	GRI
Community	Charitable giving as cash per year	The Company, together with franchises and employees, raised more than \$19 million to <a href="#">DTFA (Give Something Back)</a> and the Company donated more than \$130,000 to additional charitable organizations ( <a href="#">Community</a> ).		
	Number of children adopted through DTFA	Refer to the <a href="#">Community</a> section of our report for information on Wendy's continued support of DFTA's mission to find forever families for children in foster care.		
	Number of Company- and franchise-operated restaurants	Company-operated restaurants: 415 Franchise-operated restaurants: 6,680	FB-RN-000.A	
	Number of Company-employees and franchise team members	The number of Company employees worldwide, including our corporate employees and Company-operated restaurant employees, was approximately 14,500 at year-end 2022. Approximately 225,000 team members work across our franchised locations globally.	FFB-RN-000.B	
System Health and Engagement	Franchise financial health reviews <sup>[4]</sup>	On an annual basis, the Company collects financial statements from our franchisees to review and understand overall System financial health and also to review health at an individual franchise level. This information is also used in determining if a franchisee can continue to grow with the Wendy's brand through new restaurant development or acquisition of additional restaurants.		
		In 2021, our U.S. franchisee sales and EBITDA dollars grew by approximately 8% and over 1% respectively compared to the prior year. These strong results laddered to approximately 10% sales growth and 20% EBITDA dollar growth on a 2-year basis.		

## Metrics: People



### External Framework Alignment

Topic	Metric	2022	SASB	GRI
<b>System Health and Engagement</b>	Total number of jobs created, by employment category, at Company-operated restaurants	On average, every new restaurant we open creates 35-40 new jobs in that local community.		401-1
	Average hours of training per year per employee	Approximately 20 hours per restaurant employee globally, across our System. Additional information is included in the <a href="#">Education and Training</a> section of our report.		404-1
<b>People</b>	Percentage of diversity representation (1) across the workforce, (2) at senior management level, and (3) at board level	Refer to the <a href="#">Diversity and Inclusion</a> section of our report for the percentage of diversity representation of Company employees globally.		405-1
	Ratio of basic salary and remuneration of women to men	For our U.S. Company employees at all levels of our restaurant employees (crew to District Manager), the base salary ratio ranges from 1 : 0.96 to 1 : 1.01 (male : female). For our U.S. Company employees that support restaurants, the base salary ratio ranges from 1 : 0.93 to 1 : 1.07 (male : female).		405-2
<b>Labor practices</b>	Total amount of monetary losses as a result of legal proceedings associated with labor law violations and employment discrimination	Refer to the <a href="#">Workplace</a> section of our report for information on our labor practices.	FB-RN-310a.3	406-1

## Metrics: Footprint



### External Framework Alignment

Topic	Metric	2019	2020	2021	2022	SASB	GRI	
Greenhouse Gas (GHG) Emissions	<b>Scope 1+2 Emissions by Source (metric tons CO2e)</b>	<b>84,398.14</b>	<b>76,172.31</b>	<b>75,456.16</b>	<b>70,882.76</b>		<b>305-1</b>	
	Scope 1	16,319.51	15,197.81	14,945.10	14,404.56		305-1	
	Natural Gas	10,808.20	10,119.22	9,811.03	9,641.34		305-1	
	Propane	177.88	139.33	159.98	150.59		305-1	
	Generator Fuel	3.98	3.98	3.62	2.36		305-1	
	Fleet Fuel	2,042.45	1,648.29	1,683.47	1,948.25		305-1	
	Jet Fuel <sup>[15]</sup>	-	-	-	567.63		305-1	
	Refrigerants <sup>[16]</sup>	3,287.00	3,287.00	3,287.00	2,094.39		305-1	
	Scope 2 (Electricity)	68,078.64	60,974.50	60,511.06	56,478.21		305-2	
	<b>2030 Scope 1+2 Emissions Reduction Goal (47% = 44,731.02 mtCO2e)</b>							
	Absolute emissions reduction compared to 2019	-	8,225.83	8,941.98	13,515.38		305-2	
	% Emissions reduction compared to 2019	-	-	-	-16%		305-2	
	% Goal Achieved				34%		305-2	
	<b>Scope 1+2 Emissions by Type (metric tons)</b>							<b>305-1</b>
CO2	81,032.82	72,739.55	72,673.27	68,772.95		305-2		
CH4	1.23	1.77	0.29	0.27		305-2		
N2O	0.17	0.36	0.04	0.03		305-2		
HFCs (in CO2e) <sup>[16]</sup>	3,287.00	3,287.00	3,287.00	2,094.39		305-2		

# Metrics: Footprint



## External Framework Alignment

Topic	Metric	2019	2020	2021	2022	SASB	GRI	
Greenhouse Gas (GHG) Emissions	<b>Scope 3 Emissions by Category (metric tons CO2e)</b>	11,935,994	11,145,086	11,751,193	9,639,630		305-3	
	Category 1: Purchased goods and services <sup>[17]</sup>	10,143,417	9,464,892	10,028,674	8,007,224		305-3	
	Metric tons purchased goods	1,479,744	1,418,833	1,459,485	1,203,315			
	Metric tons PG&S CO2e / metric ton purchased goods	6.85	6.67	6.87	6.65			
	<b>2030 Scope PG&amp;S Reduction Goal (47% reduction = 3.63 mtCO2e / metric ton purchased goods)</b>							
	<b>% Goal Achieved</b>	-	-	-	<b>6.26%</b>			
	Category 14: Franchisees <sup>[17]</sup>	1,184,881	1,092,584	1,074,674	1,001,261		305-3	
	Franchise-operated restaurants	6,431	6,467	6,541	6,680			
	Metric tons franchisee CO2e / restaurant	184.25	168.95	164.30	149.89			
	<b>2030 Scope Franchise Reduction Goal (47% reduction = 97.65 mtCO2e / metric ton purchased goods)</b>							
	<b>% Goal Achieved</b>	-	-	-	<b>39.67%</b>			
	Category 2: Capital goods	53,635	36,207	40,282	48,802		305-3	
	Category 3: Fuel and energy-related activities	20,080	14,591	16,079	14,897		305-3	
	Category 4: Upstream transportation and distribution	277,538	277,935	309,890	269,267		305-3	
	Category 5: Waste generated in operations	9,242	9,739	9,317	12,302		305-3	
	Category 6: Business travel	6,121	1,575	2,100	6,136		305-3	
	Category 7: Employee commuting	22,610	23,800	24,650	24,650		305-3	
	Category 8: Upstream leased assets <sup>[18]</sup>	-	-	-	-		305-3	
	Category 9: Downstream transportation and distribution	71,524	74,100	81,739	86,924		305-3	
	Category 10: Processing of sold products <sup>[18]</sup>	-	-	-	-		305-3	
Category 11: Use of sold product <sup>[18]</sup>	-	-	-	-		305-3		
Category 12: End of life treatment of sold products	146,947	149,664	163,789	168,167		305-3		
Category 13: Downstream leased assets <sup>[18]</sup>	-	-	-	-		305-3		
Category 15: Investments <sup>[19]</sup>	-	-	-	-		305-3		

## Metrics: Footprint



						External Framework Alignment	
Topic	Metric	2019	2020	2021	2022	SASB	GRI
Energy Consumed <sup>[20]</sup>	<b>Total Energy Consumed (GJ)</b>	<b>804,288</b>	<b>763,708</b>	<b>760,746</b>	<b>775,065</b>	<b>FB-RN-130a.1(1)</b>	<b>302-1</b>
	Diesel - Mobile	2	2	-	-	FB-RN-130a.1(1)	302-1
	Diesel - Stationary	57	57	52	34	FB-RN-130a.1(1)	302-1
	Gasoline (Petrol) - Mobile	30,580	24,678	25,207	29,272	FB-RN-130a.1(1)	302-1
	Natural Gas	214,692	201,006	194,885	191,514	FB-RN-130a.1(1)	302-1
	Propane	2,974	2,329	2,674	2,517	FB-RN-130a.1(1)	302-1
	Jet Fuel (Jet A or A-1)	-	-	-	8,265	FB-RN-130a.1(1)	302-1
	Electric Power	555,984	535,637	537,928	543,463	FB-RN-130a.1(1)	302-1
	Percentage grid energy consumed	69%	70%	71%	70%	FB-RN-130a.1(2)	
Percentage renewable energy consumed	0%	0%	<1%	1%	FB-RN-130a.1(3)	302-1	



						External Framework Alignment	
Topic	Metric	2020	2021	2022	SASB	GRI	
Packaging <sup>[21]</sup> and waste	Total amount of waste (metric tons)	Please refer to the <a href="#">Waste section</a> of our report for more information on our approach to food waste management				FB-RN-140a.1	306-2
	Percentage of food waste (metric tons)	Please refer to the <a href="#">Waste section</a> of our report for more information on our approach to food waste management				FB-RN-140a.1	306-2
	Total weight of packaging (metric tons)		92,459	87,560		FB-RN-140a.1	301-2
	Percentage of packaging made from recycled and/or renewable materials		33%	37%		FB-RN-140a.1	301-2
	Percentage of packaging that is recyclable, reusable and/or compostable		48%	56%		FB-RN-140a.1	301-2

# Metrics: Footprint



## External Framework Alignment

Topic	Metric	2020	2021	2022	SASB	GRI
Water <sup>[22]</sup>	Total water withdrawn (kgal)	226,546 kgal	159,646 kgal	200,003 kgal	FB-RN-140a.1	303-3
	Total water consumed (kgal) <sup>[23]</sup>	35,525 kgal	26,504 kgal	31,940 kgal	FB-RN-140a.1	303-5
	Percentage of water withdrawn in High Water Stress Markets	-	13%	15%	FB-RN-140a.1	303-5
	Percentage of water withdrawn in Extremely High Water Stress Markets	-	38%	30%	FB-RN-140a.1	303-5

Methodology: Water use in Company operated restaurants and the RSC is measured annually via utility bills. Water stress was most recently evaluated in 2021, utilizing the World Resource Institute's Water Risk Atlas tool. Additional information is included in the Water Conservation section of our report.

## Metrics: Sustainability Accounting Standards Board (SASB)

SASB is an independent nonprofit organization that sets standards to guide the disclosure of financially material sustainability information by companies to their investors. We are reporting in line with the voluntary SASB Restaurants Standard.

Topic	Accounting Metric	Code	2022
<b>Energy management</b>	1) Total energy consumed <sup>[24]</sup> , (2) percentage grid electricity, (3) percentage renewable	FB-RN-130a.1	(1) Total energy consumed: 775,065 GJ (2) Percentage grid electricity: 70% (3) Percentage renewable: 1%  Additional information is included in the <a href="#">Climate and Energy</a> section of our report.
<b>Water management</b> <sup>[25]</sup>	(1) Total water withdrawn, (2) total water consumed <sup>[26]</sup> , percentage of each in regions with High or Extremely High Baseline Water Stress	FB-RN-140a.1	(1) Total water withdrawn: 200,003 kgal % in High Water Stress markets: 15% % in Extremely High Water Stress markets: 30%  (2) Total water consumed: 31,940kgal % in High Water Stress markets: 8% % in Extremely High Water Stress markets: 1%  Additional information is included in the <a href="#">Water</a> section of our report.
<b>Food &amp; packaging waste management</b>	(1) Total amount of waste, (2) percentage food waste, and (3) percentage diverted	FB-RN-150a.1	Refer to the <a href="#">Waste</a> section of our report for information on our approach to food waste management.
	(1) Total weight of packaging, (2) percentage made from recycled and/or renewable materials, and (3) percentage that is recyclable, reusable, and/or compostable	FB-RN-150a.2	(1) 87,560 metric tons (2) 37% (3) 56%
<b>Food safety</b>	(1) percentage of restaurants inspected by a food safety oversight body, (2) percentage receiving critical violations	FB-RN-250a.1	All our restaurants operate in locations that are subject to regular inspections by public health authorities. Additional information is included in the <a href="#">Food Safety</a> section of our report.

## Metrics: Sustainability Accounting Standards Board (SASB)

Topic	Accounting Metric	Code	2022
<b>Food safety</b>	(1) Number of recalls issued and (2) total amount of food product recalled	FB-RN-250a.2	Zero recalls were issued in 2022. A regional product withdrawal of sandwich romaine lettuce was initiated as a precautionary measure. Additional Information can be found below and in Wendy's <a href="#">10-K</a> .
	Number of confirmed foodborne illness outbreaks, percentage resulting in U.S. Centers for Disease Control and Prevention (CDC) investigation	FB-RN-250a.3	In August 2022, the CDC investigated a multistate outbreak of E. coli in which many of the impacted individuals reported having eaten at a Wendy's restaurant and most reported consuming sandwich romaine lettuce. In October 2022, the CDC announced that the outbreak was over and that the specific source of the outbreak had not been confirmed. Additional information can be found on the CDC's <a href="#">website</a> and in Wendy's <a href="#">10-K</a> .
<b>Nutritional content</b>	(1) percentage of meal options consistent with national dietary guidelines and (2) revenue from these options	FB-RN-260a.1	Refer to our <a href="#">Nutrition &amp; Allergens</a> webpage for information on our approach to nutritional content.
	(1) percentage of children's meal options consistent with national dietary guidelines for children and (2) revenue from these options	FB-RN-260a.2	Refer to our <a href="#">Nutrition &amp; Allergens</a> webpage for information on our approach to nutritional content.
	Number of advertising impressions made on children, percentage promoting products that meet national dietary guidelines for children	FB-RN-260a.3	Refer to our <a href="#">Nutrition &amp; Allergens</a> webpage for information on our approach to nutritional content.
<b>Labor practices</b>	(1) Voluntary and (2) involuntary turnover rate for restaurant employees	FB-RN-310a.1	Refer to the <a href="#">Workplace</a> section of our report for information on our labor practices.
	(1) Average hourly wage, by region and (2) percentage of restaurant employees earning minimum wage, by region	FB-RN-310a.2	Refer to the <a href="#">Workplace</a> section of our report for information on our labor practices.
	Total amount of monetary losses as a result of legal proceedings associated with (1) labor law violations and (2) employment discrimination	FB-RN-310a.3	Refer to the <a href="#">Workplace</a> section of our report for information on our labor practices.

## Metrics: Sustainability Accounting Standards Board (SASB)

Topic	Accounting Metric	Code	2022
<b>Supply chain management &amp; food sourcing</b>	Percentage of food purchased that (1) meets environmental and social sourcing standards and (2) is certified to third-party environmental and/or social standards	FB-RN-430a.1	Additional information is included in the <a href="#">Responsible Sourcing</a> section of our report.
	Percentage of (1) eggs that originated from a cage-free environment and (2) pork that was produced without the use of gestation crates for confirmed pregnant sows	FB-RN-430a.2	(1) 7% of the eggs we purchased for our U.S. restaurants were cage-free; (2) 100% of pork purchased in U.S. and Canada, to align with our goal.  Additional information is included in the <a href="#">Responsible Sourcing</a> section of our report.
	Discussion of strategy to manage environmental and social risks within the supply chain, including animal welfare	FB-RN-430a.3	We strive to continuously improve how we source ingredients and how we demonstrate accountability for ethical business practices, sustainability and social responsibility. Our strategy and approach is included in the <a href="#">Responsible Sourcing</a> section of our report.

Activity metric	Code	2022
Number of (1) Company-owned and (2) franchise-operated restaurants	FB-RN-000.A	(1) Company-operated restaurants: 415 (2) Franchise-operated restaurants: 6,680
Number of employees at (1) Company-operated and (2) franchise-operated locations	FB-RN-000.B	(1) The number of Company employees worldwide, including our corporate employees and Company-operated restaurant employees, was approximately 14,500 as of year-end 2022. (2) Approximately 225,000 team members work across our franchised locations.

## Metrics: Sustainability Accounting Standards Board (SASB)

- [13] We require all chicken suppliers in the U.S. to maintain the Raised Without Antibiotics Important to Human Medicine certification by the United States Department of Agriculture Process Verified Program.
- [14] As we collect franchise financials after they complete their year-end close and reporting processes, this metric is reported on a one-year lag.
- [15] Wendy's started collecting jet fuel data in 2022.
- [16] Wendy's began collecting refrigerant data in 2021 and used that information as an estimate for 2019 and 2020.
- [17] Wendy's began calculating progress against our Scope 3 emissions reduction targets in 2022.
- [18] Categories 8, 10, 11 and 13 are not applicable to Wendy's.
- [19] Category 15 is included in Category 14 (franchisees), as our investment properties are franchise-operated.
- [20] Total energy consumed includes Diesel – Mobile, Diesel – Stationary, Natural Gas, Propane, Gasoline, Jet Fuel and Electric Power used, converted to gigajoules (GJ).
- [21] This refers to consumer-facing packaging in the U.S. and Canada.
- [22] Water metrics cover Company-operated restaurants and corporate offices where Wendy's receives utility invoices and does not include facilities where water is provided by the landlord and not metered or invoiced by a utility company. Additionally, any well water used is not reflected.
- [23] Water consumed reflects water usage that is separately metered for irrigation and does not include instances where irrigation usage is not metered or water that may be consumed through other uses, such as that used as drinking water in our restaurants.
- [24] Total energy consumed includes Diesel – Mobile, Diesel – Stationary, Natural Gas, Propane, Gasoline, Jet Fuel and Electric Power used, converted to gigajoules (GJ).
- [25] Water metrics cover Company-operated restaurants and corporate offices where Wendy's receives utility invoices and does not include facilities where water is provided by the landlord and not metered or invoiced by a utility company. Additionally, any well water used is not reflected.
- [26] Water consumed reflects water usage that is separately metered for irrigation and does not include instances where irrigation usage is not metered or water that may be consumed through other uses, such as that used as drinking water in our restaurants.