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1 November 2023

The Manager

Market Announcements Office

Australian Securities Exchange

4<sup>th</sup> Floor, 20 Bridge Street

SYDNEY NSW 2000

Dear Sir

**Sustainability Report for the 2023 Financial Year**

Please find attached for immediate release the Sustainability Report for the Company for the year ended 02 July 2023.

For further information, contact Nathan Scholz, Head of Investor Relations at [investor.relations@dominos.com.au](mailto:investor.relations@dominos.com.au) or on +61-419-243-517.

Authorised for lodgement by the Board.

**Craig Ryan**

**Company Secretary**

**END**

DOMINO'S PIZZA ENTERPRISES LTD

# SUSTAINABILITY REPORT FY23



*Our PIZZA BRINGS  
People closer*





# SPECIAL THANKS TO

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# CHAIRMAN & CEO MESSAGE

Dear stakeholders,

At Domino's Pizza Enterprises Ltd, our commitment to sustainability remained unwavering throughout the 2022-23 financial year, and this report is a testament to the recent progress we have made on our journey towards a more sustainable and responsible future.

In a world facing increasingly complex environmental and social challenges, we have an obligation to our stakeholders and wider society to act responsibly and contribute to positive change. Sustainability is not just a buzzword for us; it is at the core of our values and integral to our business strategy.

Our environmental, social and governance (ESG) approach, Domino's for Good, is about ensuring we continue to operate as a responsible business in line with our values.

In response to rising inflation, in FY23 our management teams worked to ensure a positive outcome for customers and franchise partners. Not all of the decisions delivered the expected results; however, our long-term, values-driven approach ensured our franchise partners were able to weather the storm in the short term.

Domino's relies on its franchise partners to run profitable, sustainable businesses that employ more than 100,000 team members and serve local communities around the world. While we did not always get our pricing right in FY23 – as reflected in this year's annual report – our decisive action ensured the sustainability of more than 1,000 small business owners whose livelihoods rely on the Domino's brand.

Our franchise partners are well positioned to deliver on our mission of becoming the dominant, sustainable Quick Service Restaurant (QSR) in each of our markets by 2030. This extends to all of our operations, including our supply chain. This is why we are working closely with our partners to achieve our environmental and sustainability goals.

In FY23, we were the first QSR, and among the first 10 companies globally, to have our environmental targets validated by the Science Based Targets initiative (SBTi) according to the latest scientific guidance on Forest, Land, and Agriculture (FLAG). These targets also include our commitment to reach net-zero emissions by 2050.

We also reached a number of other important sustainability-related milestones during the year.

These include:

- We launched our **Domino's Dairy Initiative** with our main dairy supplier to drive an ethical and sustainable dairy supply chain.
- We **raised ethical standards on modern slavery** across our supplier network in Australia and New Zealand. We conducted a comprehensive supplier assessment process, using the Ethixbase Modern Slavery Questionnaire. None of our 54 food business partners were considered 'high risk', and we conducted enhanced due diligence on the four business partners that were considered medium risk and took appropriate steps to mitigate these risks.
- We took further steps in ensuring responsible business conduct with our **new Responsible Sourcing Policy**, and subsequent Deforestation and Human Rights policies. These are now available on our website.
- We started rolling **out in-house dough** production in Japan, Taiwan, Malaysia, Cambodia and Singapore. This reduced carbon emissions and cost per product for our stores.
- The **Handiwork Project**, launched in October 2022 in France, is a groundbreaking initiative aimed at introducing individuals with disabilities to our profession, with the ultimate goal of welcoming them into our workforce.

- Our Global Learning Programme – **Path to Excellence** – which was introduced in FY22, has been fully rolled out across Australia and New Zealand. More than 25,000 team members are now active on the platform, with access to live advanced data and analytics dashboards.

In conclusion, we would like to extend our gratitude to our team members, franchise partners, customers, business partners, shareholders and all stakeholders for their unwavering support over the past year. Together, we are building a future in which economic prosperity can coexist harmoniously with environmental stewardship and social equity.

Thank you for being part of our mission to create a better slice for everyone.

Sincerely,

**Jack Cowin**  
Chairman

**Don Meij**  
Group CEO and Managing Director



# CHIEF ESG OFFICER MESSAGE



Dear stakeholders,

I am honoured to share our FY23 sustainability report, in which we update you on the progress made over the past year as we strive to make a positive impact on our planet and communities.

It brings me immense pride to announce that we are leading the way as the first QSR, and one out of the first 10 pioneering companies globally, to have our science-based environmental targets validated. These targets are aligned with the latest scientific guidance on FLAG. In addition to our commitment to achieving net-zero emissions, Domino's has pledged to reduce greenhouse gas emissions (GHG) by 65% per product sold by FY31 compared with FY21 levels. Furthermore, we are firmly committed to halting deforestation in our supply chain by 2025. You can find comprehensive details on these commitments in this report.

We are grateful for the endorsement of our science-based targets by the SBTi. Equally significant is our proactive action towards achieving these targets today.

Our Domino's Dairy Initiative serves as a prime example of our proactive stance. We are concentrating our efforts on areas where we can make the most substantial difference and have the greatest impact: our dairy. Dairy and animal-based proteins accounted for 36% in FY23 of our total GHG emissions, and our Dairy Initiative aims to drive an ethical and sustainable dairy supply chain.

At DPE, we firmly believe in the power of partnerships, and we collaborate closely with our suppliers, guided by experts in environmental, animal welfare and social matters. These partnerships ensure that we make responsible decisions that benefit all of our stakeholders.

Our goal is to provide high-quality, affordable meals that do not harm the planet without compromising customers' taste preferences.

We are committed to delivering 'food without regret' by focusing on sustainable product innovation and developing a group philosophy on food that translates this goal into practice.

Meanwhile, we are working to make our stores and operations more sustainable by increasing the use of fossil-free vehicles, lowering our energy consumption and reducing waste. This supports our commitment to limit our contribution to global warming. It is also a strategic investment in our business.

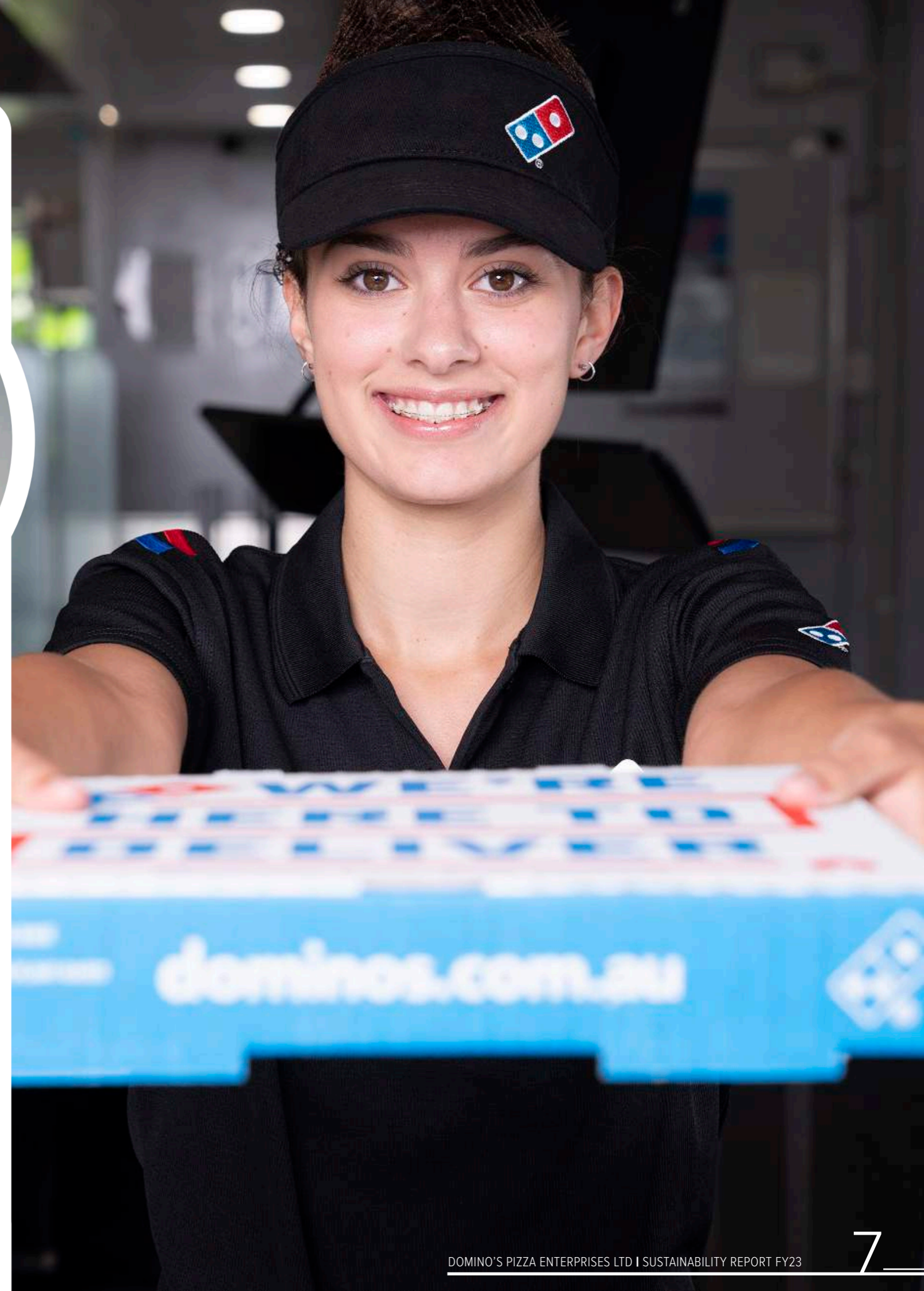
Ultimately, we aim to achieve a better slice for everyone, from the farmers who grow our ingredients, to our franchise partners who make and deliver our meals, to our customers who enjoy our pizzas.

In our FY23 sustainability report, we continue to adhere to the Global Reporting Initiative and Sustainability Accounting Standards Board (SASB) reporting frameworks.

We are Domino's Pizza Enterprises Ltd, and this is our sustainability story for the 2023 financial year.

Warm regards,

**Marika Stegmeijer**  
Chief ESG Officer





# FY23 KEY HIGHLIGHTS

LET'S KEEP IT SHORT



**1,065**

FRANCHISE PARTNERS  
ACROSS OUR MARKETS

One of the first  
**10 COMPANIES GLOBALLY**  
with approved  
**SCIENCE-BASED FLAG TARGETS**



SCIENCE  
BASED  
TARGETS

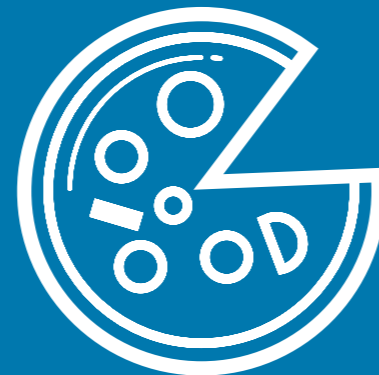
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

**IMPROVED  
ONLINE  
ORDERING  
EXPERIENCE**

SAVING BETWEEN 30 AND  
45 SECONDS PER ORDER

**6 MARKETS**  
are free from  
**ARTIFICIAL COLOURS**

**DONATED**  
APPROXIMATELY  
**130,700**  
**PIZZAS**



INCREASED SOURCING  
CAGE FREE EGGS  
**FROM 11.65% TO 27%**  
**IN AUSTRALIA**  
and  
**FROM 9% TO 22%**  
**IN NEW ZEALAND**

We increased our  
ProVeg ranking from  
**6<sup>th</sup> to 3<sup>rd</sup> PLACE**

FOR THE MOST  
VEGAN-FRIENDLY  
RESTAURANT CHAIN  
IN GERMANY

CARBON FOOTPRINT FY23:  
**1.51 million**  
metric tonnes of  
**CO<sub>2</sub> equivalent**

**100%**

OF OUR STORES IN THE BENELUX  
are supplied with more efficient  
**DOUGH BALL TRAYS**, reducing the number  
of trucks needed for transportation

DAIRY and  
ANIMAL-BASED PROTEINS  
ACCOUNTED FOR  
**36%**  
of our total GHG emissions

**DOMINO'S FOR GOOD DAY**  
raised more than **AUD 158,000**  
ACROSS AUSTRALIA, NEW ZEALAND AND JAPAN



AROUND  
**100,000**  
**EMPLOYEES**

ACROSS OUR ENTIRE NETWORK,  
INCLUDING OUR  
FRANCHISED NETWORK

Workplace giving  
donations increased by  
**12% IN AUSTRALIA**  
compared to FY22





# THIS IS WHAT WE STAND FOR OUR COMPANY

## AT A GLANCE AS AT FY23

We are an Australian-headquartered company of pizza people with a global presence. In FY23, we owned the master franchise for Domino's in Australia, New Zealand, Belgium, France, the Netherlands, Japan, Germany, Luxembourg, Denmark, Cambodia, Taiwan, Malaysia and Singapore. In June 2023, we announced our intention to exit the Danish market. We originally expected our Danish business to grow to 150 stores; however, despite world-class operations, we were unable to overcome the legacy of the previous owners that left the business in a brand-damaged state.

The Domino's brand is owned by Domino's Pizza Inc., a publicly listed company in the United States of America (US). We are the largest Domino's brand franchisee outside of the US.

## FY23 facts

**Domino's Pizza Enterprises Ltd**  
Headquarters, Brisbane,  
Australia Publicly traded on the  
Australian Stock Exchange as DMP

**3,782 STORES**

876 corporate stores and  
2,906 franchised stores

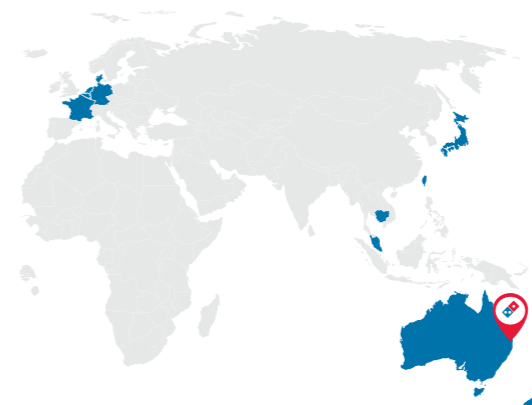
**13 MARKETS**

**>100,000**

Team members across our combined  
corporate franchised networks

**36 million**

Unique customers represent nearly 10%  
of our markets' total population.



Direct operations in Australia, Belgium,  
Cambodia, Denmark, France, Japan,  
Germany, Luxembourg, Malaysia,  
Taiwan, New Zealand, Singapore  
and the Netherlands.



# MISSION, PURPOSE AND VALUES

## COMPANY MISSION

Our mission is to become the dominant, sustainable delivery Quick Service Restaurant (QSR) in every market by 2030. It is a mission that carries through to all of our operations, including our supply chain. That's why we work closely with our partners to achieve our environmental and sustainability goals.

## OUR PURPOSE

We live in a world where the hard-wired human need for social connection – seemingly better enabled than ever before – is breaking down. People crave belonging, while they assert their right to be different.

We smash the prevailing wisdom that says you cannot have quality, speed and low price – all together. This puts the world's most delicious and versatile bonding food within reach of every person.

We are a pizza company that uses technology and insights to break down barriers and better serve our customers. We have achieved industry firsts in drone delivery, app ordering, store simulation for optimum design, and on-the-go employee training.

We continually improve and innovate our product and processes to give our customers a world-class ordering experience that satisfies their individual food preferences, every time.

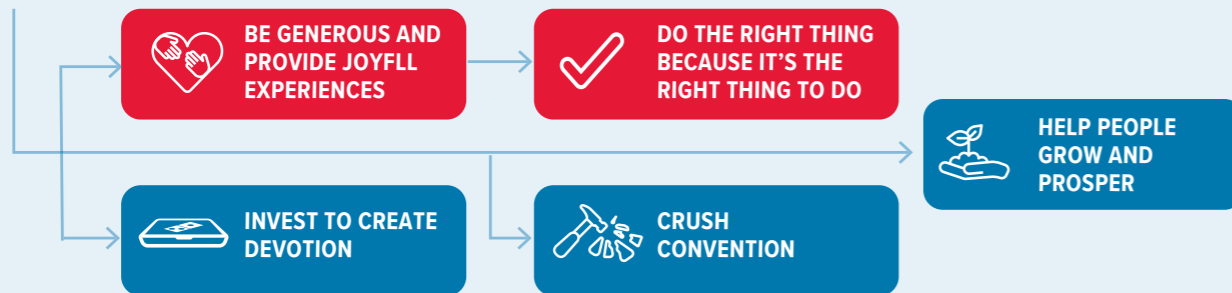
**“OUR MISSION IS TO BECOME THE DOMINANT, SUSTAINABLE DELIVERY QSR IN EVERY MARKET BY 2030.”**



## OUR PURPOSE: WHY WE EXIST

**OUR PIZZA BRINGS PEOPLE CLOSER**

## OUR VALUES: HOW WE BEHAVE



## OUR VALUES

We achieve our purpose through five core values that are shared by our support office team members, franchise partners, store managers and other team members.

Our company values are to:

- 1 Be generous and provide joyful experiences
- 2 Crush convention
- 3 Invest to create devotion
- 4 Help people grow and prosper
- 5 Do the right thing, because it's the right thing to do



### BE GENEROUS AND PROVIDE JOYFUL EXPERIENCES

For many years, Domino's has lived by the motto: 'Sell more pizza, have more fun'. Fun is what makes coming to work at Domino's so enjoyable. But it's the fun we share with our customers that makes our work truly worthwhile. Let's share our spirit of optimism, empathy and generosity with every customer and team member.



### INVEST TO CREATE DEVOTION

A satisfied customer may come back again, but a devoted customer is a customer for life. To achieve this, we need to be obsessed with providing a brilliant Domino's experience. We must invest in ideas that help us better understand our customers and delight the most demanding people.



### CRUSH CONVENTION

We have big ambitions as a business and we'll only achieve them if we innovate. Conventional wisdom says you can't be fast, provide high quality and offer great value. We aim to deliver all three again, and again, and again. When we do, we are unbeatable. It requires extraordinary thinking, technology and people.



### HELP PEOPLE GROW AND PROSPER

We want to make people better off – our team members, our franchise partners, our investors and the communities we call home. Many of the senior leaders in this business began on the front line and we want that tradition to continue. We want to help our people grow and prosper...all the way to the top!



### DO THE RIGHT THING BECAUSE IT'S THE RIGHT THING TO DO

Working at Domino's comes with a big responsibility – to care for our team and the communities that depend on us. We hold ourselves to a high standard of integrity and recognise how valuable, yet fragile, trust can be. At the end of the day... we want to do the right thing, because it's the right thing to do.



## OUR BUSINESS MODEL

Domino's Pizza Enterprises Ltd (DPE) is a pizza business, managed by pizza people. Our business model is straightforward – strong unit economics allow Domino's and our franchise partners to open more stores closer to customers. This strategic positioning creates an additional local customer base of takeaway customers and enables a quicker, more consistent delivery experience.

Delivery customers account for more than half of Domino's sales, and we know they are more likely to reorder from us after a positive customer experience. Shortening the distance between the store and our customers provides this experience by giving them a hotter, fresher meal. Moreover, it costs franchise partners less to reach customers when they are nearby, allowing them to reinvest in better service or a more affordable meal.

As well as being guided by DPE's purpose and values, management also applies the principles of 'High Volume Mentality' (HVM), which has been a cornerstone of our business since the company was founded. HVM motivates our team to confront and overcome physical and mental barriers that may stand in the way of sales growth.

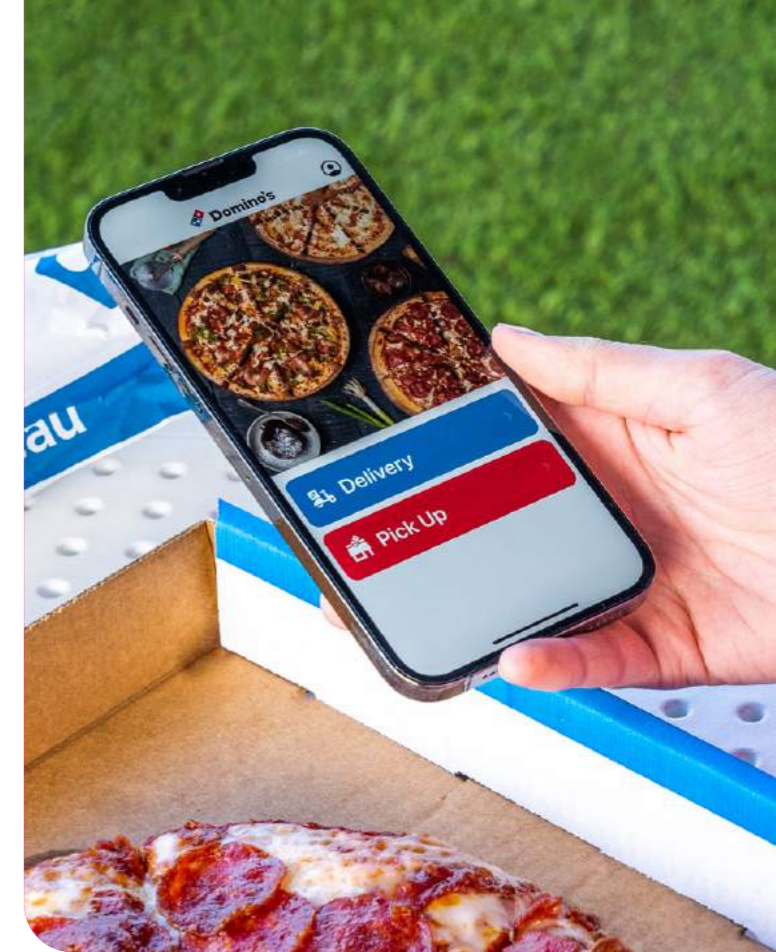
Increasing our sales, while keeping fixed and semi-fixed costs relatively low, enables us to improve unit economics and franchisee profitability, and we can pass on the benefits of increased efficiency to our customers. The result is a focus on value: high-quality meals that use cheese, vegetables, wheat, protein and other ingredients responsibly sourced from world-class partners, delivered safely and quickly, at an affordable price. This is exemplified by Domino's 'Crush Convention' value. Every Domino's team member knows that customers do not have to choose between speed, quality and affordability – at Domino's, customers get the best of all worlds.

Ultimately, a lower cost base combined with loyal customers who engage more frequently drives strong unit economics.

This flywheel effect consistently delivers benefits to our franchise partners and DPE. Indeed, it represents the best of Domino's values, including our commitment to helping our people grow and prosper.



**“WE SEE OUR SUPPLIERS AS BUSINESS PARTNERS. IN KEEPING WITH OUR VALUE OF ‘INVESTING TO CREATE DEVOTION’, THESE SOLID PARTNERSHIPS ARE KEY TO KEEPING OUR BUSINESS STRONG.”**



### A TRUSTED SUPPLY CHAINS KEEP US RESILIENT

Domino's revenue is fuelled by higher, more profitable food sales, which boost royalties throughout our system. Our robust supply chain ensures competitive pricing, sustainability, resilience and strong relationships with trusted, ethical suppliers. This makes Domino's the best hub for our franchise partners to source their ingredients and other supplies. The importance of strong supply chains has never been more evident than during the COVID-19 pandemic. While other businesses were hit by global supply chain disruptions that affected their ability to operate, Domino's was able to continuously deliver high-quality products at an affordable price through our partnerships with large, well-resourced suppliers. That said, we still faced extraordinary challenges last year, but our partnership teams rose to the occasion each time. We navigated through natural disasters and conflicts that affected the supply of key ingredients and packaging. In some cases, our suppliers felt compelled to invoke 'force majeure' on standing, long-term fixed-price contracts.

We see our suppliers as business partners. Adhering to our value of 'investing to create devotion', these solid partnerships were key to keeping our business strong during this period.

### DIGITAL DELIVERY DRIVES OUR FUTURE

Domino's growth over the past decade has been underpinned by our expertise in digital delivery through the implementation of our OneDigital technology platform in every market. We served a record number of customers, who are increasingly ordering online for home delivery. Embedding a strong technology platform ensures a seamless experience, which also allows us to understand our customers' preferences. By using OneDigital in multiple markets, we can develop and apply technology at a Group level, applying the efficiencies of scale tailored to local preferences. This includes innovations such as delivery guarantees and the ability for customers to choose how they want their meals delivered.

### CONVENIENCE IS OUR ADVANTAGE

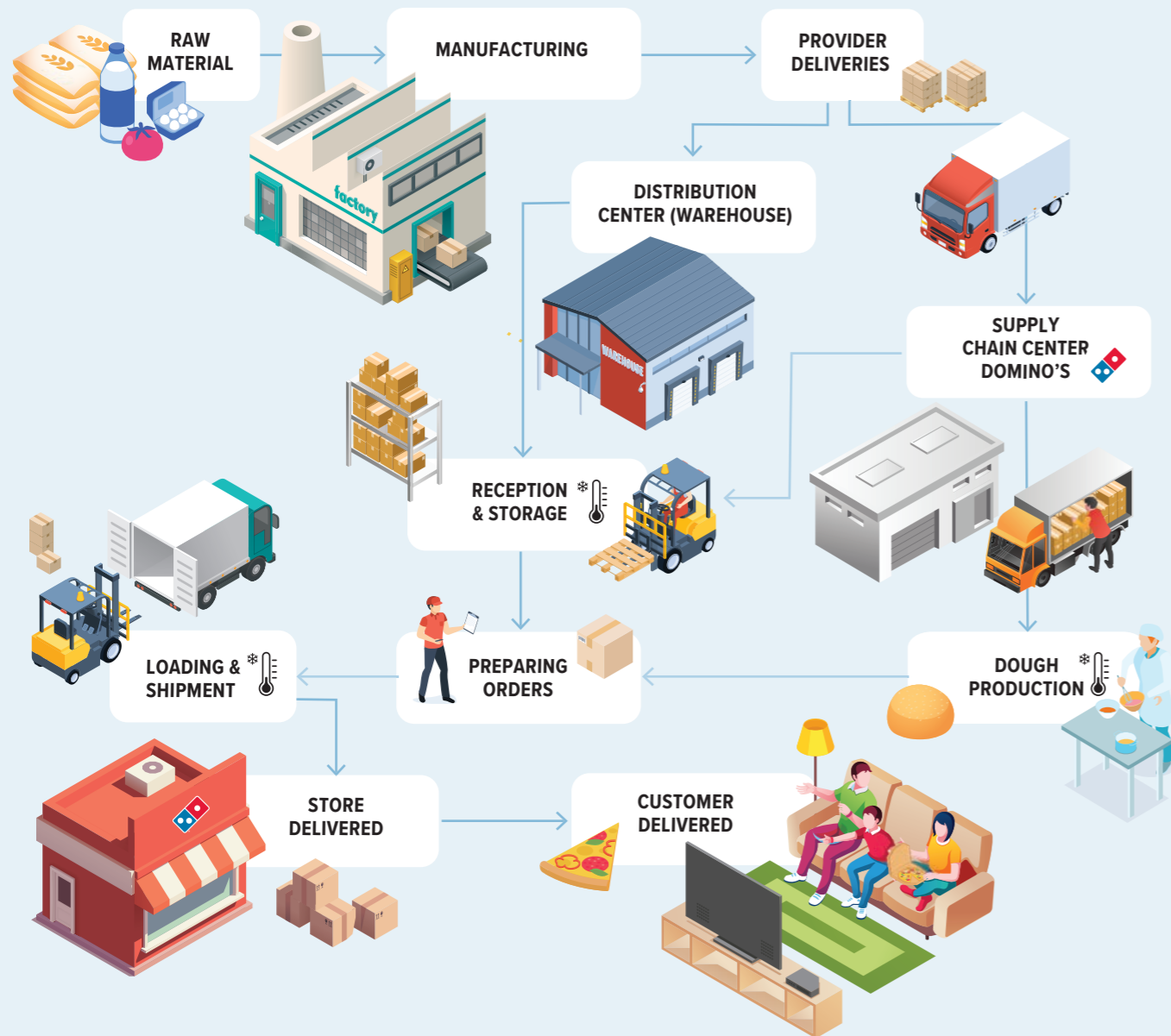
While pizza remains our core business, our customers also enjoy our other complementary offerings such as garlic bread, chicken dishes, desserts and salads. These offerings are prepared in Domino's kitchens and are designed for delivery, and we know they add convenience to our customers' experience. They give our stores a competitive edge over other businesses who retrofit their offerings to include delivery.



## OUR SUPPLY CHAIN

Since COVID-19, we have been developing a stronger and more sustainable relationship with our suppliers. We view our suppliers as business partners, an observation that has led us to rename our Supply Chain department as our Partnerships department to strengthen the relationship and increase transparency. This department includes Procurement, Logistics, Supply Chain, Quality and Food Safety; a structure that we apply in each of our markets. We have also established dedicated local partnerships teams for each market we serve to support local sourcing and development more efficiently.

We work strategically with both our business partners and their upstream primary producers to ensure traceability and transparency about the origin of the materials we source. We recognise that one of the most significant ways we can create a positive impact on the world is through our products and services value chains. The farmers and business partners who grow, produce and deliver our products to us are vital to our success, and it is imperative that our business partners and their upstream supply chains are aligned with and committed to our responsible sourcing policy.



## KEY TRENDS

### CONSUMER PREFERENCES AND PERCEPTIONS

To succeed in the food service and Quick Service Restaurant businesses, we must be able to respond rapidly to changes in consumer tastes and preferences, as well as demographic trends. Our business and financial results could be adversely affected by changes in consumer preferences. We manage this risk by actively engaging with our customers through social media, consumer data and research, innovative product development and regional menu updates.

### ATTRACTING AND RETAINING GREAT PEOPLE

Recruiting and retaining valuable team members can be a challenge in any country. Our stores rise to this challenge by using locally relevant approaches to attract people to the Domino's family who may not have previously considered us as a potential employer, or even as a long-term career option. By using social media, partnering with other companies and simplifying the application process, we have targeted recruitment campaigns to reach new groups. Internally, we provide attractive career development opportunities for our people through easily accessible training programmes and professional development workshops.

### COMPETITION

DPE operates in a highly competitive market. Our financial performance and operating margins may be adversely affected if the actions of competitors or potential competitors become more effective, or if new competitors enter the market. To mitigate this type of risk, we closely monitor the markets in which we operate so we can respond quickly to competitor activity including the entry of new competitors.

### REPUTATION AND BRAND

DPE's performance depends on its reputation and the strength of its brand. However, unforeseen issues or events that threaten our reputation can impact our future growth and profitability. We mitigate this risk by focusing on material risks, including the safety of our food and our people, and by maintaining mutually beneficial relationships with key stakeholders and by supporting local and regional community initiatives and fundraising events that align with the Domino's values.



### ONLINE ORDERING PLATFORMS

Increasingly, the vast majority of DPE sales are conducted through online ordering platforms. We use third-party data centres and expert teams to develop and host these online platforms. A loss of platform or application availability or integrity can have a short-term impact on our growth and profitability, including poor customer experience, loss of revenue and a potentially negative impact on our franchise partner relationships. We mitigate this risk through controls and processes designed to protect the availability and functionality of these platforms, including data centre replication and other redundancy methods.

### CYBERSECURITY

The growing risk of sophisticated cyberattacks poses an ongoing threat to our operations. A cyber incident, such as a ransomware attack or a data breach, could disrupt our operations, compromising or corrupting confidential information, or damage our employee and business relationships. Any of these scenarios could expose DPE to potential financial losses or damage our brand. We therefore invest in risk mitigation activities that prevent and detect cyber events and allow us to respond to and recover quickly from any operational impacts.



### SAFETY

We employ people to run and operate our stores in a safe working environment that provides food products to the public. A health or safety incident arising from store operations or a health incident involving a supplier and the products it uses could impact the health of our customers and/or our financial results. We address this risk through comprehensive internal food safety and quality practices, occupational health and safety practices, audit programmes, customer feedback responses and supplier selection protocols.

### CLIMATE CHANGE

Given the ongoing devastating weather events across the globe, it is clear that immediate action is needed to help mitigate the effects of climate change. Today's businesses have a unique opportunity to assume a leadership role and embrace environmentally responsible practices. As a food company with a strong reliance on dairy and animal-derived proteins, we acknowledge our contribution to greenhouse gas emissions. We have therefore adopted science-based targets that demonstrate our unwavering commitment to building a sustainable future for our industry, our society and our planet. At Domino's, we are committed to continuously pursuing climate action initiatives guided by rigorous scientific principles.

### SUPPLY CHAIN

Any disruption to our supply chain, caused by an interruption to the availability of key components and raw materials, or environmental and societal issues, has the potential to affect our sales or customer relationships, which can lead to unexpected costs. We mitigate this risk by implementing a multi-sourcing strategy for the supply of raw materials, building long-term relationships with suppliers, conducting supplier due diligence and risk management, and establishing contacts that ensure regular and timely procurement of raw materials.

### INFLATION AND ECONOMIC CONDITIONS

In a challenging economic environment, high unemployment, increasing labour costs, rising interest rates and continued inflation hikes can all lead to consumer reluctance to spend or changes in consumer behaviour, which can impact our financial results. While most of these factors are beyond our control, we engage in a competitive bidding process for our ingredients and utility services to reduce these risks over the medium term.

For customers, DPE offers a range of pricing strategies that balance the need to deliver sustainable unit economics for our franchise partners, while delivering great value to our customers. We are proud of our ability to learn what works and adapt quickly when it does not. Our digital ordering solutions including app-only deals, extensive owned media channels, and community-focused marketing campaigns, give us the opportunity to gain new customers and repeat orders from our existing fans.

### FRANCHISE RISK

DPE's right to operate Domino's Pizza stores and grant franchises in Australia, New Zealand, Europe, Japan, Taiwan, Malaysia, Singapore and Cambodia is provided by separate Master Franchise Agreements (MFAs). These may be terminated in certain circumstances, such as breach by DPE. If an MFA in respect of a territory is terminated, DPE will lose the right to operate Domino's Pizza stores in that territory, which will greatly impact its business. We address this risk by maintaining a close working relationship with its master franchisor, and actively monitoring compliance with obligations and operational standards.

### FRANCHISEE RISK

There is a risk of our franchise partners not operating their franchise in accordance with the terms and conditions of their respective franchise agreements. The consequences of non-compliance may include damage to the brand, fines or other sanctions from regulators and/or a reduction in franchise fees received from the franchise partners. DPE mitigates this risk by continually monitoring and evaluating the financial and operating performance of each franchise partner to assess compliance with franchise agreements as well as conducting random audits.



## STAKEHOLDER ENGAGEMENT

We firmly believe in creating a better slice for everyone, and that starts with understanding what a 'better slice' means for each of our stakeholders. To accomplish this, we proactively connect with our stakeholders through various platforms and organisational levels. The following overview defines our key stakeholders and the specific methods we use to initiate meaningful engagement with them.

MAIN STAKEHOLDERS	DEFINITION	OUR ENGAGEMENT (examples)
Team members	Employees who work in our stores, offices, commissaries and other owned entities	Employee engagement surveys, internal communications, path to excellence and engagement activities
Franchise partners	The franchised store owners in our networks	Franchisee engagement surveys, internal communications and engagement activities
Customers	People who buy our pizzas or other products through takeaway or delivery options	Customer surveys, social media posts and campaigns, online post order feedback and direct engagement
Business partners	Our suppliers or other types of business partners	Responsible Sourcing Policy*, Modern Slavery questionnaire, engagement with our top suppliers about our environmental strategy
Shareholders	The owners of our company	Result announcements, AGM, investor meetings
Communities	The communities where we operate our stores, offices and commissaries	Local fundraisers and charity programmes
Not-for-profit organisations and other groups	Environmental experts and scientists, animal welfare organisations, universities and other educational institutions	Consultations with external environmental, civil society and animal welfare professionals
Government representatives	Official representatives in the markets where we operate	Engaging with government officials directly or through industry associations, such as feedback submissions to government reviews of the QSR industry, or aspects of our business such as modern slavery
Regulators/industry groups	This includes the Australian Securities Exchange (ASX), the Australian Securities and Investments Commission (ASIC), the Fair Work Ombudsman, the Australian Taxation Office and trade organisations, the Australia-Taiwan Business Council, Serving Europe, Koninklijke Horeca Nederland (KHN), FoodService, SNARR (Syndicat National de l'Alimentation et de la Restauration Rapide)	Frequent engagement with regulators and industry groups through panel discussions, responses to requests for information or insights, and participating in groups that promote improved trade relations between markets where Domino's operates

\* Our Responsible Sourcing Policy will replace the Business Partner Code of Conduct

In addition to the above-mentioned stakeholders, we maintain ongoing interactions with additional for-profit entities and specialised organisations to address a wide variety of subjects that advance and refine our ESG approach.



## CORPORATE GOVERNANCE

The success of our ESG approach depends on its seamless integration into the heart of our business and culture. This integration involves all facets of our operations, from our Board of Directors to our franchise partners and our dedicated team and store members. Our ESG initiatives are not siloed or confined solely to the ESG department, and each of us in the organisation shares responsibility for ensuring their success. A key component of this mission is establishing a robust governance framework that enables us to translate our ambitions into concrete actions.

### ESG GOVERNANCE FRAMEWORK

The Domino's Board consists of our Group CEO and Managing Director and six non-executive Directors, five of whom are independent. This corporate governance system is oriented towards the goal of sustainable success, and it is aimed at creating long-term value for our shareholders.

### Board of Directors

Our Board of Directors is responsible for providing guidance and oversight on behalf of our shareholders, our people, our customers and other main stakeholders. The Board identifies regulatory obligations and areas of significant business risk, ensuring robust mechanisms are in place to adequately manage those risks, including risks related to ESG matters. The Board is also responsible for reviewing and approving reported information.

The Board is led by a non-executive chairman. More than half of our directors have joined our Board in the last seven years, balancing fresh perspectives from diverse backgrounds. Our directors are a highly engaged group who bring a diverse and broad range of qualifications, experiences and skills to Domino's, providing an effective mix of viewpoints and knowledge. The Board regularly engages with investors and other stakeholders and assesses the outcomes of these engagements against our company strategy and policies. Our corporate governance principles and practices are reviewed regularly and have all been updated in the past two years.

### Board committees

The Board of Directors is assisted by specialised committees tasked with ensuring more effective monitoring of ESG matters and contributing to the decision-making process. The Nomination, Culture and Remuneration Committee (NCRC) and the Audit and Risk Committee (ARC) are comprised solely of independent non-executive directors.

The ARC is responsible for monitoring the culture and effectiveness of our risk and compliance activities, and internal controls and systems. It is also responsible for overseeing the accuracy and reliability of financial information, the appropriate application of accounting policies and whistleblowing matters.

Furthermore, it oversees our corporate risks, including ESG risks. The ARC's responsibilities also include monitoring compliance with our Code of Conduct and due diligence approach, including how we identify, assess, manage and mitigate ESG risks across our value chain.

Each Board committee has designated responsibilities, which are specified in their respective charters and published on our corporate website. The committees regularly report on their activities to the entire Board. We have policies in place to ensure that conflicts of interest are prevented and mitigated, and we report on these in our annual report.



Further information on our Board of Directors and other corporate bodies can be found in our Corporate Governance Statement, published on our corporate website.

### Nomination and selection process

The Nomination, Culture & Remuneration Committee is responsible for making recommendations to the Board on the selection and succession planning for the Managing Director/Chief Executive Officer and other senior executives as well as Board succession more generally. The NCRC also reviews the composition of the Board to ensure that it has the right balance of skills, knowledge, independence and diversity. The NCRC has oversight of culture and diversity more broadly.

It can make recommendations to the Board in relation to the company's organisational design, values and development to ensure alignment with strategic objectives. Additionally, the NCRC reviews annual employee engagement surveys, talent and succession planning, and other related matters. The NCRC reviews the succession plans on an annual basis, placing particular emphasis on diversity and inclusion.

### ESG Steering Committee

In FY22, we created our ESG Steering Committee, which meets on a quarterly basis. This governing body assumes the pivotal role of supervising the execution of our ESG strategy throughout our operations, oversees compliance with sustainability-related regulation and frameworks, and provides counsel to the Board of Directors regarding the progress of our ESG approach. It ensures that this strategy aligns with our broader business objectives, through which Domino's is able to flourish and meet the needs of all its stakeholders. We are committed to providing structured and transparent reporting on the progress we make in meeting our ESG goals.

The ESG Steering Committee is chaired by our Group CEO and Managing Director and made up of seven senior executives with recognised competence and influence on our ESG-related work across our business. These members actively update their knowledge on ESG-related matters, including through direct engagement with recognised external experts.





# ESG MANAGEMENT

At the senior management level, DPE's Group Chief ESG Officer shapes and implements our Domino's for Good ESG strategy across our markets, assesses and manages impacts, and aligns our risks and material topics. The ESG Officer is a member of our Global Leadership Team and reports to our Group CEO, Don Meij. As a member of our ESG Steering Committee, the ESG Officer provides regular updates to this committee.

Our Global ESG Working Group is comprised of key representatives from each market who act as ambassadors and change agents for Domino's for Good. The representatives provide regular updates to the ESG Officer, to ensure company-wide alignment with our 2030 ambition (see the 'Domino's for Good' chapter), and help measure and report on our progress at market level.

Our Global Centres of Expertise help to execute our environmental strategy and support projects to achieve our ESG global goals. They drive innovation and coordinate our actions across Sustainable Stores and Operations, Responsible Sourcing and Sustainable Product Innovation within DPE.

The Centres of Expertise consist of experts in operations, product development, procurement and ESG. The leads for each centre report to the ESG Steering Committee each quarter.

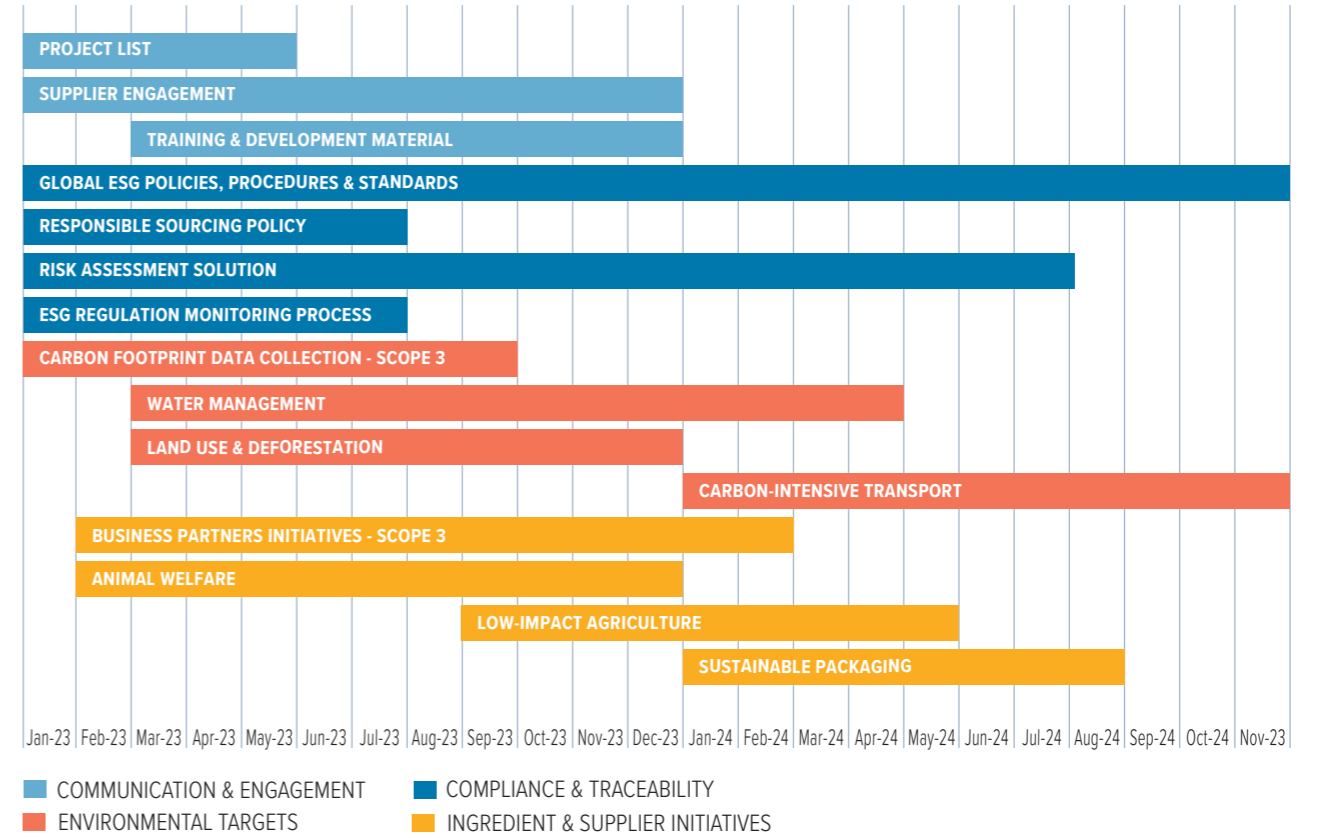
## OUR COMMITMENT TO RESPONSIBLE BUSINESS CONDUCT

Our values underline our commitment to ensuring fair and ethical standards throughout our value chain and day-to-day operations. We collaborate closely with our partners and build strong relationships based on mutual respect, transparency and trust. To further strengthen our commitment and ensure our partners' commitment to responsible business conduct, we will be rolling out our new Responsible Sourcing Policy towards the end of 2023.

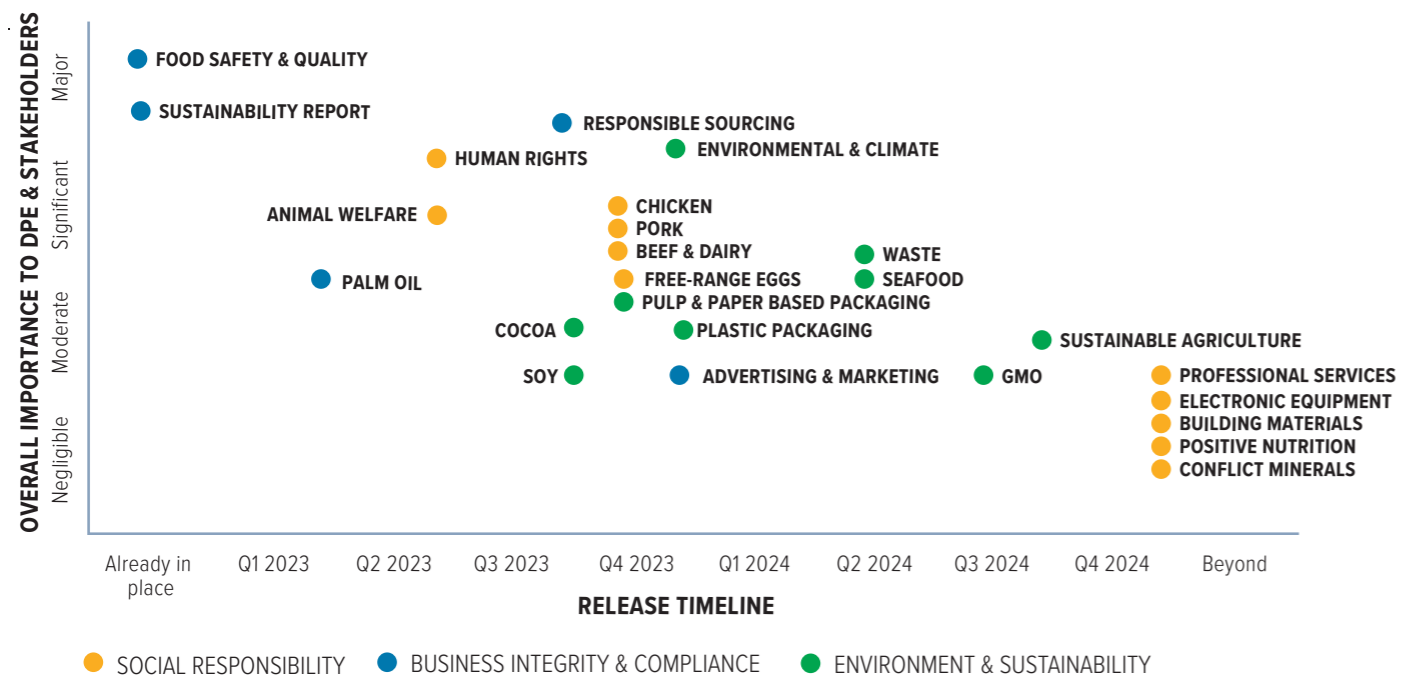
Our Responsible Sourcing Policy is more specific than our Code of Conduct as it includes our ESG strategy commitments and incorporates the following principles:

- 1 Social responsibility
- 2 Business integrity and compliance
- 3 Environment and sustainability

## Responsible sourcing roadmap



## External policies and statements timeline



Each principle is supported by specific policies and statements that are communicated and embedded across our business. As illustrated, in FY23, we defined the framework and timeline for our policies and statements. These reflect the most important sustainability topics for Domino's, as identified through our materiality assessment, as well as our sustainability commitments and relevant upcoming regulation. Policies and statements were prioritised first for human rights and deforestation, followed by those requiring close collaboration with our business partners. Once a policy or statements is internally approved, it will be shared with all our business partners.

Our policies and commitments ensure that Domino's consistently exhibits and promotes ethical, transparent and responsible behaviour, engages with key stakeholders and communities, and contributes to the growth and prosperity of its franchise partners, team members and communities. They also stipulate due diligence processes for human rights and provide information on grievance processes. Our policies can be found on our corporate website, which can be accessed [here](#).

### Responsible conduct and formalising ESG

In FY22, we created a new role: Global Manager for Responsible Partnerships. Following this important step, we established a Centre of Expertise dedicated to responsible sourcing. The centre holds quarterly meetings, during which engagements are defined and decisions are made that comply with the roadmap presented above.

**“OUR POLICIES AND COMMITMENTS ENSURE THAT DOMINO'S CONSISTENTLY EXHIBITS AND PROMOTES ETHICAL, TRANSPARENT AND RESPONSIBLE BEHAVIOUR.”**





**ENDING MODERN SLAVERY IN AUSTRALIA AND NEW ZEALAND**

In FY23, our ANZ Partnerships team demonstrated its commitment to raising ethical standards across our supplier network in Australia and New Zealand. As part of our efforts to develop a more responsible and conscientious supply chain, we achieved several key milestones.

**Strengthening supplier assessments**

In FY23, we undertook a comprehensive supplier assessment process, using the Ethixbase Modern Slavery Questionnaire. This thorough evaluation identified seven suppliers that required additional scrutiny. In response, we created enhanced due diligence reports, written by the skilled Ethixbase research team to look more closely at the practices and associated risks of these suppliers.

**Positive findings**

The results of these reports were positively received, particularly the fact that all of the suppliers reviewed held valid Global Food Safety Initiative (GSFI) certifications, which guarantee that products meet the highest standards of food safety. The assessments also highlighted an area for improvement – five suppliers that lacked a cocoa certification programme – leading us to make cocoa certification mandatory for all suppliers. Currently, four of the five suppliers have secured cocoa certification. At the time of writing, the fifth supplier was on track to obtain certification during the final quarter of 2023.

**Ethical pursuits**

An important step was to address concerns about a supplier working with prawn and pineapple producers in Vietnam and Thailand. We enlisted the expertise of an independent auditor, the National Sanitation Foundation. The results were highly satisfactory and aligned with our rigorous ethical benchmarks. Both factories achieved GSFI qualifications and underwent thorough Sedex Members Ethical Trade Audit (SMETA) assessments. These were conducted by SMETA, an independent ethical auditing organisation that shares our values and goals.

**A new code of conduct**

Upholding ethical standards extends beyond our immediate domain, and we hold all our business partners to account through our Responsible Sourcing Policy. This sets out our expectations for goods and services to reflect our rigorous standards regarding human rights and modern slavery.

**Risk assessments completed**

In FY23, we took proactive steps to conduct rigorous risk assessments of potential high-risk food and packaging suppliers. These assessments yielded positive results about our suppliers' ethical standards. These steps underscore our dedicated commitment to driving change and ensuring that our supply chain is a shining example of responsibility and transparency.

Key results from Ethixbase's risk assessment of all our primary food business partners for 2023 include:

- None of our 54 food business partners are considered 'high risk'.
- Four of our food business partners pose a 'medium risk'. Independent audits have subsequently been conducted and plans are in place to reduce these flagged assessed risk levels.

**Anti-bribery and anti-corruption**

Anti-bribery and anti-corruption are part of our Responsible Sourcing Policy. DPE and its subsidiaries are committed to preventing bribery and corruption. We operate within the laws of each jurisdiction in which we do business, in a way that complies with our Responsible Sourcing Policy and the expectations of shareholders. We also expect the same standards from our business partners and their commitment to our Business Partner Code of Conduct. Our Anti-Bribery and Corruption Policy sets out various standards for our Board of Directors and all of our employees.

The Board of Directors receives periodic reports containing summary information relating to concerns raised under the Anti-Bribery and Corruption Policy.

**COMPLAINTS AND CLAIM MANAGEMENT**

The number of whistleblower cases reported at Domino's ANZ decreased by about 50% year-on-year in FY23. However, the number of enquiries and complaints sent directly to Wage Assistance increased over FY23, which suggests individuals are coming to us directly with their concerns.

We also received whistleblower reports for Japan, which are included in the below statistics. The most common types of incidents reported were 'Policy/Procedure' breaches. The Employment Relations team aims to provide an initial response within one day, and in most cases responses are provided within four hours. We consistently met that target in FY23. While the average time to close a whistleblower case was 21 days, this average was extended by a small number of longer cases that required further investigation. Our goal for FY24 is to reduce this time to closure.

**RISK MANAGEMENT**

Risk management is a key consideration in all of our activities at Domino's Pizza Enterprises Ltd, and we are on a journey to mature our risk management capability in line with the ASX Corporate Governance Principles. Our risk management framework helps ensure that risks are properly analysed based on the likelihood of their occurrence, as well as the potential financial consequences and impact on the company's brand and reputation.

**Complaint management**

COMPLAINT MANAGEMENT <sup>1</sup>	GLOBAL	AUSTRALIA & NEW ZEALAND	NETHERLANDS	BELUX	FRANCE	GERMANY	JAPAN <sup>2</sup>	TAIWAN	CAMBODIA	MALAYSIA	SINGAPORE
Whistleblowing incidents FY21	48	48									
Whistleblowing incidents FY22	442	71	30			15	326				
Whistleblowing incidents FY23	492	37	4	0	0	87	354	4	Not available	6	Not available
Whistleblowing incidents review FY23	100%	100%	100%	100%	100%	100%	100%	100%		100%	
Whistleblowing remediation plans FY23	100%	100%	100%	100%	100%	100%	100%	100%		100%	

1) Countries have not used same definition (e.g. Japan is keeping track of a wider range of topics incl. for example reported unfair wait shifts, general question, etc). FY24 will see same definitions being used  
 2) Japan numbers from last year restated as last year only contained external complaints (66)

**Claim management**

CLAIMS	GLOBAL	AUSTRALIA & NEW ZEALAND	NETHERLANDS	BELUX	FRANCE	GERMANY	JAPAN <sup>2</sup>	TAIWAN	CAMBODIA	MALAYSIA	SINGAPORE
# of claims	67	58	0	0	0	0	9	0	Not available	0	Not available
Amount paid	\$ 243.843	\$ 235.427	0	0	0	0	\$ 8.416	0		0	



DPE's risk management processes ensure that we continuously assess sustainability-related threats, such as supply chain disruptions and unsafe working practices, and create an environment in which leaders take a disciplined and focused approach to risks.

Domino's has continued to operate effectively throughout COVID-19 and the recent geopolitical disruptions. However, these developments have resulted in our business being exposed to a higher level of risk, namely risks associated with the resilience of supply chains and increased operating costs due to growing inflationary pressures on wages and input costs. ESG reporting risks have also increased due to increasing regulatory and disclosure requirements. These include the EU Corporate Sustainability Reporting Directive (CSRD), to which DPE will be subject from FY26.

We have taken the first steps in adopting the Task Force on Climate-Related Financial Disclosures (TCFD) framework. This sustainability report primarily addresses the framework's main governance and strategic topics. We recognise the importance of providing a more detailed account, especially concerning climate risk. As we did not conduct the necessary scenarios analyses yet, we are not able to comply with the TCFD framework this year. However, in the coming years, we plan to assess and report on the resilience of DPE's strategy from a climate perspective by taking into account climate-related scenarios.

Further information on the main risks and our mitigation strategy for those risks can be found in this year's annual report.

**REMUNERATION POLICIES**

Domino's reviews the remuneration for its support office and corporate store employees at least once a year and adheres to all local laws regarding remuneration and rewards. The Board also has the responsibility to review the remuneration for the Managing Director/Group CEO and other executives to ensure that they are appropriately remunerated. As Domino's operates in 13 markets with varying local law requirements, there is not a single remuneration policy that covers all team members. Instead, remuneration is reviewed locally for each market.



**ESG MATERIALITY ASSESSMENT**

In 2019, we undertook our first ESG materiality assessment to better understand our stakeholders' views on topics that we consider most important to us, and identify areas where DPE has an impact on people, the economy and the environment. The assessment was based on an extensive review of our industry and peers; investor consultation through a survey and interviews; engagement with Domino's leadership; and an assessment of community expectations, including a thorough media analysis. This assessment resulted in a list of 20 topics. Of these, five topics were identified as being especially important: 1) Food safety and quality, 2) Customer privacy and data security, 3) Workplace safety, 4) Customer experience and engagement, and 5) Ethics and trust.

In 2021, we reviewed the results of the 2019 assessment by conducting a global ESG customer survey, an independent third-party ESG materiality assessment gap analysis and a peer benchmark. We also consulted our main investors. These results were reviewed and approved by members of our Global Leadership Team. The result was a list of ten material topics, divided into three categories ranging from immediate (fundamental and key) importance to longer-term (emerging) importance (see Appendix for the full list of definitions):

FUNDAMENTAL	KEY	EMERGING
Food safety and quality	Responsible sourcing	Talent attraction and retention
Workplace safety	Customer experience and engagement	Food nutrition and innovation
Customer privacy and data security	Footprint reduction Franchisee prosperity Community prosperity	

Since 2021, we have used the materiality assessment, together with the outcome of our corporate footprint baseline measurement, as our starting point to determine our ESG strategy.

In FY24, we plan to conduct a double materiality assessment to determine whether our current material topics are still valid and complete. We will engage with our stakeholders and anticipate potential changes. For example, we anticipate that the topic of Talent attraction and retention, which is currently considered 'emerging,' will be reidentified as a key focus point. We believe this is an important step to help us remain focused on the most important topics for our business and anticipate future reporting obligations.



## DOMINO'S FOR GOOD

At Domino's, our commitment is to do the right thing, because it is the right thing to do. Using our business as a force for good is in our DNA. We want to be proud of the company we are and the food we serve, today, tomorrow and for many years to come.

We recognise that our operations impact the environment and society in the markets in which we operate. Our key focus, which is integrated into our ESG approach, is to take care of our people and deliver fast, high-quality and affordable food to our customers as we substantially reduce our corporate footprint. We focus on the issues that are most material for our business and where we can achieve the greatest impact. This is our Domino's for Good strategy.

Domino's for Good is about more than 'just pizza': we want to differentiate ourselves from our competitors and inspire change that extends beyond our company, our supply chain and our customer base. We aspire to be the company that people admire, parents want their children to work for, suppliers want to work with and shareholders want to invest in.

Domino's for Good has many goals, but most importantly it means that, by 2030, we aim to:

- Be on a pathway to **reduce our emissions**, including our franchise partners' emissions, in line with global efforts to limit global warming to 1.5 degrees Celsius by 2050 as part of our commitment to our science-based targets.

- **Provide food without regret** – all of our food is high quality yet affordable, ethically and sustainably sourced, delivered fast, but still considered an indulgence.
- Be **the safest delivery company in the world** – prioritise the safety and wellbeing of our employees by applying the highest safety standards in our operations.

- Provide a **pathway for our team members**, whether in a part-time role or as a career, with **lifelong learning and opportunities**.

We developed a framework to help us structure our approach, focus on what is important and deliver on our purpose and growth strategy.

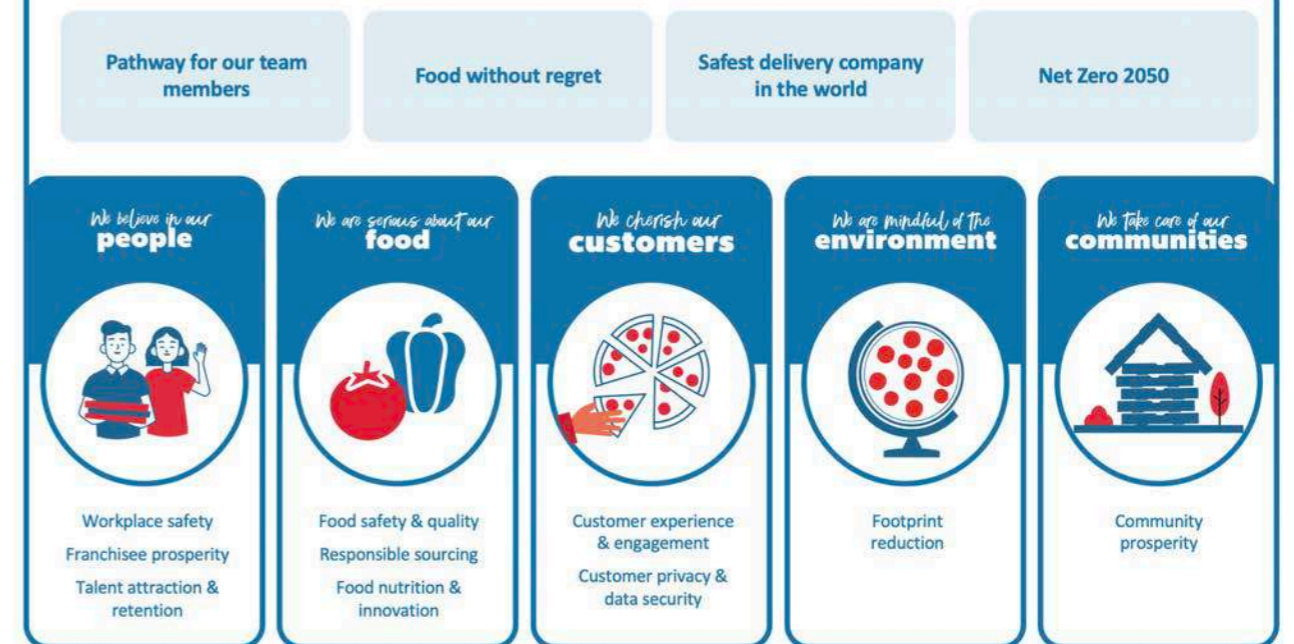
**“WE ARE DOMINO'S FOR GOOD – THE WORLD SHOULD BE BETTER OFF AS A RESULT OF OUR PRESENCE. WE BELIEVE IN A BETTER SLICE FOR EVERYONE. THIS MEANS EVERY STAKEHOLDER GETS A BETTER PIECE OF THE PIE AND NO ONE BENEFITS AT THE EXPENSE OF SOMEONE ELSE.”**



### ESG FRAMEWORK

Our ESG Domino's for Good Framework includes our five pillars, 2030 vision, material topics and main key performance indicators (KPIs).

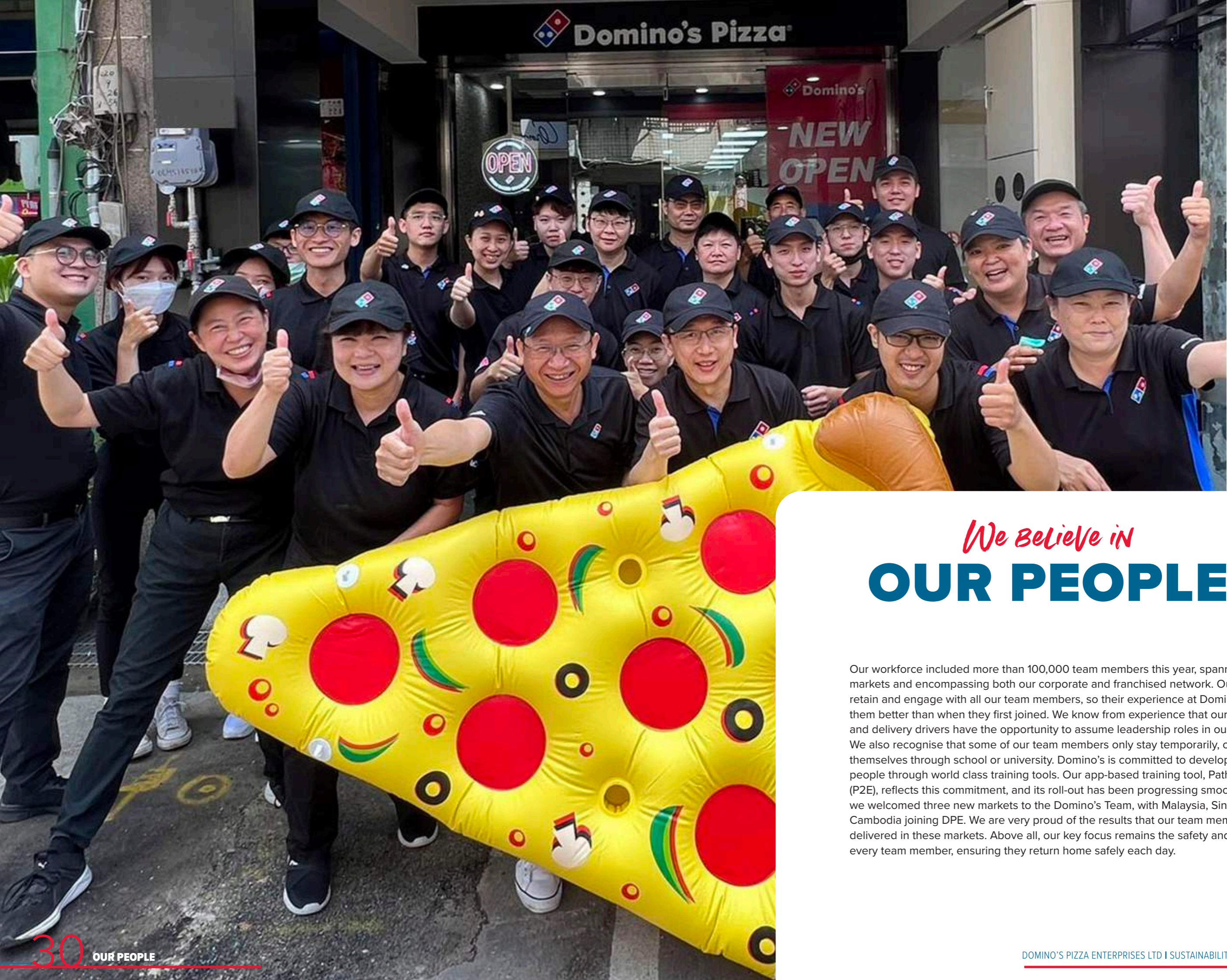
**We believe in a better slice for everyone**



The five pillars are each explained in more detail in individual chapters of this report.







*We Believe in*  
**OUR PEOPLE**

Our workforce included more than 100,000 team members this year, spanning our 13 markets and encompassing both our corporate and franchised network. Our aim is to attract, retain and engage with all our team members, so their experience at Domino's leaves them better than when they first joined. We know from experience that our pizza makers and delivery drivers have the opportunity to assume leadership roles in our organisation. We also recognise that some of our team members only stay temporarily, often to support themselves through school or university. Domino's is committed to developing all our people through world class training tools. Our app-based training tool, Path to Excellence (P2E), reflects this commitment, and its roll-out has been progressing smoothly. In FY23, we welcomed three new markets to the Domino's Team, with Malaysia, Singapore and Cambodia joining DPE. We are very proud of the results that our team members have delivered in these markets. Above all, our key focus remains the safety and wellbeing of every team member, ensuring they return home safely each day.



# TALENT ATTRACTION AND RETENTION

Our goal is to attract and retain the best talent for our support offices, corporate stores and franchise partners. We know that 'Our Pizza brings us closer together' and that the process of making, baking and delivering pizza can bring joy to our team members and customers. We continue to invest in a variety of tools to help us attract new talent and retain them and current team members. The following sections describe the initiatives across our markets to support these goals.

## TALENT ATTRACTION

We have different ways of attracting talent, including personal referrals and word of mouth, advertising and on-line tools. In the fiercely competitive global labour market, we need to make sure that our value proposition delivers the best experience so we can attract the best talent to our team. Each of our markets has developed local strategies to attract talent. For example, in Singapore we hold career events. In France, we have launched unique campaigns to encourage people with special abilities to join the team (see Handiwork case study).

Moreover, we use online portals such as LinkedIn, Domino's Jobs, Indeed and other for recruitment. In many of our markets, word of mouth is the best way to attract talent, as our team members vouch for the great work environment and development opportunities that are available in-store and at our support offices. We also create an inclusive environment where everyone is welcome, regardless of their background, and we celebrate this diversity in a variety of ways.

## TALENT RETENTION

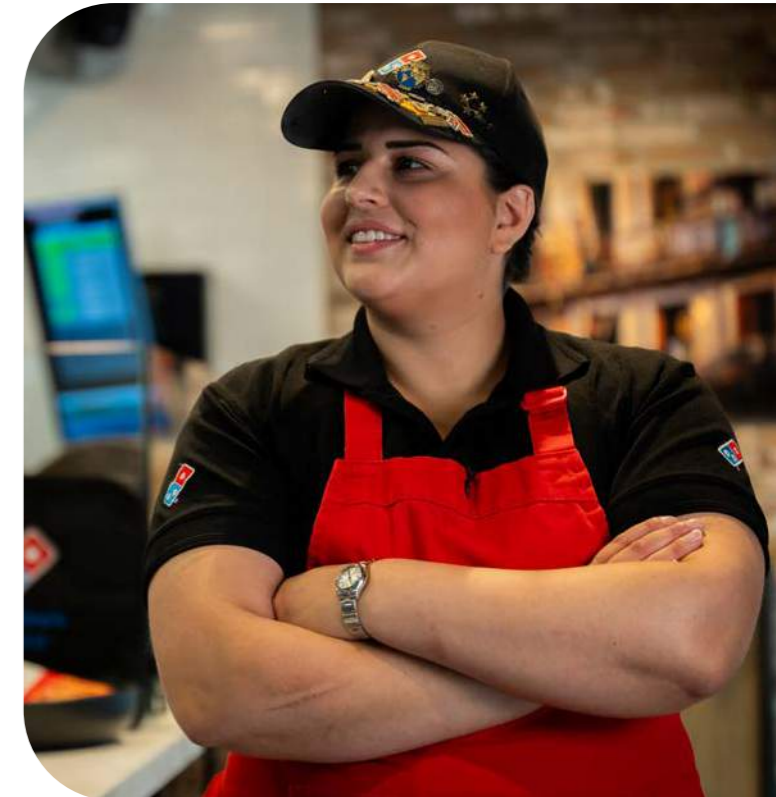
We work together with our leaders, corporate store managers and franchise partners to create the best environment for our team members to prosper in. Retaining talent is a key priority, particularly given the many opportunities available in such a competitive market. In addition to providing world-class learning and development opportunities, we focus on cultivating the right culture and supporting the communities in which we operate.

## Employee engagement

We try to create a fun and enjoyable place for our team members to work. Our leaders, corporate store managers and franchise partners run a variety of events and activities to keep our team members engaged. We often celebrate success through a variety of activities including product launches, such as the Red Bull launch party (AU), – NAIDOC Week (AU), International Women's Day and other fun activities. Employee engagement is not just about having a fun environment. We have to make sure that we provide good remuneration, benefits and opportunities for our team members to learn and grow.

We measure employee engagement in our support offices, corporate stores and for some of our franchise partners (where allowed) to gauge the satisfaction of our team members. The results from our employee surveys have shown a decline in engagement over time. We take this feedback very seriously and try to address as many of the concerns raised by our team members as possible to improve our engagement. It is pleasing to see that our response rates are high, showing that the level of engagement in our business is still high. With the introduction of new technology in FY24, we will be able to check in with a greater proportion of our team members in a more regular and simpler way.

We currently measure the employee engagement in our support offices and some corporate store leaders. The results have declined in some locations due to a variety of factors, including mandating a return to the office post-COVID-19, and the lower payout of bonuses due to business performance. We expect to see a further decline in the results in FY24 due to a large-scale restructure of the business.



One possible way to increase engagement with our employees is to ask them about their ideas. Some of the best ideas for pizza designs come from our team members. Several of our team members in Australia have received a special one-off bonus for designing a new pizza or side, which – after going through our rigorous Luv Lab (design kitchen) testing – will be launched and appreciated by our customers nationally. The Cheesy Vegemite Pizza launched in 2021 is a good example of this. We also use the latest technology to connect and interact with our team members, using products such as Workplace and Teams to share information and celebrate our achievements. Of course, this is also a valuable tool for giving and receiving feedback on our operational strengths and weaknesses.



## Employee engagement

COUNTRY	AUSTRALIA			NEW ZEALAND			JAPAN			FRANCE			GERMANY			NETHERLANDS		
	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023
Employee Satisfaction Rating (ESat)	76%	75%	69%	73%	75%	57%	64%	60%	63%	78%	67%	65%	89%	87%	81%	74%	73%	69%
Difference		-1%	-6%	+2%	-18%			-4%	+3%		-11%	-2%		-2%	-6%		-1%	-4%
Response Rate	90%	86%	75%	100%	90%	70%	85%	82%	91%	66%	73%	81%	66%	84%	83%	65%	62%	62%
Difference		-4%	-11%		-10%	-20%		-3%	+9%		+7%	+8%		+18%	-1%		-3%	0%
ESat Benchmark	75%																	





#### **Employee rights and compensation**

We ensure that our labour standards are fair and equitable, in line with local laws, standards and regulations in the markets in which we operate. Young people are a significant part of our workforce, and it is our priority to comply with local and international laws and regulations regarding forced labour, child labour and children's rights. Moreover, we firmly believe that better-trained and remunerated employees are more engaged and motivated and able to deliver better customer service, leading to higher customer satisfaction and stronger profits for franchise partners.

#### **Working together for flexibility**

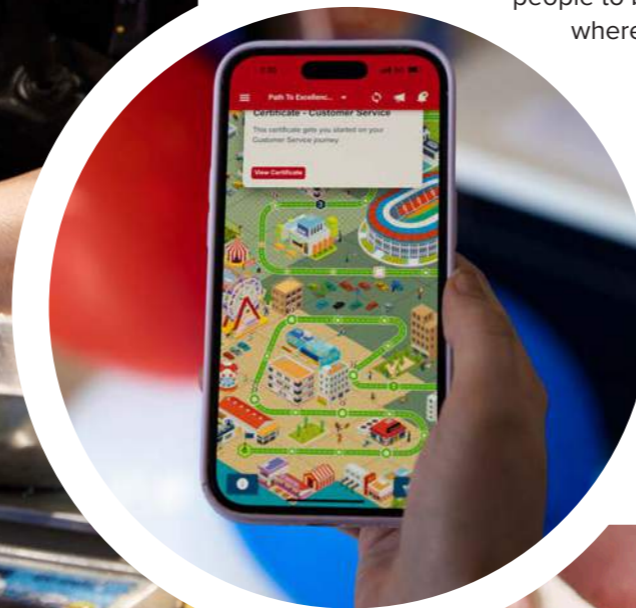
Domino's works hard to provide its people with secure employment that is flexible for their individual needs. For example, employees are often attracted to casual, store-based roles because of the flexibility they offer around their studies, so we enable them to manage their personal needs outside of the workplace by giving them input on work schedules.

Domino's is committed to providing continuous employment. We work within relevant legislative frameworks for business restructures and staffing requirements. When a store closes, we arrange for people to be redeployed to other stores wherever possible.

#### **Continuous learning opportunities**

To ensure consistent training across our team, we have introduced the Path to Excellence Training Platform. It caters to all Domino's team members and offers a world of personal growth and professional development. With nine levels spanning New Employee Orientation to Franchise Partner, the Path to Excellence covers essential skills and knowledge in Food Safety and Operations. Each level includes various classes, eLearning modules, on-the-job training activities and learning assignments. Prior to their first shift, each new team member must complete the Mandatory Path to Excellence level 1 learning module to ensure they start their roles safely and confidently.

Our commitment to knowledge does not stop there. We conduct an annual refresher course that covers three key topics: 1) Food safety, 2) Driver safety and 3) Allergen training. This ensures that our teams always have the knowledge and information they need to deliver safe and exceptional customer service. Our global learning programme – Path to Excellence – has been fully rolled out in Australia and New Zealand, with over 25,000 team members now active on the platform, having access to live advanced data and analytics dashboards. Our Global Rollout Plan continues to progress, with the Netherlands and Japan due to be fully deployed by December 2023, and other EU markets in the first half of 2024.



**“WE HAVE LAUNCHED THE DOMIKNOWS ONLINE LEARNING PLATFORM FOR OUR SUPPORT STAFF IN THE NETHERLANDS. IT PROVIDES THEM WITH ACCESS TO FREE LEARNING MODULES AND TRAINING.”**





## WORKPLACE HEALTH AND SAFETY

We are deeply committed to the health and safety of our team members. Safety training for staff is important for several reasons. Most importantly, our commitment to safety focuses on the well-being of our employees and reducing workplace accidents and injuries. We aim to instil a culture of vigilance and responsibility, promoting proactive hazard identification and risk mitigation, with road safety being a high priority. From a business perspective, safety is also an important issue as it enhances overall productivity by preventing work stoppages due to accidents. Ultimately, investing in safety training not only saves lives and reduces accidents, but also protects an organisation's reputation and bottom line, making it an essential part of business practice.

To support our goal, we are taking a number of actions, including:

- Ongoing safety alerts to align with a proactive approach to safety, focusing on key safety trends identified through incident reporting systems.
- Strategic partnerships with, for example, insurer AJ Gallagher to work together to reduce the number of incidents and injuries.
- Re-implementation of the Global Safety Forums to align markets on baseline reporting standards.
- Singapore market have been completing in-person driver training with an external provider of competency-based training standards.
- Introduction of ongoing mandatory compliance and refresher training to drive a learning culture and raise the standards of safe work practices across the network.

### FATALITIES

We are deeply saddened by four fatalities within the Domino's family in FY23.

In Australia, an employee suffered a medical episode during lunch – there were no work-related causes. In Malaysia, one of our delivery drivers was involved in a collision with a lorry. In Singapore, we had two fatalities involving delivery drivers (experts) returning home from work after their shift. The first accident involved a delivery driver returning from Singapore to Malaysia after working his shift (a one-hour commute), in an area with poor visibility and lighting. He was struck by another vehicle and died.

The second delivery driver was returning home from Singapore to Malaysia after the shift and was struck by a speeding vehicle.

Following these tragedies, we have taken steps to reduce the risk of this happening again. In Malaysia, we have made our Safe Driving Training mandatory for all delivery drivers. In Malaysia, we brought in the Singapore Traffic Police to conduct safety awareness training. Defensive driver training is now held on a monthly basis. We also changed our hiring police in Malaysia. We are no longer hiring drivers who have a long commute from work to home to avoid potential issues with fatigue after a full day's work.

### CASE STUDY

#### HIGHLIGHT ON SAFETY IN JAPAN

We are aware of the potential dangers our drivers face on the road. After identifying stores with higher rates of traffic accidents, we implemented targeted online safety training. We ran a 'No Accident' campaign across all stores to raise awareness of traffic safety among our staff. Several Domino's Japan crew also attended safe driving seminars with motorcycle police officers. These concerted efforts significantly reduced – by almost 60% – the number of stores experiencing more than three traffic incidents related to deliveries or other business operations during the year.





## OUR WORKPLACE SUPPORTS DIVERSITY AND EQUAL OPPORTUNITY

We support a diverse and inclusive work environment and strive to create equal opportunities for all our team members. As in previous years, we remain committed to achieving and maintaining gender equity in all our markets. We are a member of the 30% Club, and we are committed to the 40:40:20 Vision. We also comply with the Workplace Gender Equality Act in Australia and report our performance on an annual basis. Our target is to achieve 40% female, 40% male and 20% of any gender by 2030 for the Board,

Global Leadership Team and regional/market leadership. We take this commitment very seriously, and while we have seen some improvements in some areas, there is still much to be done to improve these results. The Board and Leadership Team are committed to seeing improvements in gender representation, and we regularly review the talent across our business to understand how we can improve our results. We recognise that diversity is a competitive advantage and regularly celebrate the diversity of our team members.





## Corporate employee composition

	GLOBAL	AUSTRALIA	NEW ZEALAND	NETHERLANDS	BELUX	FRANCE	GERMANY	JAPAN	TAIWAN	SINGAPORE	MALAYSIA	CAMBODIA
<b>Number of employees</b>	<b>18,826</b>	<b>2,798</b>	<b>109</b>	<b>1,575</b>	<b>24</b>	<b>682</b>	<b>844</b>	<b>8,105</b>	<b>448</b>	<b>617</b>	<b>3,476</b>	<b>148</b>
Non-employees	811	7	-	-	-	-	1	52	-	-	751	-
<b>Permanent employees</b>												
Male	3,326	765	78	166	11	530	245	482	40	204	755	50
Female	1,558	299	31	67	12	139	110	160	53	79	561	47
Diverse	2	2	-	-	-	-	-	-	-	-	-	-
<b>Temporary employees</b>												
Male	158	6	-	51	-	9	5	47	-	-	19	21
Female	114	7	-	26	-	4	5	25	-	-	17	30
Diverse	-	-	-	-	-	-	-	-	-	-	-	-
<b>Non-guaranteed hours employees</b>												
Male	9,473	1,213	-	1,006	-	-	429	4,910	268	250	1,397	-
Female	4,189	500	-	259	1	-	50	2,481	87	84	727	-
Diverse	6	6	-	-	-	-	-	-	-	-	-	-
<b>Full-time employees</b>												
Male	2,579	365	12	193	11	280	153	497	40	204	774	50
Female	1,328	197	5	60	10	63	71	165	53	79	578	47
Diverse	1	1	-	-	-	-	-	-	-	-	-	-
<b>Part-time employees</b>												
Male	10,390	1,619	66	1,030	2	267	528	4,942	268	250	1,397	21
Female	4,521	609	26	292	1	72	92	2,501	87	84	727	30
Diverse	7	7	-	-	-	-	-	-	-	-	-	-
<b>Age of employees</b>												
< 30 years old	12,769	2,380	84	1,364	14	447	563	7,022	242	301	219	133
30 - 50 years old	5,604	375	24	167	9	200	239	934	166	247	3,228	15
> 50 years old	453	43	1	44	1	35	42	149	40	69	29	-

In most countries, the headcount was stable compared to last year. Exceptions were Australia (+564 HC) due to additional corporate stores, the Netherlands (-200 HC) due to the sale of corporate stores and Japan (-1,027 HC) due to a reduction in corporate store crew rates as a result of tighter labour market conditions.

In FY22, an incorrect definition of employees in the Netherlands was used, counting the number of employees throughout FY22 instead of the number of employees at a point in time (year-end FY22). The correct figure for comparison with FY23 and other markets is 1,775 employees, instead of the 3,196 employees mentioned in last year's report.

### CASE STUDY

#### FRANCE LAUNCHES HANDIWORK

The Handiwork Project, launched in October 2022, is a groundbreaking initiative aimed at introducing individuals with disabilities to our profession, with the ultimate goal of welcoming them into our workforce. We conceived this project in collaboration with esteemed partners such as Pôle Emploi, Cap Emploi and Handiwork, a company dedicated to facilitating the integration of people with disabilities into professional environments. Handiwork was established in 2018 and has already made a positive impact on the lives of over 2,000 individuals with disabilities. The primary objective of our training programme is to empower participants with knowledge. In 2022, we had the privilege of training four individuals, offering them a comprehensive, nine-week employee training programme that ran from October to December. At the end of their training, we were thrilled to welcome four new permanent team members, all of whom have excelled and embraced their disability as a strength, a driving force in their professional journey. Our adaptable approach ensures that each trainee achieves a high level of professional competence and develops into an accomplished team member who proudly represents our organisation. Building on the remarkable success of this inaugural programme, we are committed to expanding, enhancing and sustaining the Handiwork Project in the years to come.

### CASE STUDY

#### WOMEN'S DAY JAPAN



Domino's Japan is fortunate to have talented female leaders within the company. International Women's Day (8 March) provided an opportunity to further strengthen the diversity and support within our working environment. We invited Kyogen actor Miyake Tokuro to host a workshop on 'What we can do to help all employees flourish in their individual way'. We received positive feedback from employees who took part in the International Women's Day workshop, and we are already planning similar activities to support emerging and future female leaders to pursue their careers with confidence.

## Domino's leadership gender representation

DOMINO'S LEADERSHIP TEAM - FY23	AUSTRALIA NEW ZEALAND	NETHERLANDS	BELUX	FRANCE	GERMANY	JAPAN	TAIWAN	SINGAPORE	MALAYSIA	CAMBODIA	EU LT	ASIA LT	ANZ LT	G LT	BOARD OF DIRECTORS
Domino's leadership team female	4	3	2	2	3	0	7	3	1	0	2	7	4	3	3
Domino's leadership team male	6	7	2	7	10	8	1	3	5	0	4	11	6	20	4
<b>Total</b>	<b>10</b>	<b>10</b>	<b>4</b>	<b>9</b>	<b>13</b>	<b>8</b>	<b>8</b>	<b>6</b>	<b>6</b>	<b>0</b>	<b>6</b>	<b>18</b>	<b>10</b>	<b>23</b>	<b>7</b>
<b>Female %</b>	<b>40%</b>	<b>30%</b>	<b>50%</b>	<b>22%</b>	<b>23%</b>	<b>0%</b>	<b>88%</b>	<b>50%</b>	<b>17%</b>	<b>0%</b>	<b>33%</b>	<b>39%</b>	<b>40%</b>	<b>13%</b>	<b>43%</b>



## FRANCHISEE PROSPERITY

Our franchise partners are partners in our future success and custodians of the Domino's brand. Domino's prefers to provide a pathway for team members to grow and prosper, taking on management responsibilities within a store before becoming a franchise partner. This ensures our franchise partners have a strong understanding of our business, and the purpose and values of our company. Whether franchise partners develop within Domino's or join from an external role, we use standardised screening and onboarding procedures, which include a franchise partner training programme for all candidates.

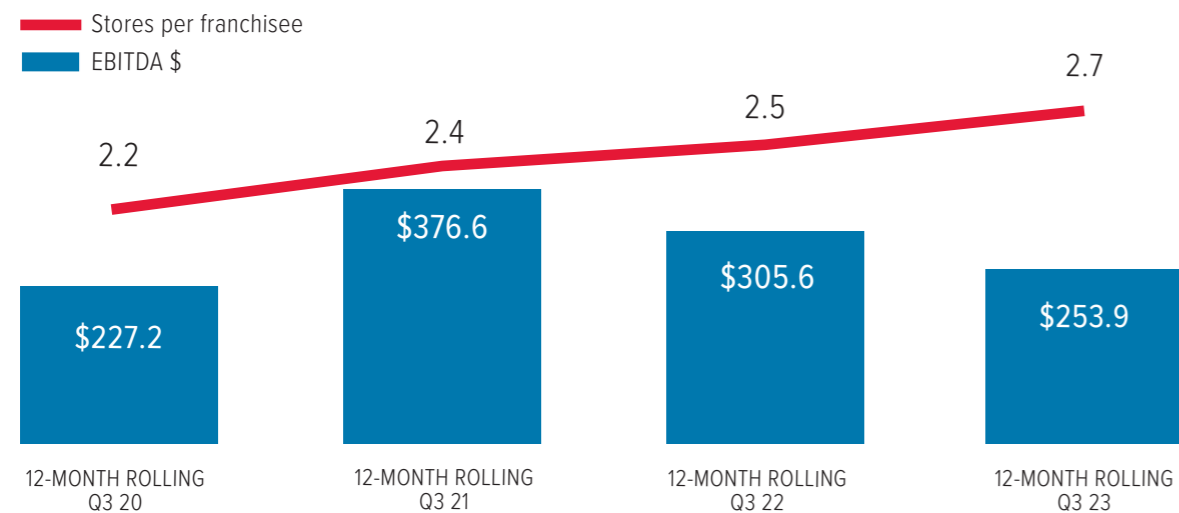
### FRANCHISEE PROFITABILITY

Franchisee profitability is crucial to our current and future success. DPE's management and Board members receive regular updates on franchisee profitability. Depending on local regulations, franchise partners are either required or encouraged to submit monthly profit and loss statements. Domino's also tracks the average cost of goods measured against menu and promotional prices on a daily basis. At an individual store level, Domino's provides financial support (such as rental assistance) where local trading conditions require – for example, where foot traffic is reduced as a result of a shopping centre undergoing renovations.

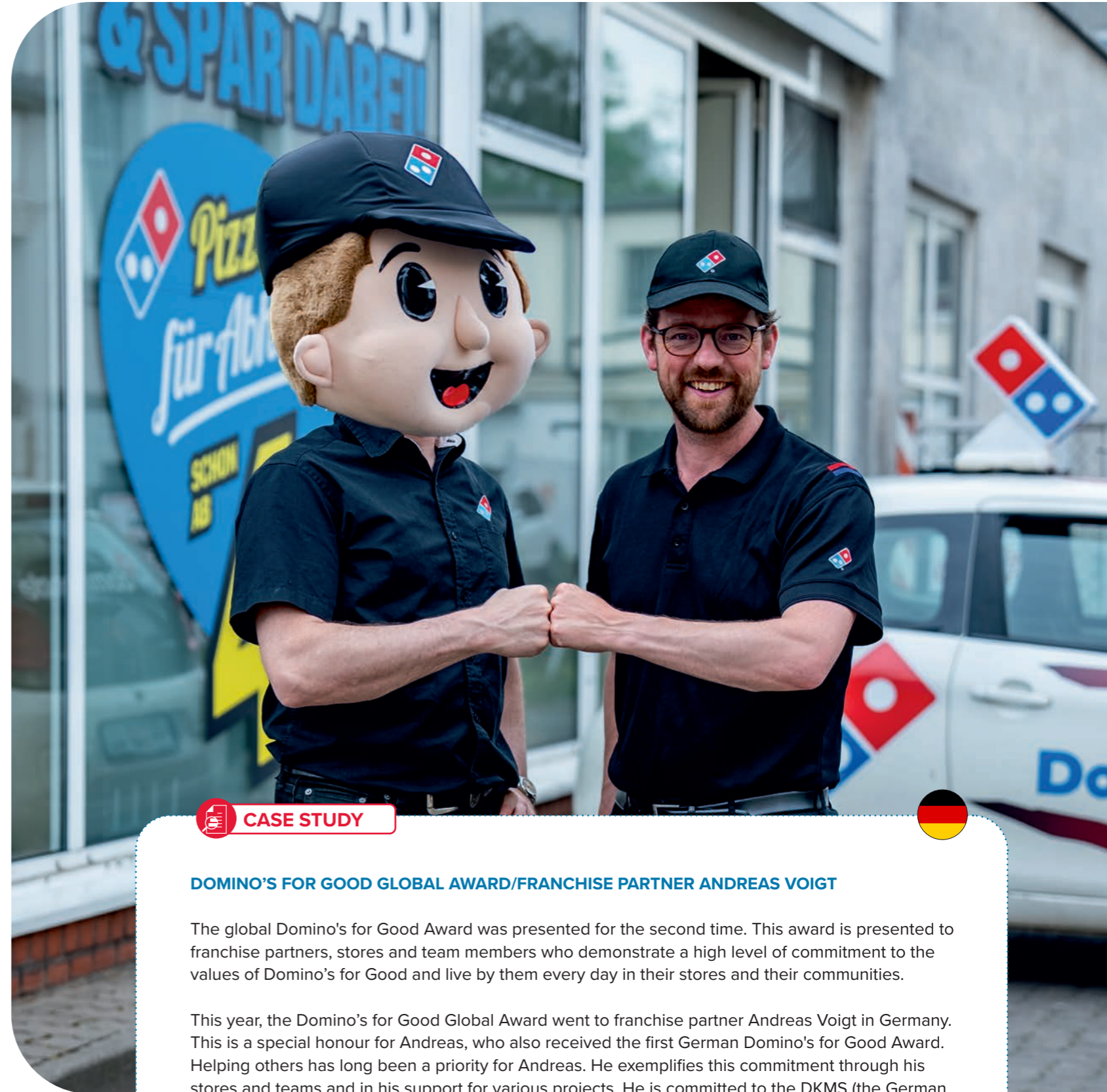
At a market level, Domino's may from time to time offer targeted incentives, which may be linked to specific operational or network improvement goals. These may include incentives for improved customer satisfaction scores or reduced average delivery times.

On 13 June 2023, the Group announced initiatives to deliver material, near-term cost savings, improve efficiency and build a stronger foundation for future growth, sharing one-third of the savings with our franchise partners through reduced food margin. In addition, we aim to increase profitability through a combination of product development, including the introduction of new pizza recipes and side dishes, new technologies (particularly to improve the customer experience) and extensive marketing campaigns, including online and through our own channels. Our franchise partners also have the opportunity – and responsibility – to increase profits at a store level through careful cost management (e.g. operational efficiencies including rostering enhancements). Store profitability can also be driven by sales growth, local marketing initiatives and community involvement. But most importantly, it is driven by improving customer satisfaction, by safely reducing delivery times and by customers rating their meals highly, as measured by our improved Net Promoter Scores.

### Group franchisee weighted average company EBITDA (\$AUD) constant currency '000S\*



\* Group Franchisee Company EBITDA – is calculated on the basis of multiplying group weighted average store EBITDA submitted to DPE, by group average number of stores per franchisee.



### CASE STUDY

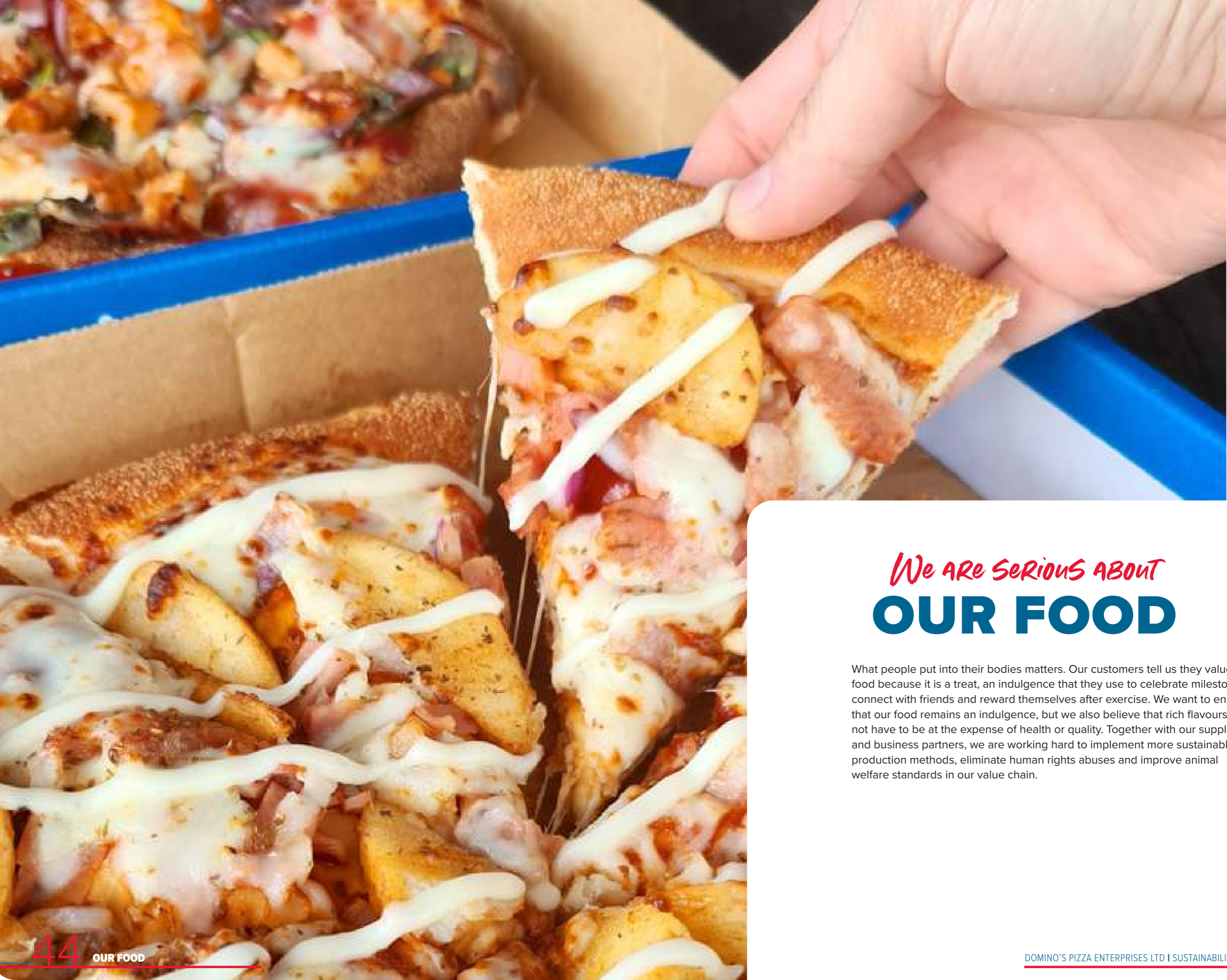


#### DOMINO'S FOR GOOD GLOBAL AWARD/FRANCHISE PARTNER ANDREAS VOIGT

The global Domino's for Good Award was presented for the second time. This award is presented to franchise partners, stores and team members who demonstrate a high level of commitment to the values of Domino's for Good and live by them every day in their stores and their communities.

This year, the Domino's for Good Global Award went to franchise partner Andreas Voigt in Germany. This is a special honour for Andreas, who also received the first German Domino's for Good Award. Helping others has long been a priority for Andreas. He exemplifies this commitment through his stores and teams and in his support for various projects. He is committed to the DKMS (the German Bone Marrow Donor Center), an international non-profit organisation that encourages people to register as potential stem cell donors to give blood cancer patients a second chance at life. However, he and his teams are also committed to addressing the issue of bullying, recognising the need to lead by example. Ultimately, he and his employees' main concern in all projects is to uplift people during difficult phases through small gestures and delicious food. And to show that everyone can help make a difference.





*We are serious about*  
**OUR FOOD**

What people put into their bodies matters. Our customers tell us they value our food because it is a treat, an indulgence that they use to celebrate milestones, connect with friends and reward themselves after exercise. We want to ensure that our food remains an indulgence, but we also believe that rich flavours do not have to be at the expense of health or quality. Together with our suppliers and business partners, we are working hard to implement more sustainable production methods, eliminate human rights abuses and improve animal welfare standards in our value chain.



## FOOD SAFETY

Maintaining high standards of food safety and hygiene is a top priority for DPE, and our commitment to food safety is upheld across all our stores through a robust food safety programme. As part of our continuous improvement process, we aim for our stores to undergo at least five food safety evaluation audits each year. These consist of a minimum of four DPE Audits, conducted by DPE employees or nominees, and at least one audit mandated by Domino's Pizza International Inc. (DPI), the Master Franchisor of the Domino's global network.

These DPI Audits comply with a global food safety and hygiene standard, as required by DPI. In addition, every Domino's Pizza store is required to have a Food Safety Supervisor who has successfully completed recognised Food Safety Supervisor courses and is available during all operating hours. We take these food and safety standards seriously. In cases where stores do not meet the agreed-upon benchmarks, necessary corrective actions are required. Failing to follow these actions could potentially result in the store's closure or even termination of the franchise partner's contract.

### Store inspections

STORE INSPECTION	AUSTRALIA	NEW ZEALAND	NETHERLANDS	BELUX	FRANCE	GERMANY	JAPAN	TAIWAN	SINGAPORE	MALAYSIA	CAMBODIA
<b>Number of stores</b>	744	153	362	140	489	416	986	188	42	253	9
Number of store inspections (by internal inspectors)	2,768	557	1,384	470	1,649	3,063	5,707	943	168	146	9
Number of store inspections (by external inspectors)	1,089	165	685	224	822	0	994	0	42	282	4
<b>Total number of store inspections</b>	<b>3,857</b>	<b>722</b>	<b>2,069</b>	<b>694</b>	<b>2,471</b>	<b>3,063</b>	<b>6,701</b>	<b>943</b>	<b>210</b>	<b>428</b>	<b>13</b>
Number of critical violations (by internal inspectors)	356	54	279	48	448	558	259	107	24	14	0
Number of critical violations (by external inspectors)	159	41	217	49	127	0	177	0	4	66	1
<b>Total number of critical violations*</b>	<b>515</b>	<b>95</b>	<b>496</b>	<b>97</b>	<b>575</b>	<b>558</b>	<b>436</b>	<b>107</b>	<b>28</b>	<b>80</b>	<b>1</b>
Average internal store inspections per store per year	3.7	3.6	3.8	3.4	3.4	7.4	5.8	5.0	4.0	0.6	1.0
Average external store inspections per store per year	1.5	1.1	1.9	1.6	1.7	0.0	1.0	0.0	1.0	1.1	0.4
<b>Average store inspections per store per year</b>	<b>5.2</b>	<b>4.7</b>	<b>5.7</b>	<b>5.0</b>	<b>5.1</b>	<b>7.4</b>	<b>6.8</b>	<b>5.0</b>	<b>5.0</b>	<b>1.7</b>	<b>1.4</b>
Number of internal food safety supervisors (OER coaches, QA)	26	4	2,8	3,5	12	5	7	4	3	4	1
<b>Average number of inspections per internal safety supervisor</b>	<b>106</b>	<b>139</b>	<b>494</b>	<b>134</b>	<b>137</b>	<b>613</b>	<b>815</b>	<b>236</b>	<b>56</b>	<b>37</b>	<b>9</b>
Number of confirmed food-borne illness outbreaks	0	0	0	0	0	0	0	0	0	0	0

\* Examples of critical violations are: using expired date products, evidence of cross contamination from chemicals product (cleaning products) to our food, evidence of presence of pests in a store, evidence of dirty or injured hands without protection and touching food.

**“WITH OUR 100% SATISFACTION GUARANTEE, THE CUSTOMER FEEDBACK TEAM ENSURES A MAXIMUM RESPONSE TIME OF ONE HOUR IF FOOD QUALITY FALLS SHORT OF EXPECTATIONS.”**



### AUSTRALIA AND NEW ZEALAND

This food safety programme is audited and certified annually by an independent auditor in Australia and New Zealand (ANZ) to ensure compliance with the ANZ Food Standards Code. In addition to routine food safety inspections, our responsive Domino's operations teams promptly address concerns raised by customers through our Quality Assurance and Customer Feedback teams. Their rapid response allows us to investigate concerns and take swift corrective measures. With our 100% satisfaction guarantee, the customer feedback team ensures a maximum response time of one hour if food quality falls short of expectations. This set-up facilitates the swift identification of any quality issues and paves the way for continuous improvement.

Supplier relationships are also vital in maintaining our quality standards. ANZ has approximately 40 approved suppliers, some of which span multiple sites across Australia and New Zealand, and we hold each supplier to a high standard. To achieve the title of an approved supplier, compliance with food safety certification criteria is mandatory. This includes obtaining various certifications, depending on the risk level of the supplied ingredients.

- High-risk ingredient suppliers\*: Global Food Safety Initiative GFSI Certification
- Medium-risk ingredient suppliers: Global Market Programme Certification (Intermediate-level)/ISO 22000 Certification, or Equivalent
- Low-risk ingredient suppliers: HACCP Certification

Before receiving approval, our suppliers must first complete a comprehensive audit questionnaire.

\* High-risk ingredients include dairy products such as cheese and protein-based foods such as fish, meat, chicken and seafood; medium risk ingredients include seeds, spice mixes and oil; low-risk ingredient include flour.

Once they pass this evaluation, suppliers are accepted into our network.

As of 2023, our high-risk suppliers are required to be GFSI certified. Suppliers that do not achieve this certification will be audited by third parties to ensure compliance with global food safety standards. In the ANZ region, we have identified four high-risk suppliers that will undergo rigorous third-party audits to align with the DPI Global Supplier audit standard.

One supplier has already completed this audit, securing an impressive audit score of over 95%. This achievement earned the supplier a well-deserved 'Five Star Result'. At the time of writing, the remaining suppliers were scheduled to complete their audits in the final quarter of 2023.

### EUROPE

To ensure our auditors always use the most up-to-date food safety evaluation standards, DPI provides an audit calibration to our Operations auditors. Depending on the results of these audits, stores may need to address food-related safety topics. The store owners are also invited to attend a dedicated webinar and a food safety session during the Managers Rally, an annual celebration of Domino's culture with awards and live music.

If a store is assessed as critical, it is required to take immediate action(s), and DPE has designed a specific flowchart to manage this process. If food safety issues are not properly addressed, this will result in the store's closure or even the termination of the franchise partners' contract. In 2024, we will continue to implement digital HACCP at store level to manage all food safety controls.





In addition to managing food safety at our stores, we also ensure that food safety regulations are applied throughout our value chain. Our Quality Policy in Europe requires all our internal Supply Chain Centres (commissaries) and third-party warehouses to be GFSI certified, with audits carried out annually by the Quality Assurance team. In addition, all of our food and packaging suppliers are GFSI certified, regardless of risk level.

#### TAIWAN

In Taiwan, we are implementing the same food safety and hygiene management system as in ANZ and Europe. We are establishing an independent Food Safety and Hygiene Management Department there and appointing food safety personnel with professional licences to manage DPT's entire supply chain and store food safety and hygiene.

The Food Safety and Hygiene Management Department works closely with the Operational Excellence and Risk team to conduct internal audits of store food safety and hygiene five times a year. Our store food safety and hygiene is also regularly assessed and graded by the government. The results of these assessments are excellent and are posted on the Government Hygiene Bureau website.

Our commitment to safety also extends to our supplier relationships. DPT adheres to the DPI Supplier Standards, which require suppliers to provide food safety and hygiene verification certificates appropriate to the level of risk. Regular maintenance of the validity of these certificates is a requirement. To further mitigate risk, DPT carries out rotating on-site inspections of suppliers, prioritising high-risk ones. Suppliers that fall short of the established standards are given a specific time frame to correct their deficiencies, followed by a re-inspection. The results of these assessments determine whether a supplier continues to work with DPT. New suppliers, particularly those with factories in Taiwan, must successfully pass an on-site inspection before any form of cooperation can begin.

To ensure immediate response and short communication lines, DPT has established an official line group that enables stores to report food anomalies promptly and serves as a platform for food returns and exchanges. In line with best practice, DPT has also developed Standard Operating Procedures for food tracking, traceability and product recall. This ensures that any issues are dealt with quickly and efficiently. To keep the entire organisation focused on its commitment, DPT holds quarterly store manager meetings where food safety and hygiene are discussed.

## FOOD QUALITY

To maintain high food quality standards, Domino's has rigorous processes in place to quickly identify and address any concerns. Our unwavering commitment to product safety and quality is enhanced by comprehensive traceability and product recall systems across all the markets that we serve.

In total, we had 114,243 kg of food with quality issues. The majority of this, 104,579 kg, was blocked in our warehouses. In our stores, 9,664 kg was blocked. We had no recalls of products served to our customers. The majority of withdrawals, 105,731 kg, was due to a foreign object (metal, plastic, insects, bones, etc.). Incorrect labelling affected 6,716 kg. We had 1,289 kg of leaking packaging and 507 kg of product contaminated with allergens.

At DPE, each of our markets has dedicated recall teams with representatives on standby from various business departments. Each year, a simulated recall is conducted by the Quality Assurance team to meticulously assess the adherence to procedures. This annual exercise ensures that all protocols are not only in place, but that they are also diligently followed.

In our relentless pursuit of high food quality standards, every new product undergoes rigorous testing. These assessments ensure that each product meets our strict microbiological criteria and meets our expectations for shelf life, all in the name of food safety and customer wellbeing.



### Food product voluntary withdrawals

FOOD PRODUCT VOLUNTARY WITHDRAWALS	GLOBAL	AUSTRALIA	NEW ZEALAND	NETHERLANDS	BELUX	FRANCE	GERMANY	JAPAN	TAIWAN	SINGAPORE	MALAYSIA	CAMBODIA
Total number of withdrawals*	27	1	1	6	6	3	4	4	0	0	2	
Total quantity (kg) of food product withdrawn from stores	114,243	1,308	86	21,426	17,844	2,270	24,946	46,081	0	0	282	

\* All the withdraw were initiated voluntarily by Domino's to guarantee the safety of our products to our customers



**CASE STUDY**



**EUROPE**

In FY23, we addressed two main food quality areas in Europe:

- 1 Implementing the Product Quality Programme to guarantee product quality from suppliers and stores.
- 2 Establishing robust Food Fraud\* Management measures to prevent any food fraud issues within the supplier and supply chain network.

We developed and implemented our Product Quality Programme in all of our European markets to ensure product compliance. The controls are based on the specifications and expectations of stores and customers with specific pre-bake and post-bake checks. All the products are tested according to an internal sampling plan.

The top 15 products – the core or business critical products – are checked at least once a month. They include mozzarella, tomato sauce, pepperoni, meats (chicken sides, ham, bacon), as well as dough (which is checked daily). The aim of this programme is to achieve at least 90% compliance for each product. In the event of non-conformity related to product quality, the team organises specific tests to check whether it is an isolated case in one store or whether the supplier needs to take action.

In a challenging economic and supply chain environment, we prioritise managing the food fraud risk within our supply chain, from suppliers to stores. Managing food fraud within our supply chain is a mandatory requirement to achieve GFSI certification.

The first step we took was to create a food fraud mitigation plan, which includes a vulnerability assessment for each product and supplier. The risk calculation is based on various vulnerability criteria – economic, product/production, supplier, Domino's brand and historical fraud data – with risks categorised as 'low', 'medium' or 'high'. The next step is to collect all food fraud management data from suppliers and implement preventive actions and additional control measures together with suppliers and the supply chain. We have a weekly tracker to get the appropriate information based on our products, suppliers and origin. In FY23, no food fraud was detected.

\* Food fraud is defined as 'the collective term encompassing the deliberate and intentional substitution, addition, tampering or misrepresentation of food, food ingredients or food packaging, labelling, product information or false or misleading statements made about a product for economic gain that could impact consumer health' (GFSI BRV7:2017)



**RESPONSIBLE SOURCING**

As part of our continuous improvement process, we have strengthened our focus on responsible sourcing and have developed our Responsible Sourcing Policy that replaced our Business Code of Conduct. At the time of writing, the policy is due to be released to all DPE business partners by the end of 2023, after which we will take steps to implement the resulting policies and statements and continue to work on policies that may be missing according to our ESG framework.

We work very closely with our business partners to ensure responsible sourcing and have identified important areas to help reduce our carbon footprint, protect human rights and reinforce animal welfare practices. We are moving in these directions based on our science-based targets, which include the latest SBTi Forest, Land and Agriculture (FLAG) Guidance, as approved by the SBTi.

**ANIMAL WELFARE**

We are committed to maintaining high animal welfare standards. In Europe, we have adopted the European Better Chicken Commitment, the leading global standard for chicken welfare. As part of this commitment, we have partnered with the non-profit organisation Compassion in World Farming to agree on a set of targets that we are committed to achieving by 2026.

We have made significant progress, as highlighted in the infographic below, and will continue to take steps to address areas where further improvement is needed.

In 2021, Domino's ANZ partnered with Compassion in World Farming and signed up to the Better Chicken Commitment (BCC), a first for the QSR industry in the region. The BCC works to significantly improve the conditions in which broiler chickens are raised and slaughtered.





Domino's ANZ has joined the SPCA Better Chicken Commitment Working Group, enabling us to work with our business partners, animal welfare groups and other retail companies to achieve our goals. The SPCA is New Zealand's oldest animal welfare charity.

Domino's ANZ is in the process of creating a company-specific roadmap, which will allow team members to have clear discussions with our business partners about incremental targets to meet the requirements of the Better Chicken Commitment, and to demonstrate our implementation plans to internal and external stakeholders. Currently, 100% of chickens supplied to Domino's ANZ have free access to clean water and quality feed. None are housed in cages or multi-tier systems.

We have also launched our Domino's Pork Commitment and continue to make progress. However, our business partners have not yet fully implemented these commitments, and we have only reached 20% of our KPIs in this area.

We will share our roadmap and provide updates on our progress in this area in our FY24 Sustainability Report.

DPE has also committed to stop purchasing caged eggs in the European and ANZ markets by 2025. In Europe, our goal is to achieve 100% cage-free products in each European market where we operate. In 2023, we made progress on this goal, though progress in the Benelux region was slowed due to avian influenza issues, which resulted in a shortage of cage-free producers.

We have also made significant progress in the ANZ region. In Australia, we increased our sourcing from the cage-free system from 11.65% in FY22 to 27% in FY23, and from 9% to 22% in New Zealand.

We are currently evaluating other markets in our network, such as Taiwan and Malaysia, to see how we can improve in these regions and plan to share the outcomes with our stakeholders in due course.

### DOMINO'S DAIRY INITIATIVE

As part of our efforts to drive sustainable and ethical dairy processes in our supply chain, in June 2023 we organised the first summit between Domino's Pizza and our major dairy partner in Amsterdam. During this event, we developed our strategy and structure based on the following principles and objectives, with a view to:

- Collaborate on traceability and transparency of practices
- Collectively share and engage in environmental and social best practices throughout the value chain
- Support and implement regenerative agricultural practices with farmers
- Work with farmers to improve animal welfare practices
- Push innovation as a key ingredient in our DNA and strategy

The key ingredients in our DNA are:

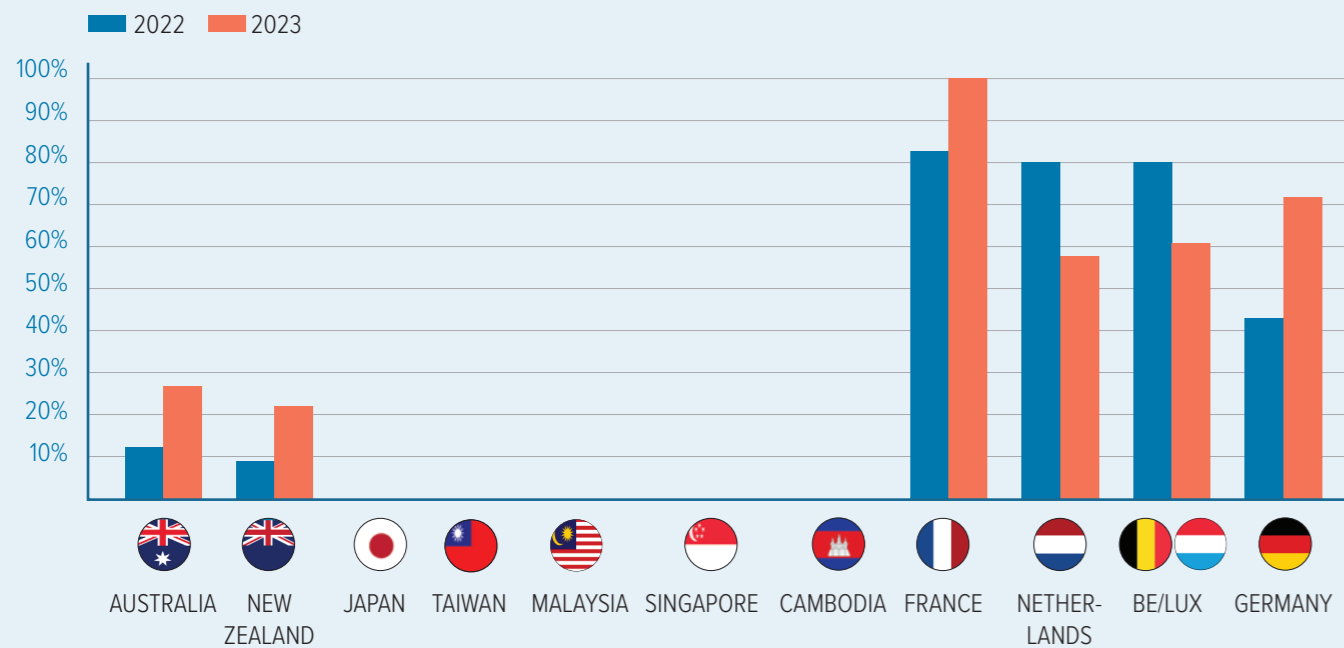
- Quality and food safety
- Traceability
- Innovation

The Domino's Dairy Initiative is based on three main pillars, and we aim to have a better dairy slice for:

- Farmers, communities and customers
- Animal welfare practices
- Environmental aspects

For each pillar, we follow specific objectives and KPIs to measure and track our progress. We aim to finalise our Domino's Dairy Initiative in November and share the outcomes with our dairy business partners by the end of 2023.

### Percentage of cage-free egg products





# FOOD NUTRITION AND INNOVATION

Domino's has a long-standing commitment to be led by our customers' taste and dietary preferences while providing desirable products that our customers love. For example, we are on a journey to offer products that are completely free of artificial colours, flavours and preservatives while offering our customers a wider range of products and occasions. We strive to use the freshest, most natural ingredients in our pizzas, sides and desserts. We believe in sourcing the highest quality ingredients that do not require hidden additives such as artificial colours or flavours. Also, we believe that there is no need for preservatives, as our high volume of sales allows us to go through the ingredients in a short period of time, eliminating the need for preservatives.

We are working hard to offer increased transparency about our products' nutritional ratings in all markets and displaying relevant nutritional information in all in-store and online ordering markets.

We are also reducing allergens in our products and have become one of the first Quick Service Restaurants to offer vegan cheeses, as well as vegan doughs and proteins. We are currently working to introduce new lower-carbon offerings and to harness future food technologies to improve nutrition within the food industry. Thanks to our continuous focus on innovation, we have increased the quality of our food while making it taste even better. These innovations provide our customers with a greater range of options and help us gain an edge over our competitors. In many cases, customers have rewarded our efforts by becoming loyal to these products.

## A CLEANER MENU

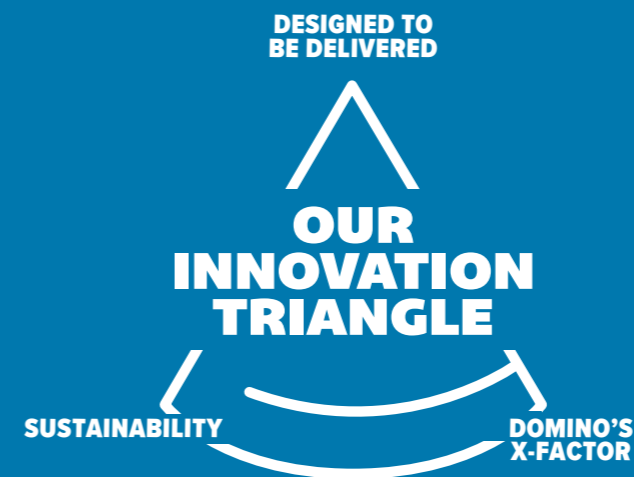
In recent years, we have made significant progress in improving the quality of our food while creating delicious products. In 2017, our European team began their journey to achieve a 100% clean-label menu in our European markets. As we work towards this goal, our teams are exploring solutions for finished products. Our approach involves analysing our menu and engaging with our suppliers to reduce artificial ingredients and find non-artificial alternatives. The team has delivered a menu that is between 86% and 100% free of artificial colours, flavours and preservatives in our established markets. We now have stores in six markets with no artificial colours and stores in three markets with no artificial flavours. This is a significant step in our ambition to deliver a menu that is 100% free from artificial colours and flavours in all our markets.

We face challenges in achieving this goal, mostly related to the storage and transportation of certain products. Reducing the use of preservatives in meats and sauces has proven to be especially challenging as they play a role in extending shelf life and supporting food safety, which is our number one priority. We have made significant progress through continuous evaluation and refinement, collaboration with our suppliers and our drive to move to a clean-label standard. Domino's keeps on looking for ways to remove preservatives in meats. However, removing nitrates is particularly challenging as they have been used for hundreds of years to preserve meat, especially in pork.

We are also making significant progress in reducing the fat and sodium content of our products in all markets. Our pizza dough is the foundation of every great pizza. We are in the process of upgrading all of our APAC stores to enable in-store dough preparation, making our handmade pizzas fresher and more enjoyable for customers. In Japan, we have already converted over 20% of our off-site dough-making stores to in-store dough-making. All of our newly opened stores from October 2022 are set up to enable in-store dough-making from the outset. Our European markets follow Nutri-Score guidelines, and the majority of our meals are in the B-D range of this scoring system (see 'Our customers').

In Europe and Australia, all of our vegetables, including tomatoes, peppers, mushrooms, onions and spinach are locally sourced. This ensures the freshness of our products, supports local farmers and improves the efficiency of our supply chain.

In line with our company vision, we assess all of our product innovations according to three main criteria: 1) design to be delivered, 2) 'pizzaness' (Domino's X-factor) and 3) sustainability.



An important sustainable innovation we are looking into is the development of more sustainable meat alternatives to reduce the need for animal products and the environmental impact of intensive farming. We anticipate that this will extend to pilot innovation projects in regenerative agriculture or alternative sustainable solutions for our dairy, tomatoes, flour and beef.



## NUTRI-SCORE INNOVATION GIVES CUSTOMERS TRANSPARENT NUTRITIONAL INFORMATION



In FY22 Domino's introduced the Nutri-Score system to ensure our customers in the Netherlands, Belgium, Luxemburg, Germany and France receive objective information on the nutritional value of our products. Nutri-Score was developed by independent scientists commissioned by the French government. The system allocates points for nutritious ingredients including protein, fibre, vegetables and fruit while deducting points for ingredients such as sugars, fat and salt. Based on these points, each product is awarded a grade from a dark green 'A' as the most responsible choice to a dark orange 'E' as the least favourable choice. This gives customers a reliable, independent system to choose the product that best suits them. It's another example of our commitment to investment and innovation to ensure customers receive an outstanding experience.

## Food nutrition and innovation

FOOD NUTRITION & INNOVATION	AUSTRALIA	NEW ZEALAND	NETHERLANDS	BELUX	FRANCE	GERMANY	JAPAN	TAIWAN	SINGAPORE	MALAYSIA	CAMBODIA
% of ingredients that are free of artificial flavours	100	100	99	98	92	98	100	62	63	84	89
% of ingredients that are free of artificial colours	100	100	100	100	100	100	95	92	88	86	89
% of ingredients that are free of artificial preservatives	95	90	91	89	86	94	98	96	56	65	72





## *We cherish* **OUR CUSTOMERS**

At the heart of our commitment to sustainability to our customers is the understanding that 'good food' is a highly personal concept, shaped by individual preferences, emotions and moments. This mindset fuels our dedication to providing diverse options that cater to individual tastes while upholding our unwavering commitment to quality.

We recognise the significance of convenience in the lives of our valued customers and see efficient delivery and a seamless, secure digital experience as essential pillars of our business success. Our engagement with customers extends beyond the transactional, as we actively connect with them through social media and are transparent and honest about the steps we are taking to drive improvement. This includes celebrating milestones achieved, as well as outlining the challenges we face and our strategies for overcoming them.

Furthermore, we place a strong emphasis on addressing customer concerns and continuously enhancing both our service and our brand image. Through these efforts, we aim to not only satisfy individual palates but also to contribute to a more sustainable and responsible food industry.

In FY23, we have started to communicate more about our Domino's for Good work externally, including in our communications directed at customers. Some markets now have a dedicated Domino's for Good section on their website. We aimed to have this available in all markets in FY23. This was not feasible in all markets, but we expect more markets to have this information available in FY24. We also aimed to roll out our product environmental footprint tool in a few selected markets in FY23, following the pilot project in Denmark. We have made progress internally, but due to the closure of our Danish market, we have not yet been able to communicate this to our customers. Meanwhile, we are assessing the appropriate software and processes to support a global roll-out of a product environmental footprint tool.



## CUSTOMER EXPERIENCE AND ENGAGEMENT

Every customer wants their pizza to be freshly made and hot out of the oven. Meeting customer expectations and improving satisfaction in the design and delivery of our products, services and experiences is key to the success of our business. Our customer engagement is built on the foundations of ease, value and consistency. Read on for examples of how we are meeting our customers' needs through innovation.

### IMPROVED ONLINE ORDERING EXPERIENCE

Customers in all our markets now benefit from an improved ordering experience. Returning customers now start the ordering experience directly on the On Line Ordering (OLO) menu at their local store. Based on data, we know that customers typically order from the same store or to the same address, so for returning customers we default their next order to the same details, saving them between 30 and 45 seconds in the ordering process.

Globally, we also rolled out new native ordering apps to all DPE markets in FY23. These native ordering apps have made ordering faster and easier – we have seen a reduction in the time it takes to complete an order and an increase in conversion rates.

In addition, when customers order through our native ordering apps, they now receive live order status updates via push notifications. The push notifications keep them informed of their order status in real time, so they can get on with other things while knowing where their order is.

Finally, customers can now save voucher codes to their account in their 'Domino's Wallet', so if they receive an offer from Domino's but only want to order Domino's in the next few days – their voucher code is saved in their account for easy and convenient access later. This feature also allows us to give customers voucher codes directly to their account, rather than sending them voucher codes they need to copy and apply while ordering.

### LAUNCH OF IN-STORE KIOSKS IN EUROPE

We have also been looking at ways to improve the ordering process in our stores. In European markets, many stores now offer customers convenient and easy-to-use kiosks for in-store ordering. Data shows that customers prefer this type of in-store ordering as they explore the menu more and order more personalised items.

### CASE STUDY

#### 24-HOUR KIOSK

#### 2023: Domino's Pizza France opens the world's first pizza distributor kiosks.

France opened its first distributor kiosks in May 2023 after several months of testing. This new product has been developed for quick and easy ordering, making our product available to customers outside of store opening hours and improving the customer experience. One of our objectives for FY24 is to be accessible to as many customers as possible, regardless of the time or place. With almost 500 stores already established in France, Domino's plans to expand our territorial coverage to reach even more customers, particularly in towns with fewer than 5,000 inhabitants and outside store opening hours.

Two types of kiosks have been developed: the 'satellite' distributor kiosks (which can be installed anywhere) and the 'in-store' distributors (which are part of the store).

The pizzas are ready in less than four minutes and retain all their flavour.



### CASE STUDY

#### OUT OF THE BOX IN JAPAN

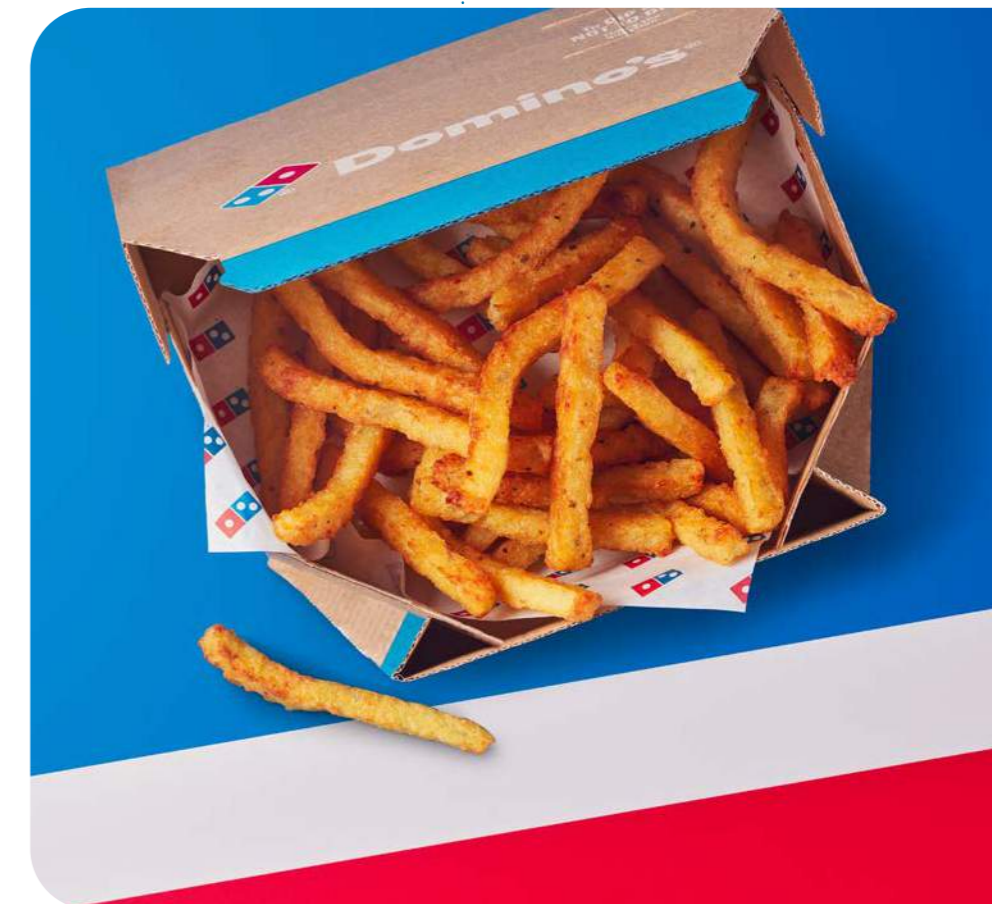
In FY23, we introduced MyDomino's Box in Australia, New Zealand and Japan. The MyDomino's Box allows Domino's lovers to create and customise a personalised meal with over 600 combinations of their favourite Domino's products – all in one convenient box. In February 2023, Japan launched My Domino's, a menu designed with portions for individual diners. Each box contains a main dish and two side dishes for 930 yen. The product was well received by customers: in just over a month, Domino's Japan sold more than 500,000 of these exciting new products.

Japan then introduced BigBox in April. This delicious combination box includes two small pizzas and four side dishes packaged in a large 42 x 43 cm pizza box. We believe this high-impact package deal is the first of its kind in Japan's large pizza delivery industry.

### CASE STUDY

#### A HOT AND FRESH TWIST ON A NATIONAL DISH

A key milestone for Domino's Belgium/Luxembourg was the introduction of Crispy Oven Fries and Loaded Fries to our menu. Taking a risk in a country where chips are considered one of the national dishes has paid off. Using a soft campaign launch to gauge the market, we quickly saw encouraging numbers in orders and food sales. We were also happy to welcome a new type of customer to our Domino's stores, drawn by the lure of Hot and Fresh fries.





### CUSTOMER LIFETIME VALUE

An important element of customer experience and engagement is our Customer Lifetime Value (CLV) approach. We see our CLV mindset as critical to achieving the best possible customer experience because it looks beyond a single transaction or point in time, focusing instead on the customer's lifetime relationship with our brand. When our customers have a great experience, they buy from us again. In fact, our most satisfied customers return many times throughout the year, resulting in higher sales. We also know that our Net Promoter Score is correlated with Customer Lifetime Value.

Research undertaken in FY22 showed us that we can improve customer experience by focusing on great delivery, delicious food, and great service and friendly staff. Our CLV approach also enables us to better understand the reasons for customer dissatisfaction. In FY23, we took the next step in this approach by introducing Club 1845 (see below).

### CLUB 1845 DELIVERS QUALITY MEALS, FASTER



Our commitment to value was one of the driving forces for DPE during FY23. Customer Lifetime Value approach remained at the heart of our strategy and operations, as we remained focused on delivering the right product, service and image at an affordable price.

Value was also the driver to launch our Club 1845 concept. To join Club 1845, a store must maintain an Average Delivery Time (ADT) of less than 18 minutes and a Product Quality (PQ) score of at least 4.5 for an entire quarter.

High quality, operational excellence: this is how we deliver value.

Why 1845? At Domino's, we know there is a direct correlation between an ADT of less than 18 minutes and a PQ score of at least 4.5. The longer we take to deliver a pizza, the lower its quality will be. When we deliver well-made pizzas in an efficient, safe manner, our product quality improves dramatically. Over time, we are seeing that the real reward for franchise partners and store managers who join Club 1845 is increased sales and profitability.

### OFFERING CHOICE AND TRANSPARENCY

We want to make sure our customers have everything they need to make informed food choices. To ensure they have all the facts, we are working towards full transparency around the ingredients used in Domino's products and their nutritional value, as well as the environmental footprint of the products they buy from us.

To meet the changing requirements of our customers, we have begun offering our European and ANZ customers an extensive range of vegan products. These include 100% vegan dough, vegan cheese, fully vegan pizzas, plant-based protein alternatives such as vegan options for crunchy 'chicken' and plant-based 'chicken'.

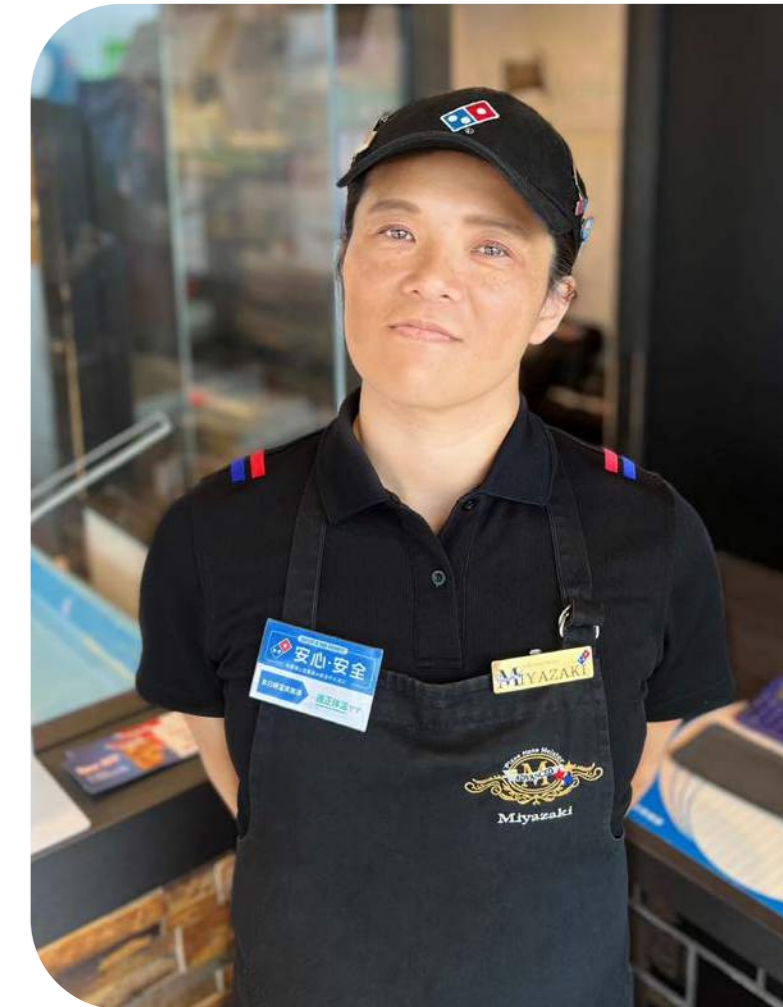
We ran a successful Veganuary campaign, increasing our ProVeg ranking from sixth to third place for the most vegan-friendly restaurant chain (2023) in Germany.

We provide information on the calorie content of our menus in line with national legislation in our respective markets. In FY23, we also worked hard to improve the quality of our ingredients (see 'Our food') and we are increasingly communicating with our customers about the origin of our ingredients.

### Nutri-Score system

To further enhance our commitment to transparency for our customers and the choices we offer, in FY22 we introduced the Nutri-Score system in some of our European markets. We subsequently rolled this out across most of our European markets in FY23.

The Nutri-Score makes it easier for customers to understand nutritional information, in addition to the information we provide on nutritional value. The information is available in all our stores and on our website.



### Nutri-Score rating (A-E)

NUTRIScore RATING (A-E)	NETHERLANDS		BELGIUM		FRANCE		GERMANY	
	Main <sup>1</sup>	Side <sup>2</sup>	Main <sup>1</sup>	Side <sup>2</sup>	Main <sup>1</sup>	Side <sup>2</sup>	Main <sup>1</sup>	Side <sup>2</sup>
Total No of Products	181	41	173	19	304	24	254	34
% of ProdcTs rate A	1%	0%	1%	0%	2%	0%	2%	6%
% of ProdcTs rate B	19%	10%	16%	5%	15%	8%	13%	21%
% of ProdcTs rate C	45%	46%	47%	42%	41%	58%	54%	41%
% of ProdcTs rate D	35%	29%	35%	32%	42%	21%	32%	9%

1) Main products: Pizza

2) Side products: menu offerings other than pizza, including food and beverages.



## RESPONSIBLE MARKETING

As a responsible business, Domino's is committed to ethical marketing practices. We are committed to marketing that is truthful, accurate, balanced, substantiated, inclusive and not misleading, derogatory, degrading or offensive. Strict advertising guidelines apply in many of the markets in which we operate, and we are proud members of advertising boards in many of these locations. Our advertising is always clearly identifiable and is not presented as research or other published formats. In this way, we aim to ensure that our advertising practices support us in building meaningful relationships with our customers based on trust.

As the business landscape continues to evolve, driven by changing customer expectations and societal values, we recognise the urgent need to adapt and respond responsibly. In light of this dynamic environment, in FY23 we developed eight core principles to guide our future marketing practices.

These principles embody our commitment to responsible marketing practices, emphasising transparency, authenticity and ethical conduct. By aligning closely to the evolving needs and expectations of our customers, while upholding these core principles, we aim to develop a marketing strategy that not only resonates with our audience but also contributes positively to the broader societal landscape.

Our eight core principles:

- 1 Be truthful and clear in all our communications
- 2 Be transparent about our products and intentions
- 3 Champion healthy choices
- 4 Protect consumer data and privacy
- 5 Take extra care around marketing to children and teens
- 6 Represent and showcase diversity and inclusion
- 7 Drive responsibility through marketing
- 8 Drive meaningful sustainable impact

## DATA SECURITY AND PRIVACY

The global cybersecurity and privacy landscape continued to evolve at a rapid pace in FY23. We are seeing a generational shift in technology that can revolutionise the way we communicate with computers, significant data breaches, and increased pressure from governments and boards to address the ever-increasing levels of cyber risk.

Major cybersecurity breaches have impacted large-scale global providers, including both public and private organisations. Australia alone has suffered multiple large-scale data breaches that have impacted most of the population and prompted much-needed reforms in Australian privacy legislation as well as increased pressure on governments to help address cyber risk at a country level.

Artificial Intelligence (AI) burst into the public consciousness with large language models, such as ChatGPT, with an unprecedented adoption rate of more than 100 million active users in just two months. While AI has been embedded in certain cyber products for a number of years, the democratisation of this technology has raised legitimate concerns that this technology is being used to construct advanced cyberattacks, or that its misuse could lead to accidental breaches of personal or sensitive data.

All of these incidents have increased the focus on the need for cybersecurity and highlighted the importance of data privacy. This has led to an increase in the number of skilled cyber staff, despite a general decline in the demand for technology experts, which has further affected the current challenges in recruiting cybersecurity personnel.

In FY23, we also expanded our operations in our newest markets with a clear focus on achieving the same level of cybersecurity maturity as the rest of the business.

### ANTICIPATING CYBERSECURITY ISSUES

To address the ever-evolving cyber and privacy risk landscape, we continue to review, improve and adapt our existing security controls. Our security focus during the recent financial year included:

- Developing a single bespoke cyber framework that addresses all of our contrasting regulatory and compliance requirements.
- Completing work to consolidate into a single, globally managed, endpoint protection product in all of our existing markets.
- Completing disaster recovery testing for our key online ordering system and services.
- Continuing to make progress with our 'Ransomware Ready' work programme.





### USING TECHNOLOGY TO AUGMENT CYBERSECURITY OPERATIONS

We are committed to protecting the privacy of our customers, employees, shareholders and franchise partners by ensuring that we are not only alerted to potentially complex issues, but that our operational staff can respond quickly and effectively. This has been achieved by augmenting our staff through:

- The cyber function that is currently using AI to help us further enrich the information in alerts to allow for more junior members of staff to deal with more complex calls.
- Several security products that are using Machine Learning (a subset of AI) to analyse large amounts of data to identify and alert on patterns that may indicate an attack and reduce the number of false positives.
- Automation, which we are using to enrich existing calls for rapid decision-making as well as automatically remediating calls where appropriate (resulting in a 20% reduction in overall call volume).

### SUPPORTING OUR CYBER COMMUNITY

As part of a global security and privacy community, it is important to work together towards a common goal that includes the ability to give back wherever possible. To achieve this, we are:

- Assisting local charities with cyber support
- Supporting local further education institutions
- Sharing knowledge with the wider cyber community

### PRIORITIES FOR THE YEAR AHEAD

- Continue to integrate our newest markets
- Continue our initial investigation into ISO27001 compliance requirements
- Maintain a clear focus on delivering cyber awareness training to our franchise partners and store employees
- Work towards increasing our 'outside in' vulnerability management to identify our unknowns
- Facilitate technology and services to support our Tier0 and Tier1 security operational services
- Employ a chief data officer and personnel to oversee data security and governance







*We are MINDFUL OF*  
**OUR ENVIRONMENT**

Today's companies are increasingly expected to play a leading role in tackling climate change. Domino's is committed to being part of the industry-wide transition to a low-carbon economy. In 2021, we committed to science-based targets to achieve net-zero emissions across our value chain by 2050.

We want to ensure that the meals our customers eat are not only high quality and affordable, but that they do not harm our planet. Minimising our impact on global warming is not only better for the planet, it is also a smart business investment. Ultimately, we want to ensure a better slice for everyone – from the farmers who grow the ingredients, to our franchise partners who make and deliver our meals, to our customers who enjoy our pizzas.



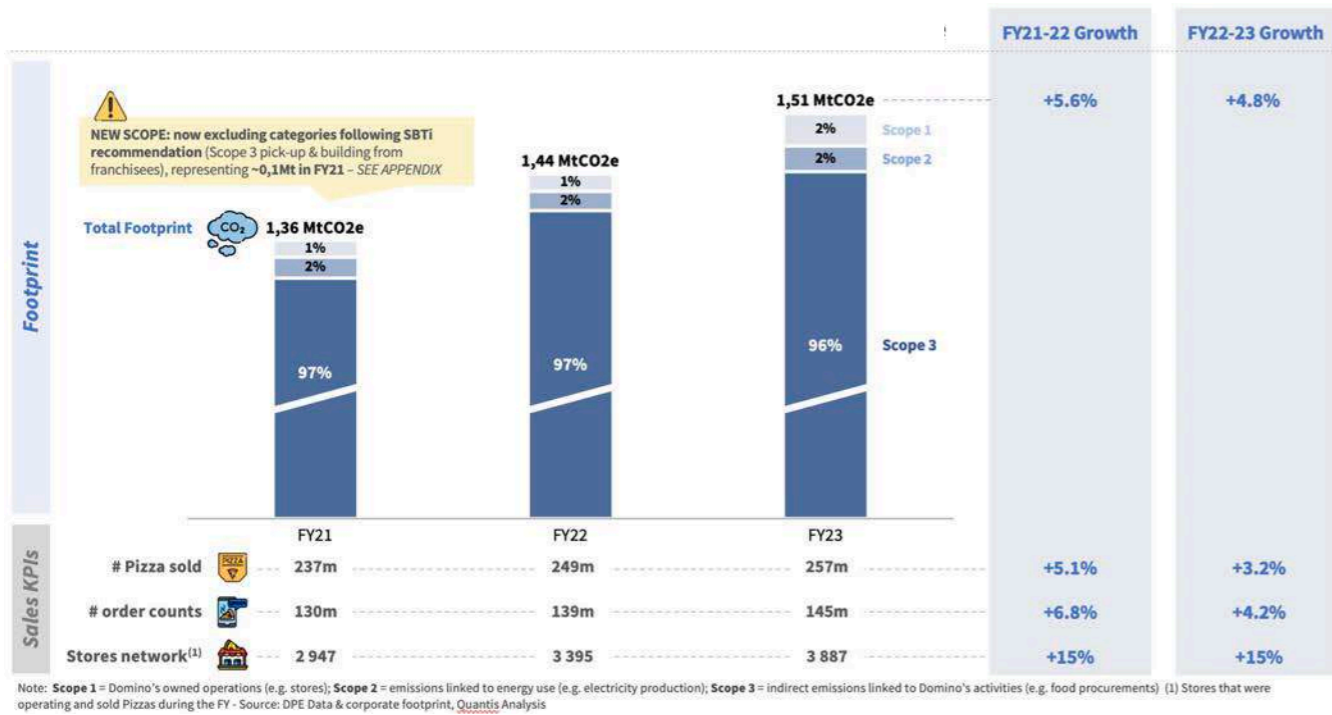
## CORPORATE FOOTPRINT MEASUREMENT

In FY23, we completed our second global footprint measurement using FY21 as the baseline. The footprint is calculated according to the Greenhouse Gas (GHG) Protocol and includes our impact on climate, water, land use and biodiversity. We conducted the same measurement for our corporate footprint in FY22 and our baseline year FY21.

Compared to FY22, we have increased our absolute GHG emissions by 5%, due to an increase in the number of orders and the growth of our business in terms of stores, including the addition of Malaysia, Singapore and Cambodia. As we announced our intention to exit the Danish market only at the end of our financial year, we have fully included Denmark in our corporate footprint calculations.

### DPE FY21-23 Corporate carbon footprint

By scope, by fiscal year (July-June), M tons CO<sub>2</sub>e



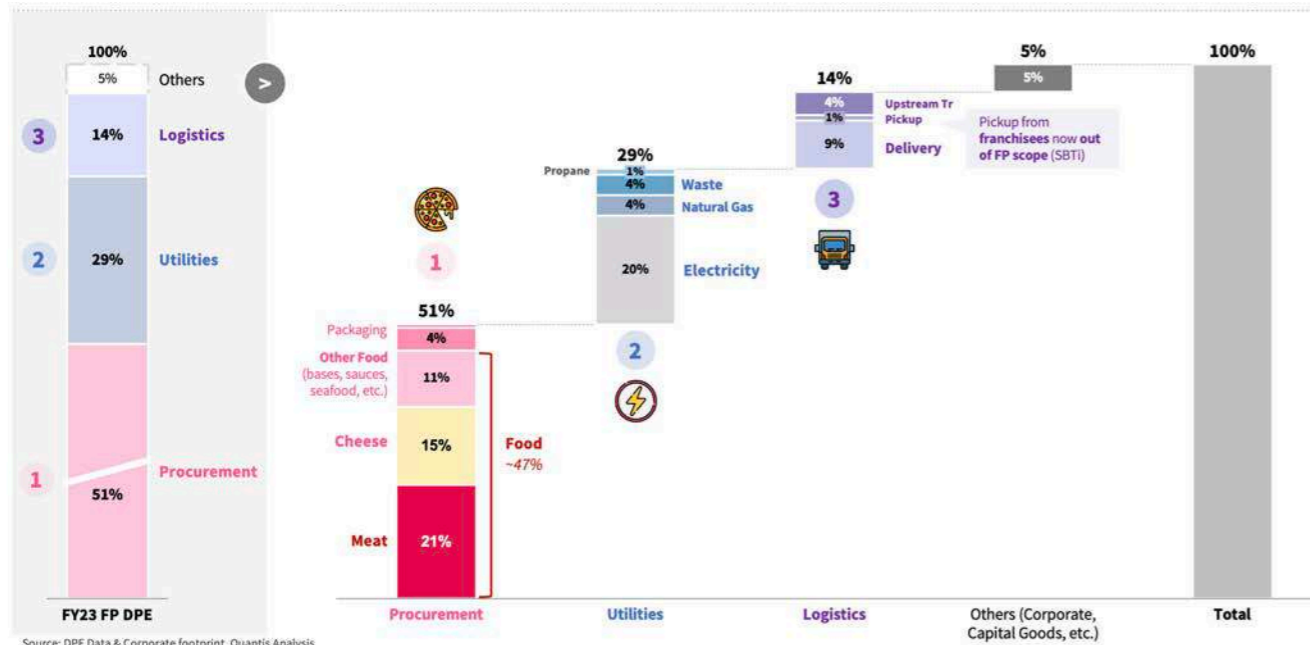
- The number of stores is 3,887, which is higher than the number of stores mentioned in our annual report and in this year's sustainability report, which is 3,782. The store count of 3,782 is our number of stores at the end of the financial year. 3,887 is the number of stores that sold products during FY23 (for example, the closed stores in our Danish market).
- We have restated our carbon footprint from our baseline year FY21 as well as FY22. The numbers now exclude Scope 3 pick-up & building from franchise partners, as recommended by SBTi.





## DPE FY23 Footprint breakdown

By main category, % of tonnes CO<sub>2</sub>-eq



Source: DPE Data & Corporate footprint, Quantis Analysis

### BASELINE CORPORATE FOOTPRINT RESULTS

As this is our third year in which we are calculating our corporate footprint, we are still finding gaps in our data gathering process. We understand that it usually takes a few years to get to an accurate and complete collection of actual footprint data. With our combined learning from the past two years, we know how to close our current gaps and we can build on the overall data quality and completeness that we already have in place.

The increase in our absolute footprint is driven by the number of pizzas sold. FY22 showed an increase of 6% compared to FY21, and FY23 showed a 5% increase compared to FY22.

Looking at our Scopes 1, 2 and 3 in FY23, we can also see that the percentages of each scope are consistent with previous years, with Scope 3 being the dominant scope, accounting for 96% of our footprint in FY23.

The main hotspots in all impact categories are:

- Purchased goods: production of commodity and non-commodity ingredients (dairy, meat, flour, etc.), packaging materials (corrugated cardboard, plastic food film, etc.).
- Utilities: purchased energy (electricity, natural gas, water).
- Logistics: inbound transport (to distribution centres), outbound transport (to restaurants), delivery to customers.



### CARBON FOOTPRINT

The main contributors to our carbon footprint are purchased goods (51%), utilities (29%) and logistics (14%).

#### Procurement

Our purchased goods account for 51% of our total footprint. The main drivers are dairy (cheese) at 15% and meat (beef, pork and chicken) at 21%. Other foods account for 11%. Food therefore accounts for 47% of our total footprint.

As mentioned above, we currently see a distinct correlation between our growth in pizzas sold and our growth in carbon footprint. As we intend to grow our business every year, we need to avoid increasing our footprint accordingly. As part of our approved SBTi targets, we have set goals to reduce our GHG emissions per unit of product sold by 65% by 2030 and to be net zero by 2050. We intend to make fundamental changes within DPE and across our value chain to achieve our goals.

As food is our largest contributor at 47%, it is a category that requires significant change. This is why we have developed the Domino's Dairy Initiative, which is explained in more detail in the 'responsible sourcing' section in the 'Our Food' chapter.

#### Utilities

Utilities is also a very important category, accounting for 29% of our footprint. Within the utilities, we have the ability and responsibility to not only improve our efficiency (using less electricity/water/gas per pizza sold), but also to improve the sustainable character of our use (e.g. using more 'green' electricity). This is part of the work of our Centre of Expertise on sustainable stores and operations.

#### Logistics

Changes in our logistics footprint (14%) are the most visible changes we are making. We are electrifying our fleet. Both in our distribution (supplying our stores from our warehouses with the first electric trucks we invested in this year) and in the delivery (bringing our delicious food from store to customer). As these are very capital-intensive investments, a full replacement of our current combustion engines will not happen overnight.

In APAC, we are converting all our stores to in-store dough-making. This means that we no longer have to transport water from our commissaries to the stores. In Japan alone, this is saving 14 tonnes of water transport per week by end of FY23. As we have only converted 20% of our stores to in-store dough-making, this saving will increase. Not having to transport the water is saving carbon kilometres as well.



# CLIMATE ROADMAP AND SCIENCE-BASED TARGETS

Climate change is a profound and systemic global challenge that needs to be addressed without delay to avoid the worst societal impacts. Domino's is meeting this challenge head on by aligning with the Science Based Targets initiative (SBTi) and committing to achieving net-zero emissions by 2050.

Domino's Pizza Enterprises Ltd was selected as one of the first 10 companies in the world to have their Forest, Land and Agriculture (FLAG) targets validated. The SBTi has reviewed Domino's targets and confirmed that our pathway to reaching them meets internationally recognised scientific standards.

Domino's reviewed its emissions, and those in its supply chain, before planning a roadmap to reduce our carbon footprint. We found that nearly 40% of emissions came from dairy and other animal-based proteins, with the majority derived from cheese production.

To reach our ambitious goal, Domino's is working with business partners to find ways to reduce dairy emissions without compromising on customers' taste preferences. The Domino's Dairy Initiative aims to reduce the environmental impact of our dairy use in an ethical and sustainable way.

Our corporate footprint baseline measurement identified three main impact areas where we can directly influence and achieve the most significant reductions in our emissions. Within our climate roadmap, we have included targets and actions for the following three impact areas:

- 1 Sustainable stores and operations
- 2 Responsible sourcing
- 3 Sustainable product innovation

For each impact area, we have identified the main actions and a phased implementation across our markets. Domino's Global Centres of Expertise are dedicated to identifying sustainable innovations that can be implemented across our markets to reduce our environmental impact, and ensuring these solutions are viable options for our franchise partners.

## Emissions reduction targets validated by the Science Based Targets initiative

Our first priority is to reduce carbon emissions for Scopes 1, 2 and 3, the three categories of greenhouse gas (GHG) emissions as defined by the GHG protocol.

In November 2021, we announced our commitment to achieving our science-based targets at our Annual General Meeting and submitted our targets to the SBTi in June 2022. Midway through the process, the SBTi invited us to be one of the first 10 companies worldwide to participate in the FLAG pilot. In June 2023, our science-based targets, including FLAG, were officially approved by the SBTi, making Domino's one of the first companies to have specific FLAG-approved targets.

## Overall net-zero target

DPE is committed to achieving net zero greenhouse gas (GHG) emissions across our value chain by FY50.

## Near-term 2030 targets

As part of our journey to achieving net-zero emissions, we have set interim carbon reduction targets for FY31 from our FY21 baseline. These include:

- Reducing our absolute Scopes 1 and 2 GHG emissions by 46.2% by FY31 from our FY21 baseline.\*
- Reducing our Scope 3 GHG emissions by 55% per pizza sold within the same time frame.

\*The target boundary includes land-related emissions and removals from bioenergy feedstocks.

## FLAG

- DPE is committed to reducing its absolute Scope 3 FLAG GHG emissions by 33.3% by FY31 from our FY21 baseline.\*
- We also commit to zero deforestation across our primary deforestation-linked commodities with a target date of 31 December 2025.

\*The target includes FLAG emissions and removals.

We have consolidated our short-term greenhouse gas reduction targets into a comprehensive goal of a 65% reduction in greenhouse gas emissions per unit of product sold by FY31, compared to our FY21 baseline. Further details of our short-term targets and key impact areas can be found in the accompanying visual representation to the right.

## WHAT ARE SCIENCE-BASED TARGETS?

The Science Based Targets initiative is a not-for-profit initiative led by the United Nations Global Compact, the World Wildlife Fund, the World Resources Institute and CDP. The SBTi helps companies set and validate emissions-reduction targets that are consistent with climate science and aim to limit global temperature increase to 1.5 degrees Celsius above pre-industrial levels.

## Long-term targets

- DPE commits to reducing its absolute Scopes 1, 2 and 3 GHG emissions by 90% by FY50 from our FY21 baseline.\*

\*The target boundary includes land-related emissions and removals from bioenergy feedstocks.

## FLAG

- We also commit to reducing our Scope 3 FLAG GHG emissions by 80% by FY50 from our FY21 baseline.\*

\*The target includes FLAG emissions and removals.

Our overall long-term target is to achieve net zero by 2050.

# ENVIRONMENTAL ACHIEVEMENT HIGHLIGHTS

Working towards more sustainable stores and operations.

## E-delivery

With millions of kilometres travelled each year to deliver delicious food to our customers and fresh ingredients to our stores, electrifying our fleet is a critical step towards becoming a more sustainable company.

Although our markets are in different stages of maturity in electrifying their fleets, we are seeing a sharp increase in the percentage of e-vehicles (bikes, scooters and cars) in all markets. For example, in Japan more than 31% of all delivery vehicle are already electric (in Tokyo more than 61%), and in Taiwan we are committed to fully electrifying our fleet.

At the end of FY23, we launched a project that requires all our delivery staff to register the type of vehicle they are using to deliver orders to customers. This new feature will enable us to accurately report on progress with our e-fleet delivery.

2030  
SBT ALIGNED

## ENVIRONMENTAL STRATEGY 3 KEY FOCUS AREAS

### SUSTAINABLE STORES & OPERATIONS

- **E-delivery** in all our markets
- **Low carbon energy**
- **Energy efficiency** in our operations, stores and offices
- **Waste management** in our operations, stores and offices
- **Sustainable store design**

### RESPONSIBLE SOURCING

- **Responsible sourcing policy**
- **Traceability** for our top commodities
- **Zero deforestation** top high-risk commodities
- Sourcing core ingredients from **low impact agricultural practices or from alternatives**
- **Less carbon intensive transport** modes and fuel

### SUSTAINABLE PRODUCT INNOVATION

- **Footprint reduction of cheese** per pizza in the menu in all markets
- **Low impact ingredients** products on the menu
- **Customer transparency** for all products
- **Sustainable consumer facing packaging** in all markets



**CASE STUDY**



**PROJECT GOLF - MORE DOUGH IN TRANSIT REDUCES CO<sub>2</sub>**

Following a successful trial project in France last year, Project Golf has also been implemented in the Netherlands. Increasing the number of dough balls in each tray produced in our commissary has reduced the number of trucks we need for transport. This was more complicated than anticipated, as many factors in the supply chain had to be carefully considered to ensure this was possible.

Redesigned trays and new machinery to remove the dough balls from the trays were required to make the French trial a success. Another factor was ensuring the correct climate was maintained throughout the supply chain when transporting the temperature-sensitive dough to ensure food safety and protect the dough from overproofing during the hot summer months. Now 100% of our stores in the Benelux are supplied with Golf trays.



**THE NETHERLANDS TAKES PRIDE IN HAVING ACHIEVED SEVERAL MILESTONES:**

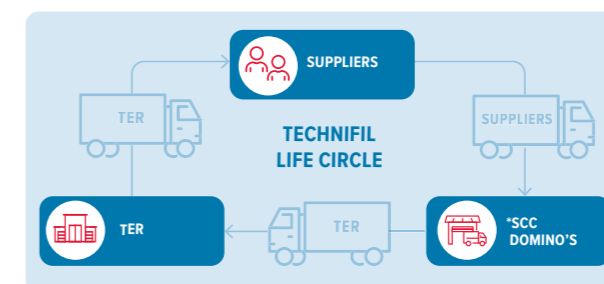
- Last year, 5.8 million of our deliveries were made using e-bikes and e-scooters
- More than 85% of our vehicles are electric
- Vehicle Selection technology enables us to optimise our delivery services
- The first two electric trucks were ordered in FY23 and were operational from August 2023.

**Waste reduction**

As part of our commitment to environmental stewardship and cost efficiency, we continue to focus on minimising food waste across our stores and operations. As part of this effort, our food waste per meal is typically lower than that of the average household. We are also committed to improving the sustainability of our packaging. In FY23, we launched a series of initiatives aimed at eliminating plastic from our packaging materials, thereby improving recyclability. We are also actively exploring opportunities to introduce reusable packaging solutions.

**Sustainable packaging**

Packaging plays a crucial role in Domino's products, which is why we are committed to finding solutions that make the lowest environmental impact without compromising the quality of our product. We have already achieved sustainable best practices in some of our markets. In France, we launched a project called 'Less is more'. A number of our French business partners have stopped delivering products to us in cardboard boxes and switched to large iron containers, reducing the amount of waste generated at our locations.



The containers used to deliver the products can be reused for subsequent deliveries, forming part of a circular rental system (as shown in the Technifil life circle above). This new approach has reduced the use of cardboard, thereby lowering our carbon footprint as well as labour requirements in our commissaries. Since the project was launched in 2022, 29 tonnes of cardboard have been saved.

**CASE STUDY**

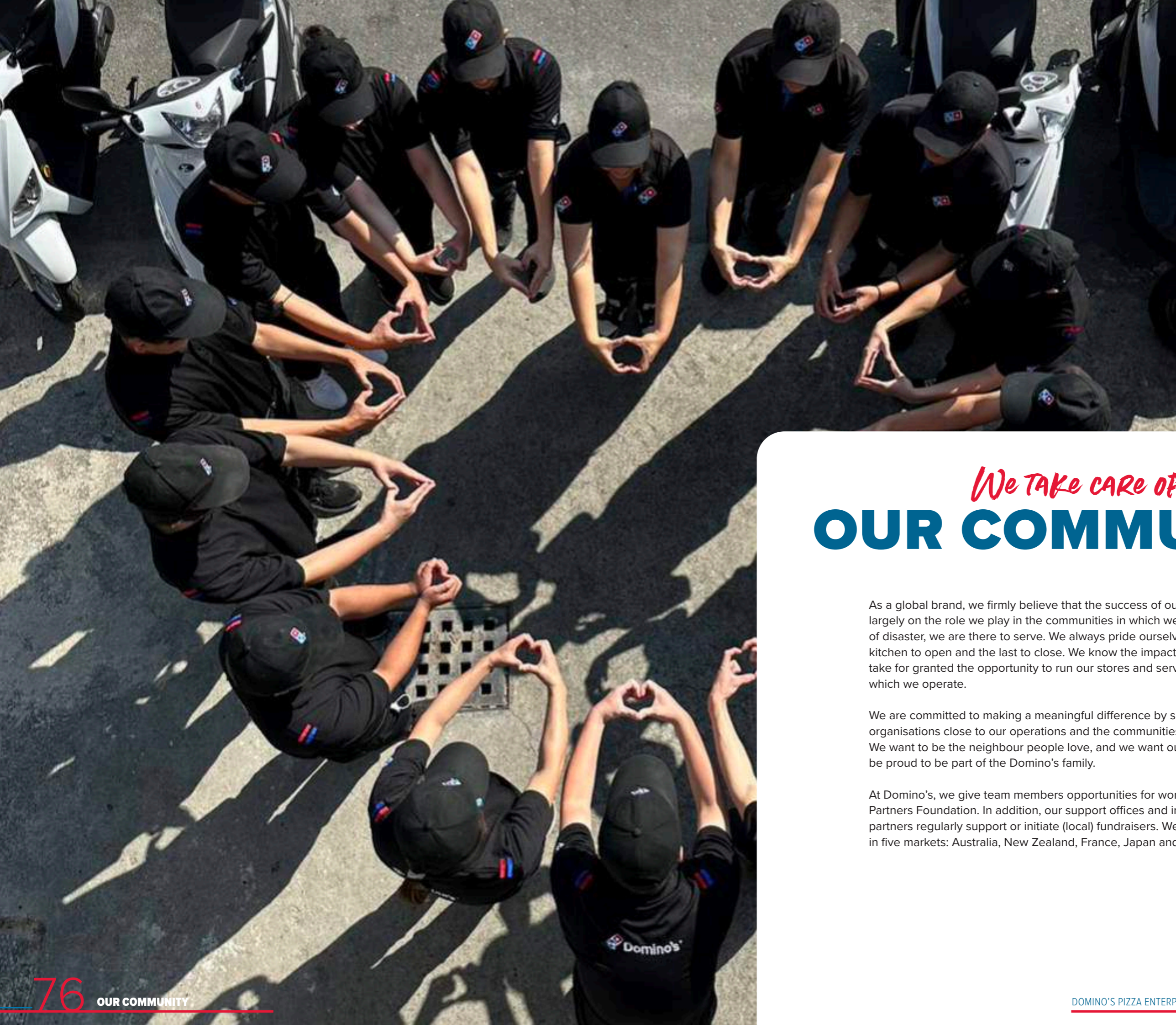
**SORTING WASTE GIVES PACKAGING A SECOND LIFE**

As we also continue to support and educate our customers on good environmental practices, our initiative in France offers a dual message of sustainability. By working with one of our main beverage suppliers CCEP (Coca-Cola Europacific Partners) to sort and recycle waste, we are not only sorting waste (cardboard, plastic, cans) correctly but also giving packaging waste a second life.

For example, when aluminium cans are sorted into the correct recycling container, they can become repurposed into an electric bike.







## *We TAKE CARE OF* **OUR COMMUNITY**

As a global brand, we firmly believe that the success of our business depends largely on the role we play in the communities in which we operate. In times of disaster, we are there to serve. We always pride ourselves on being the first kitchen to open and the last to close. We know the impact we have and we never take for granted the opportunity to run our stores and serve the communities in which we operate.

We are committed to making a meaningful difference by supporting people and organisations close to our operations and the communities in which we operate. We want to be the neighbour people love, and we want our franchise partners to be proud to be part of the Domino's family.

At Domino's, we give team members opportunities for workplace giving via our Partners Foundation. In addition, our support offices and individual franchise partners regularly support or initiate (local) fundraisers. We run our own charities in five markets: Australia, New Zealand, France, Japan and Germany.



## DOMINO'S PARTNERS FOUNDATION

At Domino's, we take great pride in nurturing a compassionate and close-knit culture. Many of our team members regard their co-workers not just as colleagues but as friends and extended family. Through our dedicated Partners Foundation, we extend a helping hand to our team members during times of injury, disaster recovery, illness and personal hardship. The Foundation's commitment to giving and support continues to grow and plays a vital role in helping team members as they navigate through challenging circumstances.

This year, the Domino's Partners Foundation in Australia and New Zealand provided AUD 235,427 in support, while in Germany, the Foundation contributed EUR 12,021 and the Partners Friendship Foundation in Japan generously offered JPY 800,000 in support. We expect other markets to follow suit by establishing their own local Partners Foundations, further strengthening our commitment to supporting our valued team members around the world.



## DOMINO'S CHARITIES

Domino's stores play an integral part in their local communities, and we strive to make a difference in the lives of those in need in the communities where we operate. Four of our markets have their own registered charity: our Give for Good charities in Australia and New Zealand, the Dominoid charity in Germany and the Sanchoku Domino's Foundation in Japan.

Markets that do not have their own registered charity often work with long-term local partners – usually non-profit organisations – to support local communities. Common areas of focus include youth, entrepreneurship and providing equal employment opportunities for all. A prime example of this type of partnership is our work with the youth-focused non-profit organisation, JINC, in Belgium and the Netherlands.

### GIVE FOR GOOD AUSTRALIA AND NEW ZEALAND

Our Australian charity, Give for Good, mainly receives funds through our generous customers who choose to round up their order amount to the nearest dollar for charity (Round Up for Charity). The charity was founded in 2016 to support causes that align with our core values, or 'pillars', that are at the heart of our business. In Australia, these pillars are 'Youth', 'Community' and 'Disaster Relief'. In New Zealand, they are 'Youth and Education', 'Leadership' and 'Disaster Relief'. In recent years, we have worked with several reputable charities, including The Smith Family, Rural Aid, Lifeline, Disaster Relief Australia, Orange Sky and the Pinnacle Foundation, to promote and encourage customers to 'Round Up' their Domino's order to the nearest dollar. In addition to Round Up for Charity, Give for Good also raises funds through workplace giving thanks to the generosity of our team members. In FY23, their workplace giving donations increased by 12% and totalled AUD 96,872 compared with AUD 85,911 in FY22, which is very inspiring.

The donations in FY23 are outlined below:

GIVE FOR GOOD	ROUND UP - CUSTOMER DONATION	WORKPLACE GIVING	DPE DONATIONS
FY20	\$959,463	\$31,303	\$69,678
FY21	\$1,029,174	\$57,586	\$26,519
FY22	\$829,173	\$85,911	\$32,256
FY23	\$609,790	\$96,872	\$104,080

Amounts in Australian Dollars (AUD)



### DOMINOID GERMANY

Children can't learn when they're hungry – Dominoid gGmbH provides breakfast in schools with our franchise partners.

Domino's Pizza Germany felt a strong urge to use our power as a global business to support our local communities in need. As food is at the heart of our business and no child deserves to be hungry, we were shocked to learn how common and severe malnutrition is among school children in Germany. That's why, in 2022, we began testing an initial approach to overcoming this situation in a school near Berlin to try to better understand how to provide the most effective support. Domino's Pizza Germany has laid the foundation to provide a high-quality fresh breakfast once a week for around 28 children.

The next goal is to extend the programme and, with the help of donations from Domino's Round Up for Charity, we will be able to support more school classes in more communities. Most importantly, we have the strong support of our franchise partners, who know their communities best and are keen to find the right approach for their own community. That is our power for good: Domino's for Good.

### SANCHOKU DOMINO'S FOUNDATION JAPAN

As a member of the food industry, Domino's Japan wants to contribute to the current success and future development of Japan's primary producers – after all, the quality of our pizza product depends on good produce.

In May FY22, we launched the Sanchoku Domino's Foundation, a fractional donation programme where customers can choose to donate fractions of less than 100 yen per order. Proceeds from these donations support producers in Japan through projects that address social and environmental issues. In the first two weeks of operation, more than 15,800 customers had donated JPY 515,124. This is an ongoing programme.

### FONDATION DOMINO'S IN FRANCE

At Domino's, we made a commitment several years ago to help our employees grow by offering training plans tailored to their profiles, as well as support them throughout their careers to help them evolve within our company.

With this in mind, and to support disabled children and young people whose access to education is sometimes complicated, we launched the Fondation Domino's in France in the beginning of 2022. The mission is to support educational initiatives designed to promote the well-being and personal fulfillment of young people in schools. The aim of the Fondation Domino's is to promote equal access to education for children, teenagers and young adults, particularly those with disabilities, through social inclusion.



## DOMINO'S FOR GOOD DAY AND FUNDRAISERS

At Domino's, we like to Give for Good. Together with our franchise partners, we provide help to those in need in our communities with our annual Domino's for Good Day and regular local fundraisers.



### 2023 DOMINO'S FOR GOOD DAY

In FY22, we launched our Domino's for Good Day in Australia and New Zealand. With our Domino's for Good Day, we strengthened our commitment to make a difference in our communities by using World Pizza Day on 9 February as an opportunity to raise funds for charity together with our franchise partners. This year, the second Domino's for Good day took place in Australia and New Zealand, and Japan launched its first Domino's for Good Day on World Pizza Day.

In FY23, a national marketing campaign was launched in Australia and New Zealand to support Domino's for Good Day, with the theme 'Everyday Heroes Eat Pizza'. The campaign was supported by a television commercial, national electronic direct mail (EDM) support, social media platforms and public relations initiatives.

During the day, one Australian dollar from selected pizzas sold in more than 900 stores across Australia and New Zealand was donated to Give for Good.

All stores and team members were encouraged to get involved. Their initiatives included decorating Domino's stores, putting up wobble boards on the street and inviting members of Domino's support office and Leadership Team to visit stores to lend a helping hand.

In March 2023, Give for Good launched a store grants programme in Australia. Using proceeds from the Domino's for Good Day, the programme donated seven grants of AUD 20,000 to support selected charities in local communities.

Domino's franchise partners and team members were asked to nominate a charity in their local community to receive a grant from the store grant programme.

Domino's for Good launched a new initiative with Domino's Pizza Japan: for the first time in our history, an annual 'Charity Day' was established. Domino's for Good Day was introduced because, as the company that delivers the world's most connecting food, we want to connect with as many people as possible.

In fact, every one of our team members is connected through pizza. Thanks to the generosity of our customers and franchise partners, we raised more than AUD 158,000 across Australia, New Zealand and Japan, which will help to provide support in the communities where we operate.

Domino's for Good Day will continue to be held every year on World Pizza Day.



## FUNDRAISERS

In addition to Domino's for Good Day, most markets and franchise partners regularly initiate local fundraisers (Doughraisers) to support those in need. Some examples for FY23 include:

### UNHCR campaign Germany

In FY23, the team in Germany initiated a fundraiser for the United Nations High Commissioner for Refugees (UNHCR) to support their work for the victims of the earthquake in Turkey and Syria. With this campaign, we donated one euro for every pizza sold in 14 participating Domino's stores on the day of the earthquake in Turkey and Syria. The funds were used to support the families of employees affected by the earthquake. Any residual funds not collected by the families were donated to UNHCR-led projects to support the earthquake victims, in accordance with our donors.



### Perth Children's Hospital Australia

On 17 March 2023, Domino's franchise partners and team members in Western Australia held a statewide Doughraiser for the Perth Children's Hospital Foundation, donating one Australian dollar from every pizza sold from 11 AM until closing time. In total, more than AUD 45,000 was raised to help support sick or vulnerable children, as well as those with rare or undiagnosed diseases. Inspired by this Doughraiser, franchise partners in Western Australia organised a further 31 Doughraisers for local schools, sports clubs and community groups.



### Shinlu Foundation's 'Basketball Inclusion Event' Taiwan

On 1 October 2022, the Shinlu Foundation hosted the 'Basketball Inclusion Event' at the Kaohsiung Youth Sports Park. The event attracted 183 participants from all over Taiwan, including young people, some of whom have intellectual disabilities. We not only provided the necessary pizza for the day but also sent a team of professional staff to assist, fully demonstrating our comprehensive support for the inclusion event and our corporate social responsibility. Our pizza and volunteer support further enhanced the event, allowing all participants to enjoy basketball while feeling our attention and help to society.





### Flood Doughraiser for New Zealand

In February 2023, New Zealand was hit by a severe cyclone that caused significant flooding across the country's North Island. Many Domino's stores in Auckland, Northland and the North Island were able to remain open safely and donated fresh pizzas to those who had been impacted, including frontline support workers.

Then our New Zealand franchise partners went above and beyond. 117 of the 150 Domino's New Zealand stores held a national Doughraiser. They donated AUD 2 for every pizza sold to support Taskforce Kiwi's recovery operation. Give for Good New Zealand matched donations dollar for dollar, raising a total of AUD 50,000. Every dollar donated went a long way to support the frontline workers, volunteers, and community members who were displaced or isolated by the devastating impact of Cyclone Gabrielle.

Taskforce Kiwi's donation helped fund 20 volunteers during a four-day clean-up operation. The volunteers provided critical assistance to people in Auckland's flood-affected areas and surrounding regions of the North Island. The funds also helped to cover operational costs, including food, fuel, equipment (tools and personal protective equipment) and the administration of the clean-up efforts on site.

## VOLUNTEERING DAYS



Every year, Domino's provides employees in our Australian and New Zealand markets with one volunteering day per year to support a charity or not-for-profit organisation in their community during working hours. Following the success of this initiative, we have extended our volunteering opportunity to most of our European markets, which now include the Netherlands, France, Belgium and Luxembourg.



### Feed the Knead

Pizza can't solve all the world's problems, but it can certainly bring a small slice of joy, particularly in times of stress and uncertainty. That's the rationale behind Domino's Feed the Knead programme, which allows people to nominate someone they know who is struggling to receive free pizza. In late 2020, we launched this community-based programme in Australia and New Zealand. Ever since its launch, the programme, or a similar version, has been embraced in our other markets; in FY23, we donated a total of approximately 130,700 pizzas in our ANZ and Japanese markets. In other markets, the pizza donations are not yet tracked at market level.





# We are ALWAYS LOOKING AHEAD



In today's rapidly changing world, marked by increasingly complex environmental and social challenges, one thing is absolutely clear to us: the path to a sustainable future lies in forging strong partnerships with our franchise partners, business partners and experts. As we look ahead to FY24, we are committed to broadening and deepening these alliances, knowing that only together can we address the monumental challenges that lie ahead.

## WORKING TOWARDS MORE SUSTAINABLE STORES AND OPERATIONS

Working closely with our dedicated franchise partners, one of our primary objectives for FY24 is to expand fossil fuel-free delivery methods across our vast network. Ultimately, we aim to make this the only delivery method in our operations. In certain markets, this transition is relatively straightforward due to existing renewable energy infrastructure and the suitability of e-bikes for short-distance deliveries. However, in regions where such resources are not readily available, we aim to explore comprehensive solutions. This includes not only encouraging franchise partners to adopt greener delivery methods, but also helping them to identify attractive renewable energy solutions. Moreover, we plan to expand our truck fleet in Europe and convert to e-trucks to reduce our carbon footprint.

In FY24, we will continue to assess and improve energy efficiency at the store level. This data-driven approach will help us to identify meaningful opportunities to reduce energy consumption at the store level, thereby reducing operational costs and increasing profitability. Our primary focus will be on our corporate stores, using the insights gained to actively engage with our franchise partners to help them improve their own energy efficiency. In our pursuit of more sustainable stores, we also plan to provide guidance in other crucial areas, including waste reduction, water consumption and indoor air quality.

## TACKLING OUR BIGGEST ENVIRONMENTAL CHALLENGE: OUR FOOD

As we navigate the uncharted waters of environmental stewardship, one of our most significant challenges revolves around the environmental impact of our food offerings. We are steadfast in our commitment to strengthening our Domino's Dairy Initiative. This will be achieved through close collaboration with our dairy suppliers and other experts. Furthermore, we intend to extend this type of supplier engagement to other key commodities, such as wheat and tomato sauce. While the goal of achieving zero deforestation on key risk commodities across our supply chain by the end of 2025 may be a formidable task, we are determined to identify and implement solutions in FY24, guided by our external expert partners. Our group's food philosophy will continue to play an integral role in our pursuit of ESG goals. In addition to communicating the nutritional value of our offerings and reducing artificial flavours, colours and preservatives, we are committed to finding the appropriate measurement system to assess and communicate the environmental impact of our food. In addition, our menu innovation will remain aligned with our innovation triangle, which places sustainability at its core.

## FURTHER IMPROVING ESG REPORTING AND DATA COLLECTION

Recognising the paramount importance of transparency in our sustainability efforts, we are committed to improving our ESG reporting process. This will not only enable us to meet future ESG reporting requirements effectively, but it will also provide us with a deeper understanding of the true impact of our actions. We are working diligently towards compliance with the Corporate Sustainability Reporting Directive (CSRD), while keeping a watchful eye on similar reporting requirements in the APAC region. Our reporting framework will be adjusted as necessary to align with these evolving mandates.

We firmly believe that the progress we have made with the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB) will serve as a solid foundation for meeting our future obligations.

In FY24, we plan to conduct a double materiality assessment to review whether our existing material topics remain valid and comprehensive. We intend to actively engage with our stakeholders and anticipate potential changes. For instance, we anticipate that the topic of Talent Attraction and Retention, currently considered 'emerging', will move to a more prominent position. This exercise is pivotal in ensuring our unwavering focus on the most critical issues for our business and anticipating forthcoming reporting obligations.

## STRENGTHENING OUR GOVERNANCE

The cornerstone of our sustainability strategy is responsible sourcing, and in FY24, we aim to extend the reach of our responsible sourcing policy across all our markets. Subsequently, we will introduce category-specific policies and statements and incorporate these into our agreements with business partners. We also plan to take significant steps towards improving supply chain traceability, working with our business partners to identify, mitigate and ultimately eliminate any social and environmental risks. To facilitate this, we plan to implement a comprehensive data collection tool to enable us to take appropriate action where enhanced due diligence is required.

## OUR PEOPLE

In FY24, we will bring together all people-related teams currently reporting to local markets under one people function. This will result in a more consistent approach to how we recruit, onboard, train, develop and engage with our people. We are committed to ensuring that every team member returns home safely after their shift, and a key focus for FY24 will be to create safer ways of working across all our markets. We will add a safety element to our store audit process for the first time, with a particular focus on driver safety. The roll-out of Path to Excellence will continue, with more of our markets covered by this exciting technology. We are also looking at how we can integrate artificial intelligence into our talent and capability development. FY24 will also see a significant restructuring of our support offices, with a key focus on creating a more sustainable and efficient support system for our franchise partners. Structural change is never easy and we know that this will have an impact on the engagement of our team members. This will be a key focus of our leadership in the next year.

In conclusion, our vision for FY24 is one of continued commitment to sustainability, driving positive change in our operations, and working in harmony with our partners and experts. The challenges may be great, but so is our resolve. We believe that through these concerted efforts and an unwavering commitment to sustainability, we can create a better slice for everyone.



# SUPPLEMENTARY INFORMATION

## ABOUT THIS REPORT

### Scope and boundary of this report

This is the third Sustainability Report published annually by Domino's Pizza Enterprises Ltd (DPE). The report covers our direct operations in 13 markets where we have offices, corporate stores and other active direct operations in the period from 4 July 2022 to 2 July 2023. The Board and the ESG Steering Committee have reviewed this report and approved its release. Unless otherwise stated, DPE's reporting boundary for the Sustainability Report is consistent with the reporting boundary of its year-end financial report. The reporting boundary includes the entities over which the reporting organisation exercises control or significant influence. A list of controlled entities (subsidiaries) at year-end is included in the year-end financial report and, unless otherwise stated, the boundary of the sustainability reporting covers the entities included in the list.

### Disclaimer and important information

- Domino's Pizza Enterprises Ltd (Domino's) cautions that the information in this report contains forward-looking statements that may be subject to significant uncertainties
- Domino's does not undertake any obligation to provide recipients of this report with further information to either update this report or correct any inaccuracies
- While due care has been taken in preparing these statements, no representation or warranty is made or given as to the accuracy, reliability or completeness of the forecasts or the assumptions on which they are based
- Actual future events may differ from these forecasts, and you are advised not to place undue reliance on any forward-looking statement
- Certain figures in the tables and charts in this report have been rounded to one decimal place. Percentages (%) and variances have been calculated on the basis of actual figures

### Definitions of the material topics

#### Fundamental

- **Food safety and quality:** ensuring our food safety and quality standards are world-class and that every team member in every country understands the importance of safe food storage, preparation and handling requirements.
- **Workplace safety:** protecting and promoting the safety of our employees, franchise partners and contractors by cultivating a strong safety culture supported by risk management, systems and processes, and leadership throughout all levels of the organisation.
- **Customer privacy and data security:** maintaining responsible management of information technology as we expand our digital capabilities to protect the privacy of employee, operational and customer data and maintain defences against cybersecurity breaches.

#### Key

- **Franchisee prosperity:** supporting our franchise partners to run successful businesses and become stewards of the Domino's brand and values, through genuine engagement and supportive systems and policies.
- **Community prosperity:** investing and engaging with the communities in which we operate to create shared value through targeted grants, awards, partnerships and support for workplace giving and volunteering. This includes the Domino's Partners programme, Doughraiser programme and Give for Good.
- **Footprint reduction:** measuring, disclosing and reducing the environmental impact of our activities, both from owned or controlled sources, purchased energy and throughout our supply chain. Our environmental impact includes our carbon footprint, land use change, water and biodiversity impact.
- **Customer experience:** customers want their pizza to be fresh and hot out of the oven. Meeting customer expectations and improving satisfaction in the design and delivery of our products, services and experiences.

- **Responsible sourcing:** sourcing our products in a socially responsible and environmentally sustainable way and working with our suppliers to make sure that the workers involved in making the products we source are safe and treated fairly.

#### Emerging

- **Food nutrition and innovation:** delivering continuous menu innovation to offer customers more of the flavours they enjoy, including limited time offers and new product launches that become mainstays of our menu. Providing ingredients and recipes that meet our customers' health, diet or lifestyle requirements, and working every day to improve these offerings.
- **Attracting and retaining talent:** attracting and retaining highly capable individuals with a range of relevant skills, experience and capabilities to support high performance and reduce turnover. This includes attracting people with new skill sets and adaptive thinking to drive innovation.

## REPORTING FRAMEWORKS

This report has been prepared referencing internationally recognised reporting frameworks, namely the Global Reporting Initiative and the Sustainability Accounting Standards Board.

## DATA QUALITY CORPORATE FOOTPRINT

We calculated our FY21 baseline corporate footprint measurement and both the FY22 and FY23 corporate footprint updates with the help of environmental sustainability consultancy Quantis. Quantis conducted all assessments of DPE's carbon footprint following the GHG Protocol. The entire value chain was considered, including upstream and downstream activities, particularly at the franchise restaurant level.

For the franchise restaurants, their utilities consumption and waste have been included in Scope 3 category 14, and Scope 3 category 5 respectively. In addition, emissions linked to delivery at the franchise level have been included. For franchise restaurants, however, emissions related to collection from customers have been removed, as recommended by the Science Based Targets initiative.

Most of the data collected represented physical flows (procurement volumes, utilities consumed in kWh and m<sup>3</sup>, waste in tonnes, etc.), although total expenditure was used to derive the impact of capital goods and services. The emissions factors were derived from well-established databases such as Ecoinvent and the World Food LCA Database.

Overall, the data quality used for the calculation of the corporate carbon footprint is similar to previous years. Confidence on the procurement data is higher than the market average, as it is based on direct supplier data for approximately 50% of the volumes. Confidence on the data related to the consumption of utilities is relatively low, both within Domino's (corporate restaurants and company-owned distribution centres) and within the Domino's value chain (franchise partners and third-party distribution centres). The data may still be incomplete or erroneous and is likely to be based on extrapolations from utility bills, which may vary from country to country. Regarding logistics, we are confident about the upstream and downstream data, as these are based on supplier surveys and exact coordinates respectively. However, we believe that the data provided for the deliveries, both in terms of fleet composition and kilometres driven, can be improved.

In view of the above, we must be cautious in drawing conclusions about trends from FY21 to FY23. Going forward, we intend to improve the quality of our corporate footprint data with our annual updates.

#### Contact information

For further information, please contact Nathan Scholz, Group Chief Corporate Affairs Officer, via investor.relations@dominos.com.au or Marika Stegmeijer, Group Chief ESG Officer, via ESG@dominos.com.au.



## Acronyms and key definitions

**ANZ** – Australia and New Zealand.

**ASX Corporate Governance Principles** – The Australian Securities Exchange (ASX) Corporate Governance Council has developed Corporate Governance Principles for Australian listed entities. Companies listed on the ASX must comply with these Corporate Governance Principles.

**CIWF** – Compassion in World Farming EU is based in Brussels and campaigns to strengthen legislation and enforcement on farm animal welfare, with a particular focus on Europe.

**DPE** – Domino's Pizza Enterprises Ltd.

**DPI** – Domino's Pizza International.

**ESG** – Environmental, Social and Governance.

**EthiXbase** – EthiXbase is a service provider of due diligence and supply chain integrity solutions, with a focus on anti-corruption, human rights, labour and the environment, supported by market-leading technology.

**FLAG** – FLAG (forest, land and agriculture) are science-based targets that apply to a company's forest, land, and agriculture related emissions, including CO<sub>2</sub> emissions associated with land-use change and emissions from land management.

**GHG** – Greenhouse gases are those gaseous constituents of the atmosphere that absorb and emit radiation through a series of reactions, thereby causing the greenhouse effect.

**GHG Protocol** – The GHG Protocol is the most widely used greenhouse gas accounting standard, which was developed through a partnership between the World Resources Institute and the World Business Council for Sustainable Development.

**HRIS** – Human Resources Information System.

**LGBTQIA+** – Stands for lesbian, gay, bisexual, transgender, queer, intersex and asexual.

**LUC** – Land use change. Land use is one of the main drivers of GHG emissions from food and agricultural companies. Assessing deforestation goes hand in hand with assessing LUC. Understanding this part of our footprint will therefore be essential in our efforts to reduce our impact.

**NPS** – Net Promoter Score measures the customer experience by asking customers to rate the likelihood that they would recommend a company, product or a service to a friend, thereby predicting business growth.

**QSR** – Quick Service Restaurant.

**Quality of ecosystem (biodiversity)** – Biodiversity has become a key issue for consumers and investors, driven by scientific research results that underline the importance of restoring nature. Understanding our impact in this area is the first step towards developing a consistent, holistic biodiversity strategy across our value chain. Biodiversity is an inclusive concept that is driven by all the other indicators we measure.

**Quantis** – Quantis is a leading environmental sustainability consultancy that partners with major organisations across the globe to drive sustainable transformation and align business with planetary boundaries.

**SBTs** – Science Based Targets.

**SBTi** – Science Based Target initiative.

**TCFD** – Task Force on Climate-related Financial Disclosures was created to develop recommendations on the types of information that companies should disclose to support investors, lenders and insurance underwriters in appropriately assessing and pricing a specific set of climate-related risks.

**UNHCR** – UNHCR, the UN Refugee Agency, is a global organisation dedicated to saving lives, protecting rights and building a better future for refugees, forcibly displaced communities and stateless people.

**Water impacts** – Water availability and quality is an important impact factor for food producing companies. We recognise that the hotspots of our water impacts will vary from region to region and in many cases are local. We believe that better understanding and managing our water impacts, together with our suppliers, is key to the resilience of our company now and in the future.





# APPENDIX 1: GRI REFERENCE TABLE

<b>STATEMENT OF USE</b>	Domino's Pizza Enterprises Ltd has reported the information cited in this GRI content index for the period from 4 July, 2022 to 2 July, 2023 with reference to the GRI Standards.
<b>GRI 1 USE</b>	GRI:Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION
<b>GRI 2: General Disclosures 2021</b>	<b>1. The organization and its reporting practices</b>	Our Company, p. 11 - p. 88 About this report, p. 88
	2-3 Reporting period, frequency and contact point	About this report, p. 88
	<b>2. Activities and workers</b>	
	2-6 Activities, value chain and other business relationships	Our Company, p. 11 - p. 28 Our Business model, p. 14
	2-7 Employees	Our Company, p. 11 - p. 28 Performance data tables, p. 40, p. 41
	<b>3. Governance</b>	
	2-9 Governance structure and composition	Corporate Governance, p. 20 <a href="https://investors.dominos.com.au/board-of-directors">https://investors.dominos.com.au/board-of-directors</a> <a href="https://investors.dominos.com.au/corporate-governance">https://investors.dominos.com.au/corporate-governance</a>
	2-10 Nomination and selection of the highest governance body	Corporate Governance, p. 21 <a href="https://investors.dominos.com.au/corporate-governance">https://investors.dominos.com.au/corporate-governance</a> <a href="https://investors.dominos.com.au/corporate-governance-Nomination,CultureandRemunerationCommitteeCharter">https://investors.dominos.com.au/corporate-governance - Nomination, Culture and Remuneration Committee Charter</a>
	2-11 Chair of the highest governance body	Corporate Governance, p. 20 <a href="https://investors.dominos.com.au/corporate-governance">https://investors.dominos.com.au/corporate-governance</a>
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance, p. 20 <a href="https://investors.dominos.com.au/corporate-governance">https://investors.dominos.com.au/corporate-governance</a>
	2-13 Delegation of responsibility for managing impacts	Corporate Governance, p. 20
	2-14 Role of the highest governance body in sustainability reporting	Corporate Governance, p. 20 About this report, p. 88
	2-15 Conflicts of interest	<a href="https://investors.dominos.com.au/corporate-governance">https://investors.dominos.com.au/corporate-governance</a>
	2-16 Communication of critical concerns	<a href="https://investors.dominos.com.au/corporate-governance">https://investors.dominos.com.au/corporate-governance</a>
	2-17 Collective knowledge of the highest governance body	Corporate Governance, p. 20
	2-18 Evaluation of the performance of the highest governance body	<a href="https://investors.dominos.com.au/corporate-governance-Nomination,CultureandRemunerationCommitteeCharter">https://investors.dominos.com.au/corporate-governance - Nomination, Culture and Remuneration Committee Charter</a>
	2-19 Remuneration policies	<a href="https://investors.dominos.com.au/corporate-governance-Nomination,CultureandRemunerationCommitteeCharter">https://investors.dominos.com.au/corporate-governance - Nomination, Culture and Remuneration Committee Charter</a>
	<b>4. Strategy, policies and practices</b>	
	2-22 Statement on sustainable development strategy	Chairman & CEO message, p. 4
	2-23 Policy commitments	Corporate Governance, p. 20 <a href="https://investors.dominos.com.au/corporate-governance">https://investors.dominos.com.au/corporate-governance</a> - Modern Slavery Statement - Responsible Sourcing Policy
	2-24 Embedding policy commitments	Corporate Governance, p. 20 <a href="https://investors.dominos.com.au/corporate-governance">https://investors.dominos.com.au/corporate-governance</a> - Modern Slavery Statement - Responsible Sourcing Policy

	2-25 Processes to remediate negative impacts	Our People, p. 29 Our Food, p. 46 Corporate Governance, p. 25
	2-26 Mechanisms for seeking advice and raising concerns	Corporate Governance, p. 25 <a href="https://investors.dominos.com.au/corporate-governance">https://investors.dominos.com.au/corporate-governance</a>
	2-27 Compliance with laws and regulations	Corporate Governance, p. 20 ESG Management, p. 22 Our Food, p. 46
	<b>5. Stakeholder engagement</b>	
	2-29 Approach to stakeholder engagement	Stakeholder Engagement, p. 19
	<b>Topic standards</b>	
<b>GRI 3: Material Topics 2021</b>	3-1 Process to determine material topics	Materiality assessment, p. 27
	3-2 List of material topics	Materiality assessment, p. 27 About this report, p. 88
	<b>Footprint reduction</b>	
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Our Environment, p. 67 - p. 75
	<b>GRI305: Emissions 2016</b>	
	305-1 Direct (Scope 1) GHG emissions	Our Environment, p. 68
	305-2 Energy indirect (Scope 2) GHG emissions	Our Environment, p. 68
<b>GRI306: Waste 2020</b>	306-3 Waste generated	Our Environment, p. 70 Total waste generated: 256,834 metric ton
<b>GRI303: Water and Effluents</b>	303-3 Water withdrawal	Our Environment, p. 70 Total water withdrawn: 101,132,700 m <sup>3</sup>
	<b>Workplace safety</b>	
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Our People, p. 36
	<b>Talent attraction and retention</b>	
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Our People, p. 32
<b>GRI405: Diversity and Equal Opportunity 2016</b>	405-1 Diversity of governance bodies and employees	Our People, p. 40 - p. 41
<b>GRI406: Non-discrimination 2016</b>	406-1 Incidents of discrimination and corrective actions taken	Our commitment to responsible business conduct, p. 25
	<b>Community prosperity</b>	
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Our Community, p. 77 - 85
<b>GRI413: Local communities 2016</b>	413-1 Operations with local community engagement, impact assessments, and development programs	Our Community, case studies p. 77 - 85
	413-2 Operations with significant actual and potential negative impactson local communities	Our commitment to responsible business conduct, p. 25
	<b>Customer data privacy and security</b>	
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Our Customers, p. 63



## APPENDIX 2: SASB REFERENCE TABLE

Sustainability Accounting Standards Board (SASB) Content Index 2023

This material references the SASB Restaurants Standard, Version 2018-10.

ACCOUNTING METRIC	SASB CODE	CATEGORY	UNIT OF MEASURE	RESPONSE
<b>Energy Management</b> (1) total energy consumed (2) percentage grid electricity (3) percentage renewable energy	FB-RN-130a.1	Quantitative	Gigajoules (GJ) Percentage (%)	1) Total energy consumed (diesel, natural gas, propane, electricity): 509,054,856 kWh compared to 465,330,892 kWh in FY22 (increase of 9%). In FY22 sustainability report we disclosed 71,654,273 kWh. Last years reported results did not account for franchise partner consumptions of electricity, natural gas & propane. We enlarged the scope for it to be consistent with our overall corporate footprint. 2) Percentage grid electricity consumed: 50% 3) Percentage renewable energy consumed: 0% (The existing renewable energy consumption is not material and therefore reported as 0%)
<b>Water Management</b> (1) total water withdrawn (2) total water consumed  percentage of each in regions with High or Extremely High Baseline Water Stress	FB-RN-140a.1	Quantitative	Thousand cubic meters (m <sup>3</sup> ) Percentage (%)	1) Total water withdrawn: 101,132,700 m3 compared to 98,021,100 m3 in FY22 (increase of 3%). In FY22 sustainability report we disclosed 1,420,183 m3. Last year we reported only for direct water withdrawals from our restaurants. We now account for the whole water withdrawal footprint, including the water needed to grow our ingredients. This is where our impact lies and can be better improved. Including this water withdrawal footprint is a step towards a broader nature strategy. This years' calculation method is in line with the Science-Based Targets for Nature 2) Total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress: we do not currently have access to this information.
<b>Food and Packaging Waste Management</b> (1) total amount of waste (2) percentage food waste (3) percentage diverted waste  (1) total weight of packaging (2) percentage made from recycled and/or renewable materials (3) percentage that is recyclable, reusable, and/or compostable	FB-RN-150a.1  FB-RN-150a.2	Quantitative  Quantitative	Metric tons (t) percentage (%)  Metric tons (t) percentage (%)	To ensure we are environmentally responsible and financially efficient, we are continually working to reduce food waste in our operations. We are developing our approach to collecting data for the accounting metrics, initially for company-owned restaurants and then at the franchise level.  1) Total amount of waste: 256,834 t, compared to 262,746 t in FY22 (decrease of 2%). In FY22 sustainability report we disclosed 20,827 t. Last year reported number only accounted for plastics and did not include cardboard, food and mixed waste 2) Percentage of food waste: no access to data of sufficient quality as most restaurants report food waste in the 'mixed waste' category. 3) Percentage diverted: we do not currently have access to this information

<b>Food Safety</b> (1) percentage of restaurants inspected by a food safety oversight body (2) percentage receiving critical violations  (1) number of recalls issued (2) total amount of food product recalled  (1) number of confirmed foodborne illness outbreaks (2) percentage resulting in U.S. Centers for Disease Control and Prevention (CDC) investigation	FB-RN-250a.1  FB-RN-250a.2  FB-RN-250a.3	Quantitative  Quantitative  Quantitative	Percentage (%)  Number Metric tons (t)  Number Percentage (%)	1) Total weight of packaging: 43,380 t, compared to 42,230 t in FY22 (increase of 3%). In FY22 sustainability report we disclosed 28,682 t. Last year reported number were missing secondary & tertiary packaging as well as small items (e.g. paper and disposables). 2) Percentage made from recycled and/or renewable materials: No information. 3) Percentage that is recyclable, reusable, and/or compostable: No information.  There were no recalls issued during the reporting period. Voluntary withdraws for the sake of food quality and flavour can be found in chapter Our food  No incidents of confirmed foodborne illness outbreak associated with Domino's stores were reported.
<b>Nutritional Content</b> (1) percentage of children's meal options consistent with national dietary guidelines for children (2) revenue from these options  (1) number of advertising impressions made on children (2) percentage promoting products that meet national dietary guidelines for children	FB-RN-260a.  FB-RN-260a.3	Quantitative  Quantitative	Percentage (%) Reporting currency  Number Percentage (%)	Not applicable. We do not provide children's meals.  In line with our company's policy, Domino's does not market to children. We do not provide items such as toys or games to appeal to children.
<b>Labour Practices</b> Total amount of monetary losses as a result of legal proceedings associated with (1) labour law violations (2) employment discrimination	FB-RN-310a.3	Quantitative	Reporting currency	Domino's is committed to all relevant labour laws and does not tolerate discrimination. Our Code of Conduct policy further clarifies our position and informs employees on grievance mechanisms. In the reporting period, there were no legal proceedings related to labour law violations and/or employee discrimination that were resulted on monetary losses.
<b>Supply Chain Management and Food Sourcing</b> Percentage of (1) eggs that originated from a cage-free environment (2) pork that was produced without the use of gestation crates  Discussion of strategy to manage environmental and social risks within the supply chain, including animal welfare	FB-RN-430a.2  FB-RN-430a.3	Quantitative  Discussion and Analysis	Percentage (%) by number, Percentage (%) by weight  n/a	1) Percentage of eggs that originated from a cage-free environment: 50% globally 2) Percentage of pork that was produced without the use of gestation crates: 0%  Our approach to animal standards is described in section Responsible sourcing.
<b>Activity Metrics</b> Number of (1) company-owned restaurants (2) franchise restaurants	FB-RN-000.A	Quantitative	Number	1) Number of employees at company-owned locations: 18,826 (HC at end of fiscal year) 2) Number of employees at franchise locations: approximately 85,500