

Welcome to your CDP Climate Change Questionnaire 2022

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Wendy's is primarily engaged in the business of operating, developing, and franchising a system of distinctive quick-service restaurants serving high quality food. Wendy's opened its first restaurant in Columbus, Ohio in 1969. Today, Wendy's is the second largest quick-service restaurant company in the hamburger sandwich segment in the United States (the "U.S.") based on traffic share, and the third largest globally with 6,949 restaurants in the United States and 31 foreign countries and U.S. territories as of January 2, 2022. At January 2, 2022, there were 5,938 Wendy's restaurants in operation in the United States. Of these restaurants, 403 were operated by the Company and 5,535 were operated by a total of 228 franchisees. In addition, at January 2, 2022, there were 1,011 Wendy's restaurants in operation in 31 foreign countries and U.S. territories. Of the international restaurants, 1,006 were operated by franchisees and five were operated by the Company in the United Kingdom (the "U.K."). The Company's principal executive offices are located at One Dave Thomas Blvd., Dublin, Ohio 43017, and its telephone number is (614) 764-3100.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	January 1, 2021	December 31, 2021	Yes	1 year

C0.3

(C0.3) Select the countries/areas in which you operate.

- United Kingdom of Great Britain and Northern Ireland
- United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, a Ticker symbol	NASDAQ: WEN

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board-level committee	The highest level of responsibility for climate-related issues within Wendy's is held by the Corporate Social Responsibility (CSR) Committee of our Board of Directors. Pursuant to its Board-approved Charter, the CSR Committee has responsibility for the review and oversight of environmental, social, and governance (ESG) matters, e.g., animal care and welfare, food safety and quality, responsible sourcing and other supply chain matters, sustainable packaging, food waste, energy use, GHG emissions, climate risk, water use, and workforce diversity, equity and inclusion, demonstrating the importance of such issues to Wendy's and its future. The CSR

	<p>Committee regularly reports and provides recommendations to the Board of Directors with respect to the Company's ESG strategic initiatives. The Wendy's Board of Directors and the Senior Leadership Team believe this integrated approach enables climate-related risks to be evaluated in connection with other broad-ranging risks that may affect the company.</p> <p>Example of a climate related decision: in 2021, the Corporate Social Responsibility and Compensation and Human Capital Committees of the Board of Directors jointly approved the inclusion of an ESG component in the Company's incentive compensation program for Vice Presidents and above (including executive officers). The ESG component is weighted at 10% of the annual cash incentive plan and consists of multiple goals supporting the Food, People and Footprint pillars of the Company's ESG strategy.</p>
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C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – some meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding annual budgets Reviewing and guiding business plans Setting performance objectives Monitoring implementation and performance of objectives Monitoring and overseeing progress against goals and targets for addressing climate-related issues	<p>The Board discusses various climate-related issues in a number of ways. First, the Corporate Social Responsibility (CSR) Committee of the Board is primarily responsible for ESG matters, e.g., animal care and welfare, food safety and quality, responsible sourcing and other supply chain matters, sustainable packaging, food waste, energy use, GHG emissions, climate risk, water use, and workforce diversity, equity and inclusion. These topics, including the related risks, opportunities, emerging trends, best practices and strategic initiatives, are regularly reported to the Board by the CSR Committee. The CSR Committee met twice during 2021.</p> <p>The Audit Committee (AC) is tasked with overseeing the Company's Enterprise Risk Management (ERM) program, which also includes identifying, assessing, and responding to various climate-related risks. The Company's Risk department leads discussions with the AC in reviewing enterprise risks, including climate-related risks, on a semi-annual basis. For example, in the event a climate-related risk that may result in disruptions to operations is discussed with</p>

		<p>the AC, an appropriate level of mitigation or insurance would be identified to financially protect Wendy's, and an action plan would be established to avoid disruption and mitigate potential impacts.</p> <p>The Chief Corporate Affairs & Sustainability Officer, Chief Financial Officer, and other executive officers discuss and review various other climate-related issues. These discussions include the Company's ESG-related goals and progress toward these goals.</p> <p>The Board held six meetings during 2021. Among other topics, the CEO and the Senior Leadership Team discussed strategy, action, business plans, and/or capital expenditure plans and programs with our full Board at each scheduled Board meeting. Part of the Company's capital expenditure plans included addressing operations and infrastructure that can be impacted by climate-related events. In 2021 specifically, the CEO and SLT reviewed with the Board the Company's primary categories of ESG materiality, which are the focus for our goals and work. The Board reviewed and endorsed goals and commitments set by the Company in material topic areas, including climate change impact/GHG reduction, committing to set a Science-Based target and reporting to CDP. The Board and CSR Committee also discussed shareholder engagement related to ESG topics including climate change impact/GHG reduction commitments. Additionally, the CEO and SLT discussed the staffing, structure and resources being committed to ESG work including climate change impact/GHG reduction.</p>
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C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues
Row 1	Yes	Our directors have a diversity of experience and perspective that spans a broad range of industries in the public, private and not-for-profit sectors. They bring to our Board a wide variety of qualifications, skills

		and attributes that strengthen the Board's ability to carry out its oversight role on behalf of our stockholders. Nine of Wendy's 11 directors have reported possessing relevant experience, qualifications or skills with respect to sustainability or other environmental, social, & governance (ESG) matters. Competence on climate-related issues is assessed and determined via a self-assessment questionnaire that is issued to each board member.
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C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Chief Financial Officer (CFO)	Both assessing and managing climate-related risks and opportunities	Half-yearly
Other C-Suite Officer, please specify Chief Corporate Affairs & Sustainability Officer	Both assessing and managing climate-related risks and opportunities	Half-yearly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

The highest-level management positions with responsibility for climate-related issues are the Chief Financial Officer (CFO) and Chief Corporate Affairs & Sustainability Officer (CCASO) of Wendy's. Responsibility for climate-related risks has been delegated to the CFO and CCASO because they are members of the Senior Leadership Team and have influence with, communications with, and direct access to the board level. The CFO and CCASO serve as Executive Sponsors of Wendy's ESG Steering Committee, which is comprised of senior management personnel and has direct responsibility for:

- ~ Identifying and monitoring ESG and climate-related risks and opportunities
- ~ Overseeing activities and strategy rollouts across the business
- ~ Setting the global ESG and climate strategies and implementing activities and executing global ESG and climate strategies
- ~ Approving goals, KPIs and metrics, and the Wendy's annual Corporate Responsibility Report
- ~ Monitoring performance against KPIs

Additionally, the ESG Steering Committee is comprised of subject matter experts who represent and serve on ESG Topic-Specific Working Groups and Processes covering a range of ESG areas, including but not limited to water, waste, energy, and emissions. The CCASO

reports to our President and Chief Executive Officer, and the ESG Steering Committee and Topic-Specific Working Groups include senior leaders responsible for finance, accounting, human resources, risk, internal audit, investor relations, legal, restaurant and franchise development, operations, technology, marketing, communications, corporate social responsibility, quality assurance, supply chain management, and innovation. The outputs of the ESG Steering Committee and Topic-Specific Working Groups are, in turn, reported on by the CCASO directly to the Corporate Social Responsibility (CSR) Committee, which reports to the Board of Directors.

The CSR, Audit, and Compensation and Human Capital Committee, the “compensation committee”, support the Board by addressing various risks within their respective areas of responsibility. For example, the CSR Committee reviews and oversees ESG risks, opportunities, and strategic initiatives, including climate-related risks. The Audit Committee oversees the Company’s ERM program, which is further supported by management’s ERM Committee. The ERM program includes assessing and managing material enterprise risks, including climate-related risks. Finally, The Compensation Committee is charged with the responsibility of reviewing the compensation of the Board and approving or recommending to the full Board changes thereto from time to time. While each committee is responsible for providing oversight with respect to the management of risks, the entire Board is regularly informed on identified risks through committee reports, minutes of committee meetings and management presentations.

Additionally, climate-related risks and opportunities are elevated across the organization through the proper channels based on their materiality, as identified in our materiality assessment process. In 2020, Wendy’s conducted a comprehensive materiality assessment to identify, refine, and assess numerous potential ESG risks and opportunities. As part of this process, we solicited input from internal and external stakeholders, prioritized each identified risk and opportunity and analyzed it against criteria that consider the potential to impact our business, communities, the environment, and other stakeholders. The findings from the materiality assessment were integrated into our Company-wide ERM program and processes and were also used to inform the Company’s strategy, targets, and reporting on material ESG topics.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	Wendy’s offers incentives and award programs geared to encourage employees to be proactive problem solvers and support our vision and strategy framework through innovation and resourcefulness.

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Corporate executive team	Monetary reward	Energy reduction project Energy reduction target Efficiency project Behavior change related indicator Environmental criteria included in purchases Supply chain engagement	In 2021, the Compensation and Human Capital and CSR Committees discussed the inclusion of a strategic, non-financial measure to be added in 2022 to the executive compensation program for Vice Presidents and above (including executive officers). This consists of multiple goals supporting the Food, People, and Footprint pillars of the Company's ESG strategy, and is weighted at 10%. This measure reinforces and supports the importance of the Company's publicly communicated corporate social responsibility strategy and aligns with the growing importance of ESG topics to the Company's stockholders.
Other C-Suite Officer	Monetary reward	Efficiency project	The Chief Corporate Affairs and Sustainability Officer is responsible for leading and executing Wendy's sustainability strategy. This includes finalizing Wendy's ESG materiality assessment process; Corporate Responsibility Report publication, including disclosure regarding Wendy's ESG goals and initiatives; implementation of necessary programs resulting from materiality assessment; aligning with reporting frameworks (CDP/GRI/SASB); stakeholder engagement, including Board and shareholder engagement on CSR/ESG matters; protecting the Wendy's brand against external threats with effective crisis management; and continuing to drive progress on innovative, sustainable product sourcing methods like greenhouse/hydroponic produce, antibiotic tracing/reductions, sustainable packaging and others. Sustainability performance is factored into the CCASO's monetary rewards and incentives.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	3	
Medium-term	3	10	
Long-term	10	20	

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

Wendy's multidisciplinary ERM process identifies areas of potential risk to the business, based on the category, anticipated impacts, likelihood of occurrence, velocity of manifestation, and potential to cause disruption to operations, customers, or our supply chain; physical risks to infrastructure, facilities and assets; an increase in external pressure from regulators, customers, and shareholders for immediate review and action on current regulatory risks; or other financial, environmental, and reputational threats to the business as identified through assessments and case-specific bases. Risks are evaluated on two different levels: the enterprise and asset levels. Risk topics and management's plan for addressing them are discussed with the full Board of Directors and appropriate Board Committees.

How Wendy's defines substantive financial or strategic impact on our business:

When identifying and evaluating risks, including climate risks, Wendy's assigns impact, likelihood and velocity ratings. Impact rating categories include insignificant, minor, moderate, major, and catastrophic. Impact is quantified based on general materiality definitions, financial equivalents of same restaurant sales (SRS), EBITDA, and sustained drop in Wendy's stock price. Substantive impacts are generally defined as having a moderate or higher impact on our business, measured by reference to applicable financial or operational metrics, such as income, earnings, and sales.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

- Direct operations
- Upstream
- Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term

Medium-term

Long-term

Description of process

Process for identifying, assessing and responding to climate related risks/opportunities: Through our multidisciplinary Enterprise Risk Management (ERM) process, we identify events that might affect our business and operations; review risks, impacts and opportunities associated with those events; and develop mitigation activities to reduce the impact, likelihood or velocity of risks.

Climate-related risks and opportunities are identified at the enterprise and asset levels based on their potential to: cause disruptions to the business and operations, customers, and supply chain; threaten restaurants, facilities, infrastructure, and other assets; and increase external pressure from regulators, customers and shareholders for immediate review and action. In any case that residual risk exceeds our risk appetite and is substantive to our business based on magnitude of impact and likelihood of occurrence, we determine the appropriate response strategy to mitigate the potential impacts.

The Audit Committee of the Board is responsible for overseeing the Company's Enterprise Risk Management (ERM) program, and the Corporate Social Responsibility Committee oversees ESG strategic matters and initiatives, including reviewing and discussing climate-related risks and opportunities. The full Board is regularly informed on material risks and opportunities, including climate-related risks and other ESG topics, through committee reports, minutes of committee meetings and management presentations.

Company-wide, we address climate risks and opportunities by continuing to focus on reducing energy consumption and emissions as well as increasing efficiencies through monitoring and reporting programs, conservation and control programs, and reduction and efficiency initiatives.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
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<p>Current regulation</p>	<p>Relevant, always included</p>	<p>With respect to climate-related risks, two Board Committees play a direct role in overseeing the risk management process. The Corporate Social Responsibility Committee provides recommendations to the Board on ESG strategic initiatives and reviews and discusses risks and opportunities, emerging trends and evolving best practices relative to ESG strategic initiatives. The Audit Committee oversees the Company's ERM program and receives a comprehensive ERM report on a semi-annual basis and discusses the results with the full Board. The full Board also receives a comprehensive ERM report on an annual basis.</p> <p>Through our multidisciplinary Enterprise Risk Management (ERM) process, we identify events that might affect our business and operations; review risks, impacts and opportunities associated with those events; and develop mitigation activities to reduce the impact, likelihood or velocity of risks.</p> <p>Risks related to current regulation are evaluated at various levels as appropriate, such as enterprise, Company, and asset levels. Material risk topics, including current regulations, and management's plans for addressing them are discussed with the full Board of Directors and appropriate Committees, including as part of the review of the Company's ERM program and processes. Management, including members of the Legal, Compliance and Public Affairs teams, regularly assess the external environment to identify emerging risks that could affect the Company.</p> <p>We also monitor closely state/provincial, national and international regulations as they relate to restrictions, caps, taxes, or other controls on emissions of greenhouse gases, that may affect our operations.</p> <p>Any failure to comply with current emissions and other environmental laws and regulations could result in liabilities, increased costs related to fines and penalties, or limitations on operating activities until compliance with applicable requirements is achieved. Additionally, Wendy's may be adversely affected if, for example, a supplier in the Wendy's supply chain was found to be in violation of emissions or other climate-related regulations, which could further result in market and reputational risks for the Company.</p>
<p>Emerging regulation</p>	<p>Relevant, always included</p>	<p>With respect to climate-related risks, two Board Committees play a direct role in overseeing the risk management process. The Corporate Social Responsibility Committee provides recommendations to the Board on ESG strategic initiatives and reviews and discusses risks and opportunities, emerging trends and evolving best practices relative to ESG strategic initiatives. The Audit Committee oversees the</p>

		<p>Company's ERM program and receives a comprehensive ERM report on a semi-annual basis and discusses the results with the full Board. The full Board also receives a comprehensive ERM report on an annual basis.</p> <p>Through our multidisciplinary Enterprise Risk Management (ERM) process, we identify events that might affect our business and operations; review risks, impacts and opportunities associated with those events; and develop mitigation activities to reduce the impact, likelihood or velocity of risks.</p> <p>Risks related to emerging regulation are evaluated on two different levels, the enterprise and asset levels. Material risk topics, including emerging regulations, and management's plans for addressing them are discussed with the Audit Committee and the full Board of Directors as part of their review of the Company's ERM program and processes. Additionally, our Compliance and Public Affairs teams continually assess the external environment to identify potential or emerging regulatory activity that could affect the enterprise.</p> <p>Wendy's monitors developments in the emerging regulatory area of carbon emissions controls and considers its potential to increase costs and/or precipitate climate-related litigation. For example, Wendy's could face operational or other challenges as a result of tighter or expanded laws or regulations on carbon emissions, or increased costs associated with improving operational efficiency (e.g. investments in innovative kitchen equipment and technologies, or renewable power sources) in order to reduce emissions and keep up with the ongoing transition to a low-carbon economy.</p> <p>To proactively address and account for such regulatory risks, Wendy's has established an ESG Working Group comprised of subject matter experts whose focus is to identify solutions aimed at reducing resource consumption and improving efficiency. These actions are designed to ensure continued regulatory compliance and reduce environmental impacts, including mitigating climate change in the long-term.</p>
Technology	Relevant, always included	<p>With respect to climate-related risks, two Board Committees play a direct role in overseeing the risk management process. The Corporate Social Responsibility Committee provides recommendations to the Board on ESG strategic initiatives and reviews and discusses risks and opportunities, emerging trends and evolving best practices relative to ESG strategic initiatives. The Audit Committee oversees the Company's ERM program and receives a comprehensive ERM report on a semi-annual basis and discusses the results with the full Board. The full Board also receives a comprehensive ERM report on an annual</p>

		<p>basis.</p> <p>Through our multidisciplinary Enterprise Risk Management (ERM) process, we identify events that might affect our business and operations; review risks, impacts and opportunities associated with those events; and develop mitigation activities to reduce the impact, likelihood or velocity of risks.</p> <p>Technology risks are evaluated at various levels as appropriate, such as enterprise, Company, and asset levels. Material risk topics, including technology risks, and management's plans for addressing them are discussed with the full Board of Directors and appropriate Committees, including as part of the review of the Company's ERM program and processes. Management, including members of the Legal, Compliance and Public Affairs teams, regularly assess the external environment to identify emerging risks that could affect the Company.</p> <p>Wendy's monitors developments in technology associated with climate change and considers the potential risks and opportunities the Company could be faced with by maintaining a business-as-usual approach and/or considering opportunities for technology advancements and innovation. For example, a significant source of energy consumption in our restaurants comes from cooking, heating, cooling and ventilation. Maintaining older equipment versus updating or replacing existing equipment with emerging technologies (e.g. renewable energy, energy efficiency, and carbon capture and storage), may affect the Company's competitiveness, operational costs, and demand for products/services.</p>
<p>Legal</p>	<p>Relevant, always included</p>	<p>With respect to climate-related risks, two Board Committees play a direct role in overseeing the risk management process. The Corporate Social Responsibility Committee provides recommendations to the Board on ESG strategic initiatives and reviews and discusses risks and opportunities, emerging trends and evolving best practices relative to ESG strategic initiatives. The Audit Committee oversees the Company's ERM program and receives a comprehensive ERM report on a semi-annual basis and discusses the results with the full Board. The full Board also receives a comprehensive ERM report on an annual basis.</p> <p>Through our multidisciplinary Enterprise Risk Management (ERM) process, we identify events that might affect our business and operations; review risks, impacts and opportunities associated with those events; and develop mitigation activities to reduce the impact, likelihood or velocity of risks.</p>

		<p>Legal risks are evaluated at various levels as appropriate, such as enterprise, Company, and asset levels. Material risk topics, including legal risks, and management's plans for addressing them are discussed with the full Board of Directors and appropriate Committees, including as part of the review of the Company's ERM program and processes. Management, including members of the Legal, Compliance and Public Affairs teams, regularly assess the external environment to identify emerging risks that could affect the Company.</p> <p>As the potential value of climate change-related loss and damage increases across our industry, legal risk may also increase. Legal risk may also increase because of enhanced disclosure requirements or expectations regarding climate-related risks. Wendy's monitors legal developments associated with climate change and other ESG topics and considers their potential to result in material climate-related litigation.</p>
Market	Relevant, always included	<p>With respect to climate-related risks, two Board Committees play a direct role in overseeing the risk management process. The Corporate Social Responsibility Committee provides recommendations to the Board on ESG strategic initiatives and reviews and discusses risks and opportunities, emerging trends and evolving best practices relative to ESG strategic initiatives. The Audit Committee oversees the Company's ERM program and receives a comprehensive ERM report on a semi-annual basis and discusses the results with the full Board. The full Board also receives a comprehensive ERM report on an annual basis.</p> <p>Through our multidisciplinary Enterprise Risk Management (ERM) process, we identify events that might affect our business and operations; review risks, impacts and opportunities associated with those events; and develop mitigation activities to reduce the impact, likelihood or velocity of risks.</p> <p>Market risks are evaluated at various levels as appropriate, such as enterprise, Company, and asset levels. Material risk topics, including market risk, and management's plan for addressing them are discussed with the full Board of Directors and appropriate Committees, including as part of the review of the Company's ERM program and processes. Management, including members of the Legal, Compliance and Public Affairs teams, regularly assess the external environment to identify emerging risks that could affect the Company.</p> <p>Wendy's could be affected by market risks associated with climate change through shifts in supply and demand for certain commodities. For example, government regulation and changes in consumer</p>

		<p>preferences for goods or services relating to more environmentally-friendly products and services could result in increased costs of raw materials or other supply chain impacts.</p>
Reputation	Relevant, always included	<p>With respect to climate-related risks, two Board Committees play a direct role in overseeing the risk management process. The Corporate Social Responsibility Committee provides recommendations to the Board on ESG strategic initiatives and reviews and discusses risks and opportunities, emerging trends and evolving best practices relative to ESG strategic initiatives. The Audit Committee oversees the Company's ERM program and receives a comprehensive ERM report on a semi-annual basis and discusses the results with the full Board. The full Board also receives a comprehensive ERM report on an annual basis.</p> <p>Through our multidisciplinary Enterprise Risk Management (ERM) process, we identify events that might affect our business and operations; review risks, impacts and opportunities associated with those events; and develop mitigation activities to reduce the impact, likelihood or velocity of risks.</p> <p>Reputational risks are evaluated at various levels as appropriate, such as enterprise, Company, and asset levels. Material risk topics, including reputational risks, and management's plans for addressing them are discussed with the full Board of Directors and appropriate Committees, including as part of the review of the Company's ERM program and processes. Management, including members of the Legal, Compliance and Public Affairs teams, regularly assess the external environment to identify emerging risks that could affect the Company.</p> <p>Wendy's could be affected by reputational risks associated with climate change based on how we manage our environmental impacts and implement our overall ESG strategy. For example, negative publicity associated with our inability to sustainably source our core commodities and ingredients that comprise our food offerings or meet our other ESG commitments could compromise the company's reputation, damage consumer trust in our brand and have a material adverse effect on our results of operations and financial condition.</p>
Acute physical	Relevant, always included	<p>With respect to climate-related risks, two Board Committees play a direct role in overseeing the risk management process. The Corporate Social Responsibility Committee provides recommendations to the Board on ESG strategic initiatives and reviews and discusses risks and opportunities, emerging trends and evolving best practices relative to ESG strategic initiatives. The Audit Committee oversees the Company's ERM program and receives a comprehensive ERM report on a semi-annual basis and discusses the results with the full Board.</p>

		<p>The full Board also receives a comprehensive ERM report on an annual basis.</p> <p>Through our multidisciplinary Enterprise Risk Management (ERM) process, we identify events that might affect our business and operations; review risks, impacts and opportunities associated with those events, and; develop mitigation activities to reduce the impact, likelihood or velocity of risks.</p> <p>Acute physical risks are evaluated at various levels as appropriate, such as enterprise, Company, and asset levels. Material risk topics, including acute physical risks, and management's plans for addressing them are discussed with the full Board of Directors and appropriate Committees, including as part of the review of the Company's ERM program and processes. Management, including members of the Legal, Compliance and Public Affairs teams, regularly assess the external environment to identify emerging risks that could affect the Company.</p> <p>Wendy's operations may be affected by severe weather or other natural disasters, which could result in significant business interruptions, impact our ability to serve our customers, result in lost sales and revenues for our restaurants and hurt our operating margins and profits.</p> <p>Wendy's mitigates this risk through continuous monitoring of situational intelligence monitoring and notification tools, media sources, weather reporting and other sources to maintain situational awareness and to develop advance notice of any natural, manmade or other spontaneous events.</p>
Chronic physical	Relevant, always included	<p>With respect to climate-related risks, two Board Committees play a direct role in overseeing the risk management process. The Corporate Social Responsibility Committee provides recommendations to the Board on ESG strategic initiatives and reviews and discusses risks and opportunities, emerging trends and evolving best practices relative to ESG strategic initiatives. The Audit Committee oversees the Company's ERM program and receives a comprehensive ERM report on a semi-annual basis and discusses the results with the full Board. The full Board also receives a comprehensive ERM report on an annual basis.</p> <p>Through our multidisciplinary Enterprise Risk Management (ERM) process, we identify events that might affect our business and operations; review risks, impacts and opportunities associated with those events; and develop mitigation activities to reduce the impact, likelihood or velocity of risks.</p>

		<p>Chronic physical risks are evaluated at various levels as appropriate, such as enterprise, Company, and asset levels. Material risk topics, including chronic physical risks, and management’s plans for addressing them are discussed with the full Board of Directors and appropriate Committees, including as part of the review of the Company’s ERM program and processes. Management, including members of the Legal, Compliance and Public Affairs teams, regularly assess the external environment to identify emerging risks that could affect the Company.</p> <p>Longer-term shifts in climate patterns, such as increased temperatures and water scarcity could impact growing seasons for certain core commodities we use in our food products and packaging. Limited or no availability of core commodities and ingredients could impact our ability to serve our customers, result in lost sales and revenues for our restaurants and hurt our operating margins and profits.</p> <p>Wendy’s mitigates this risk through continuous monitoring of situational intelligence monitoring and notification tools, media sources, weather reporting and other sources to maintain situational awareness and to develop advance notice of any natural, manmade or other spontaneous events.</p>
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C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical

Storm (including blizzards, dust, and sandstorms)

Primary potential financial impact

Decreased revenues due to reduced production capacity

Company-specific description

Wendy's has food service operations across the U.S., some of which were adversely affected by severe winter storms and other extreme weather conditions that adversely affected Wendy's customers and suppliers in 2021. For example, Winter Storm Viola brought dangerous cold and freezing rain and snow throughout Texas, Oklahoma and other Plains states in February 2021, resulting in business interruption, impacts to deliveries, and additional costs to repair damaged restaurants, facilities, and other infrastructure. Several of Wendy's regional distribution centers experienced operational disruption, with four experiencing moderate disruption. A number of Wendy's suppliers, located in Texas and Oklahoma, were also significantly impacted by the winter storm, which caused supply chain and delivery disruptions related to beef, condiments, and other food items.

Time horizon

Short-term

Likelihood

More likely than not

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

29,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Approach, assumption & figures used in calculation: in 2021, subsequent impacts from severe weather events resulted in damage, temporary interruptions or flooding to operations across the U.S. Wendy's quantifies an estimated 2021 U.S. Systemwide financial impact from these events is estimated at approximately \$29M, the vast majority of which represents lost sales based on restaurant operations that were disrupted or closed. This estimate includes impacts from all types of weather events, including winter storms, hurricanes, flooding, etc. This estimated impact is calculated by multiplying (AxB) where (A) is the 2021 same-restaurant sales of \$11,110.70 (tied to the Company's Annual Report on Form 10-K) and (B) is the estimated mid-point of the Wendy's financial model derived direct revenue differences from Company-operated restaurants (408) and royalty revenues from franchise-operated restaurants based on

weather impact, the mid-point of which is 0.26%, resulting in an estimate of \$29M. While these figures represent the financial impact from extreme-weather related events in one year, it is not possible for Wendy's to estimate the financial implications of future severe weather-related events, as they are highly variable due to severity and length of event and impact.

Without adaptive measures to manage this risk, extreme weather events could result in an increase of lost sales. Emergency preparedness can mitigate the impact of these costs.

Cost of response to risk

208,000

Description of response and explanation of cost calculation

Case Study & Explanation of Cost: The supply chain cooperative providing procurement services on behalf of the Wendy's North America system tracks costs associated with inclement weather, which includes costs related to obsolescence and assurance. In 2021, obsolescence costs associated with food/beverage items that were unsold/unused due to decreased demand from restaurant closures and assurance costs associated with transporting food/beverage items to their intended destination during severe weather events, including re-routing deliveries and/or taking product out of other distribution centers, totalled approximately \$208,000, with ~\$193,000 associated with expedited freight and cost differentials and ~\$15,000 from spoilage and disposal costs.

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Reduced water usage and consumption

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

Water is a necessary resource in the foodservice business and, at Wendy's, its use ranges from food preparation and cleaning activities, to sanitation, heating and cooling needs. Wendy's is working to eliminate water waste in our restaurants and innovate better ways to use our resources where we can.

Operational savings are one aspect of our water conservation program that presents an opportunity, particularly in areas of high water risk where current or future water supply disruptions may cause the price of water to increase. Additionally, while the cost of water is relatively low in most regions of the U.S. and Canada, there are often positive linkages between water and energy savings that lead to further savings. These efforts will continue to build climate resiliency and position us to succeed in the face of direct and indirect climate change impacts.

Time horizon

Short-term

Likelihood

About as likely as not

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

41,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Through our expanding water management methods, we recognize the opportunity to reduce operational costs by managing water risk. As the cost of water is relatively low in most regions of the U.S. and Canada, many water-related projects can be difficult to approve on cost savings alone. While investment in water projects occurs as part of our water conservation program, resilience rather than cost savings is the primary opportunity for those projects. For example, of the nearly 7M gallons of water saved from water management projects in 2021, savings from these projects amounted to

approximately \$41,000. This was calculated by multiplying the average cost of water per gallon (\$0.006) and multiplying that by the total gallons of water saved (7M).

Cost to realize opportunity

620,000

Strategy to realize opportunity and explanation of cost calculation

Case Study & Explanation of Cost: Wendy's actively works to identify and manage water reduction and conservation across our operations. Since 2019, Wendy's has been a member of the Better Buildings Water Challenge. This partnership has allowed us to identify water savings opportunities via water fixture and equipment retrofits, including upgrading nearly 1,300 warewash machines in lieu of power soaks for dishwashing at Company-operated and franchise locations. Additionally, since 2020, Wendy's has piloted smart irrigation systems that meet EPA waterSense Irrigation Controller standards, including HydroPoint Weather Track irrigation and WaterCompass indoor water metering tracking. These systems automatically adjust irrigation water use based on weather and soil conditions, provide real-time leak alerts, and prompt action by our Facilities Management and Operations teams to address water waste, when readings exceed benchmarks. The cumulative investments in these technologies and initiatives totals \$620,000.

Comment

C3. Business Strategy

C3.1

(C3.1) Does your organization's strategy include a transition plan that aligns with a 1.5°C world?

Row 1

Transition plan

No, but our strategy has been influenced by climate-related risks and opportunities, and we are developing a transition plan within two years

Explain why your organization does not have a transition plan that aligns with a 1.5°C world and any plans to develop one in the future

In 2021, Wendy's began putting additional resources in place to align with a 1.5°C world. As a credible climate transition includes establishing support for the transition, in 2021, Wendy's committed to benchmark, track and reduce our Scope 1, 2, and 3 emissions (against a 2020 baseline) and set a science-based target by the end of 2023. Wendy's is actively working on formalizing the Transition Plan within the next two years, which will be guided by the six principles of a Climate Transition Plan (accountability, internally coherent, forward-looking, time-bound and quantitative, flexible and responsive, complete) and include measuring and regularly tracking the success of our

climate transition and integrating the plan into existing mainstream filings. Additionally, the plan will contain the key elements that constitute a credible plan, including governance, scenario analysis, financial planning, value chain engagement and low carbon initiatives, policy engagement, risks and opportunities, targets, and Scope 1, 2, & 3 accounting with verification.

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	No, but we anticipate using qualitative and/or quantitative analysis in the next two years	Other, please specify activities related to climate scenario analysis are currently underway	In 2021, Wendy's began putting additional resources in place to conduct scenario analysis in assessing climate-related risks and their potential financial implications. This included: committing to benchmark, track and reduce our Scope 1, 2, and 3 emissions (against a 2020 baseline), setting a science-based target by the end of 2023, and appointing additional subject matter experts to the sustainability team to oversee the company's response to climate change, including conducting climate-related scenario analysis, among other responsibilities. Wendy's is actively working on climate-related scenario analysis and intends to publish the findings within the next two years and on a regular basis thereafter. Scenario analysis will align with the TCFD recommendations and, during initial stages of implementation, will focus on qualitative analyses that explore the potential implications of climate change. As Wendy's gains more exposure to scenario analysis, our efforts will evolve to include both qualitative and quantitative analysis and disclosure.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

Have climate-related risks and	Description of influence
--------------------------------	--------------------------

	opportunities influenced your strategy in this area?	
Products and services	Yes	Description of strategy: As one of the largest quick-service restaurants in the hamburger segment, we depend on our ability to offer a safe, clean and comfortable dining experience to our guests. Climate related risks, including increased severity and frequency of extreme weather events, could cause temporary disruptions or closures throughout our operations, further impacting our ability to serve our customers. We recognize that doing our part to reduce our GHG emissions also provides business opportunities. To mitigate these climate-related impacts, Wendy's business strategy includes publicly committing to benchmarking, tracking and reducing Scopes 1, 2 and 3 emissions year-over-year and setting a science-based target by the end of 2023. Additionally, Wendy's mitigates this risk through continuous monitoring of situational intelligence monitoring and notification tools, media sources, weather reporting and other sources to maintain situational awareness and to develop advance notice of any natural, manmade or other spontaneous events. The time horizon for these strategies and goals span across the short-, medium-, and long term.
Supply chain and/or value chain	Yes	Description of Strategy: Temperature averages and shifting seasons associated with climate change is increasing the severity and frequency of wildfires and impacting water resources and availability in certain regions where Wendy's operates. Wendy's has already experienced losses as a result of worsening fire seasons, including supply chain shortages and/or interruptions in the availability of certain agricultural products and supplies. To mitigate these climate-related impacts, Wendy's business strategy includes transitioning all lettuce served in Wendy's Canadian restaurants to greenhouse grown lettuce. The time horizon for this strategy is current and ongoing.
Investment in R&D	Yes	Description of Strategy: containers and food packaging alone contribute to nearly 25% of the materials that are sent to landfills in the U.S. Many of these discarded materials are food-related containers and packaging. To mitigate these climate-related impacts, Wendy's business strategy includes investments and R&D in eliminating packaging waste by focusing on using less materials, conserving energy, and reducing our waste stream and associated emissions. Additionally, Wendy's publicly committed to sustainably

		sourcing 100% of our customer-facing packaging by 2026. Part of this commitment included establishing a full restricted substances list and initiating research of more sustainable packaging options in 2020. In 2021, the Wendy's Sustainable Packaging team identified associated positive/negative financial impacts as a result of feasibility and/or pilot studies and needs assessments. The time horizon for this spans across the short- and medium-term.
Operations	Yes	Description of Strategy: It is important to provide a pleasant dining experience in our restaurants and keep temperatures comfortable for customers. Wendy's 408 Company-operated restaurants in the US could see an increase in cooling degree days per year over the next two decades, resulting in increased energy costs in the summer to cool our restaurants. To mitigate these climate-related impacts, Wendy's business strategy includes continuing to expand our global energy management program, and identifying energy efficiency projects and initiatives throughout our corporate offices and restaurants. The time horizon for this strategy is current and ongoing.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues	Description of influence: Wendy's has food service and food retail operations across the U.S., which may be adversely affected by tornadoes, severe winter storms, hurricanes, floods and other extreme weather conditions that could also adversely affect Wendy's customers and suppliers. Severe weather or other natural disasters could result in significant business interruption, impact our ability to serve our customers, result in lost sales and revenues for our restaurants, and hurt our operating margins and profits. As Wendy's has already experienced episodes of extreme weather, including hurricanes and resultant flooding, we've integrated chronic and physical climate-related risks into our financial planning process. Examples of how these risks and opportunities have been integrated into our financial planning process include: investments in emissions benchmarking, tracking and reduction programs and initiatives; investments in energy efficiency measures and, more recently (2020), renewable energy programs; investments in maintenance

		and enhancements to our business continuity programs and emergency response plans; investments in greenhouse grown produce; and committing to the establishment of a Science Based Target by 2023 and implementing identified programs and initiatives required to achieving that target. The current time horizon is considered to be current, although spans across the short-, medium, and long-term (from 0-20 years).
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C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

No target

C4.1c

(C4.1c) Explain why you did not have an emissions target, and forecast how your emissions will change over the next five years.

	Primary reason	Five-year forecast	Please explain
Row 1	We are planning to introduce a target in the next two years	Wendy's has committed to setting an emissions reduction target aligned with the Science Based Target Initiative by the end of 2023. While it is difficult to quantify the change as a percentage, we forecast that the direction of change will be a decrease over the next five years.	In 2020, Wendy's completed our first GHG inventory (covering CY19). We used the findings of this inventory to establish a roadmap that further outlines how we will achieve short-, medium-, and long-term emissions reductions. Additionally, we publicly committed to tracking and reducing Scopes 1-3 and setting a science-based target by the end of 2023.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

No other climate-related targets

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	7	0
To be implemented*	1	427
Implementation commenced*	4	359
Implemented*	3	7,237
Not to be implemented	0	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Energy efficiency in buildings
Building Energy Management Systems (BEMS)

Estimated annual CO2e savings (metric tonnes CO2e)

1,337

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1
Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

339,065

Investment required (unit currency – as specified in C0.4)

808,500

Payback period

1-3 years

Estimated lifetime of the initiative

6-10 years

Comment

Transformative Wave - installed at 77 sites in 2020, fully implemented in 2021.

Initiative category & Initiative type

Energy efficiency in buildings
Building Energy Management Systems (BEMS)

Estimated annual CO₂e savings (metric tonnes CO₂e)

1,784

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1
Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

483,392

Investment required (unit currency – as specified in C0.4)

871,500

Payback period

1-3 years

Estimated lifetime of the initiative

6-10 years

Comment

GridPoint – installed in 2020 at 105 locations, fully implemented in 2021.

Initiative category & Initiative type

Energy efficiency in buildings
Heating, Ventilation and Air Conditioning (HVAC)

Estimated annual CO₂e savings (metric tonnes CO₂e)

4,116

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1
Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

100,000

Investment required (unit currency – as specified in C0.4)

1,250,000

Payback period

>25 years

Estimated lifetime of the initiative

11-15 years

Comment

Facilities' HVAC Replacements/Upgrades of 50 units installed in 2020, fully operational in 2021.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Compliance with regulatory requirements/standards	
Dedicated budget for energy efficiency	

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

No

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

Yes, other structural change, please specify

During Q2 2021, the Company completed the sale of 47 Company-operated restaurants in New York (including Manhattan) to franchisees. During Q4 2021, the

Company completed a transaction to acquire 93 franchise-operated restaurants in Florida.

Name of organization(s) acquired, divested from, or merged with

During Q2 2021, the Company completed the sale of 47 Company-operated restaurants in New York (including Manhattan) to franchisees. During Q4 2021, the Company completed a transaction to acquire 93 franchise-operated restaurants in Florida.

Details of structural change(s), including completion dates

During Q2 2021, the Company completed the sale of 47 Company-operated restaurants in New York (including Manhattan) to franchisees. During Q4 2021, the Company completed a transaction to acquire 93 franchise-operated restaurants in Florida.

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	Yes, a change in boundary	The 2021 Scope 1 figures now includes refrigeration leakage due to improved data collection processes.

C5.1c

(C5.1c) Have your organization's base year emissions been recalculated as result of the changes or errors reported in C5.1a and C5.1b?

	Base year recalculation	Base year emissions recalculation policy, including significance threshold
Row 1	Yes	Base year emissions will be recalculated upon a material change of 5% or more as a result of acquisitions or divestments, methodology or boundary changes in the reporting year.

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

16,320

Comment

Scope 2 (location-based)

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

69,107

Comment

Scope 2 (market-based)

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

68,079

Comment

Scope 3 category 1: Purchased goods and services

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

10,143,417

Comment

Spend based calculation.

Scope 3 category 2: Capital goods

Base year start

Base year end

Base year emissions (metric tons CO₂e)

Comment

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start

Base year end

Base year emissions (metric tons CO₂e)

Comment

Scope 3 category 4: Upstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO₂e)

Comment

Scope 3 category 5: Waste generated in operations

Base year start

Base year end

Base year emissions (metric tons CO₂e)

Comment

Scope 3 category 6: Business travel

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 7: Employee commuting

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 8: Upstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 9: Downstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 10: Processing of sold products

Base year start

Base year end

Base year emissions (metric tons CO₂e)

Comment

Scope 3 category 11: Use of sold products

Base year start

Base year end

Base year emissions (metric tons CO₂e)

Comment

Scope 3 category 12: End of life treatment of sold products

Base year start

Base year end

Base year emissions (metric tons CO₂e)

Comment

Scope 3 category 13: Downstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 14: Franchises

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

1,184,881

Comment

Activity data collected from franchises, emissions calculated using relevant EPA & IEA emission factors.

Scope 3 category 15: Investments

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (downstream)

Base year start

Base year end

Base year emissions (metric tons CO₂e)

Comment

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO₂e?

Reporting year

Gross global Scope 1 emissions (metric tons CO₂e)

15,053

Start date

January 1, 2021

End date

December 31, 2021

Comment

Past year 1

Gross global Scope 1 emissions (metric tons CO₂e)

15,198

Start date

January 1, 2020

End date

December 31, 2020

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO₂e?

Reporting year

Scope 2, location-based

60,220

Scope 2, market-based (if applicable)

61,578

Start date

January 1, 2021

End date

December 31, 2021

Comment

Past year 1

Scope 2, location-based

61,626

Scope 2, market-based (if applicable)

60,975

Start date

January 1, 2020

End date

December 31, 2020

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

10,028,674

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Wendy's utilized published emissions factors from Poore & Nemecek (2018) for food-related purchases and EPA Supply Chain Factors for US Industries and Commodities for all other categories.

Capital goods

Evaluation status

Not relevant, explanation provided

Please explain

Wendy's has utilized the Quantis tool to estimate Scope 3 emissions in this category. Per the tool's estimates, this category of emissions is not relevant to Wendy's.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Not relevant, explanation provided

Please explain

Wendy's has utilized the Quantis tool to estimate Scope 3 emissions in this category.
Per the tool's estimates, this category of emissions is not relevant to Wendy's.

Upstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Please explain

Wendy's has utilized the Quantis tool to estimate Scope 3 emissions in this category.
Per the tool's estimates, this category of emissions is not relevant to Wendy's.

Waste generated in operations

Evaluation status

Not relevant, explanation provided

Please explain

Wendy's has utilized the Quantis tool to estimate Scope 3 emissions in this category.
Per the tool's estimates, this category of emissions is not relevant to Wendy's.

Business travel

Evaluation status

Not relevant, explanation provided

Please explain

Wendy's has utilized the Quantis tool to estimate Scope 3 emissions in this category.
Per the tool's estimates, this category of emissions is not relevant to Wendy's.

Employee commuting

Evaluation status

Not relevant, explanation provided

Please explain

Emissions from this Scope 3 category does not meet any of the criteria (size, influence, risk, stakeholders, outsourcing, etc.) deemed as "relevant" under the WRI/WBCSD "Corporate Value Chain (Scope 3) Accounting & Reporting Standard" guidance.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

Emissions from this Scope 3 category does not meet any of the criteria (size, influence, risk, stakeholders, outsourcing, etc.) deemed as "relevant" under the WRI/WBCSD "Corporate Value Chain (Scope 3) Accounting & Reporting Standard" guidance.

Downstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Please explain

Emissions from this Scope 3 category does not meet any of the criteria (size, influence, risk, stakeholders, outsourcing, etc.) deemed as "relevant" under the WRI/WBCSD "Corporate Value Chain (Scope 3) Accounting & Reporting Standard" guidance.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Please explain

Emissions from this Scope 3 category does not meet any of the criteria (size, influence, risk, stakeholders, outsourcing, etc.) deemed as "relevant" under the WRI/WBCSD "Corporate Value Chain (Scope 3) Accounting & Reporting Standard" guidance.

Use of sold products

Evaluation status

Not relevant, explanation provided

Please explain

Emissions from this Scope 3 category does not meet any of the criteria (size, influence, risk, stakeholders, outsourcing, etc.) deemed as "relevant" under the WRI/WBCSD "Corporate Value Chain (Scope 3) Accounting & Reporting Standard" guidance.

End of life treatment of sold products

Evaluation status

Not relevant, explanation provided

Please explain

Emissions from this Scope 3 category does not meet any of the criteria (size, influence, risk, stakeholders, outsourcing, etc.) deemed as "relevant" under the WRI/WBCSD "Corporate Value Chain (Scope 3) Accounting & Reporting Standard" guidance.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

Emissions from this Scope 3 category does not meet any of the criteria (size, influence, risk, stakeholders, outsourcing, etc.) deemed as "relevant" under the WRI/WBCSD "Corporate Value Chain (Scope 3) Accounting & Reporting Standard" guidance.

Franchises

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

1,074,674

Emissions calculation methodology

Franchise-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

16

Please explain

Activity data collected from several Franchisees; emissions calculated using relevant EPA & IEA emission factors, and extrapolated for the Franchisees that do not yet submit activity data.

Investments

Evaluation status

Not relevant, explanation provided

Please explain

Emissions from investments are captured in either Scope 1+2 emissions or Franchise emissions.

Other (upstream)

Evaluation status

Please explain

Other (downstream)

Evaluation status

Please explain

C6.5a

(C6.5a) Disclose or restate your Scope 3 emissions data for previous years.

Past year 1

Start date

End date

Scope 3: Purchased goods and services (metric tons CO2e)

Scope 3: Capital goods (metric tons CO2e)

**Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)
(metric tons CO2e)**

Scope 3: Upstream transportation and distribution (metric tons CO2e)

Scope 3: Waste generated in operations (metric tons CO2e)

Scope 3: Business travel (metric tons CO2e)

Scope 3: Employee commuting (metric tons CO2e)

Scope 3: Upstream leased assets (metric tons CO2e)

Scope 3: Downstream transportation and distribution (metric tons CO2e)

Scope 3: Processing of sold products (metric tons CO2e)

Scope 3: Use of sold products (metric tons CO2e)

Scope 3: End of life treatment of sold products (metric tons CO2e)

Scope 3: Downstream leased assets (metric tons CO2e)

Scope 3: Franchises (metric tons CO₂e)

Scope 3: Investments (metric tons CO₂e)

Scope 3: Other (upstream) (metric tons CO₂e)

Scope 3: Other (downstream) (metric tons CO₂e)

Comment

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO₂e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.00003968

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO₂e)

75,273

Metric denominator

unit total revenue

Metric denominator: Unit total

1,896,998,000

Scope 2 figure used

Location-based

% change from previous year

11.66

Direction of change

Decreased

Reason for change

Wendy's has installed Building Energy Management Systems (BEMS) and Heating, Ventilation and Air Conditioning (HVAC) upgrades as outlined in C4.3b that have partially contributed to the decrease in emissions intensity per unit total revenue from 2020 to 2021. In addition, revenues increased by ~7%.

Intensity figure

0.0000404

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

76,631

Metric denominator

unit total revenue

Metric denominator: Unit total

1,896,998,000

Scope 2 figure used

Market-based

% change from previous year

8.76

Direction of change

Decreased

Reason for change

Wendy's has installed Building Energy Management Systems (BEMS) and Heating, Ventilation and Air Conditioning (HVAC) upgrades as outlined in C4.3b that have partially contributed to the decrease in emissions intensity per unit total revenue from 2020 to 2021. In addition, revenues increased by ~7%.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	11,753	IPCC Fifth Assessment Report (AR5 – 100 year)
CH4	7	IPCC Fifth Assessment Report (AR5 – 100 year)
N2O	9	IPCC Fifth Assessment Report (AR5 – 100 year)
HFCs	3,284	IPCC Fifth Assessment Report (AR5 – 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
United States of America	15,053
United Kingdom of Great Britain and Northern Ireland	0

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
Company-Owned Restaurants	9,681
Offices	3,689
Company-Owned Fleet	1,683

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
United States of America	60,137	61,535
United Kingdom of Great Britain and Northern Ireland	83	42

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By activity

C7.6c

(C7.6c) Break down your total gross global Scope 2 emissions by business activity.

Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Company-Owned Restaurants	57,273	58,110
Offices	2,946	3,468

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Increased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	41	Decreased	0.05	In an effort to increase Wendy's renewable energy efforts, Green Tariffs were purchased to cover electric power for restaurants in the United Kingdom. The formula used to calculate the emissions value (percentage) column was as follows: ((Change in Scope 1+2 emissions attributed to new renewable energy purchases [41 mtons CO2e]) / (Previous year Scope 1+2 emissions [72,885]) X 100 = 0.05%.
Other emissions	27	Decreased	0.04	Wendy's emissions were reduced by 27 metric tons of CO2e between 2020 and 2021 as a result of a number of

reduction activities				emissions reduction initiatives implemented in 2020. These initiatives include energy efficiency in buildings via Building Energy Management Systems and updates to HVAC systems. The formula used to calculate the emissions value (percentage) column was as follows: $((\text{Change in Scope 1+2 emissions attributed to new renewable energy purchases [27 mtons CO}_2\text{e]} / (\text{Previous year Scope 1+2 emissions [72,885]})) \times 100 = 0.04\%$.
Divestment	9,357	Decreased	12.21	In 2021 Wendy's divested 47 restaurants, which led to a decrease in their overall emissions. The formula used to calculate the emissions value (percentage) column was as follows: $(\text{Change in Scope 1+2 emissions attributed to divestment [9357 mtons CO}_2\text{e]} / (\text{Previous year Scope 1+2 emissions [72,885]})) \times 100 = 12.21\%$.
Acquisitions	14,500	Increased	18.92	In 2021 Wendy's acquired 93 restaurants, which led to an increase in their overall emissions. The formula used to calculate the emissions value (percentage) column was as follows: $(\text{Change in Scope 1+2 emissions attributed to divestment [14,500 mtons CO}_2\text{e]} / (\text{Previous year Scope 1+2 emissions [72,885]})) \times 100 = 18.92\%$.
Mergers				
Change in output				
Change in methodology				
Change in boundary				
Change in physical operating conditions				
Unidentified	4,615	Decreased	6.02	In addition to those emissions changes noted above, there was an additional

				increase in Wendy's emissions of 720 metric tons of CO ₂ e from unidentified sources and procedures. Some of this increase is likely due to minor changes in electric power, natural gas, diesel, and gasoline usage. The formula used to calculate the emissions value (percentage) column was as follows: ((Change in Scope 1+2 emissions attributed to new renewable energy purchases [4615 mtons CO ₂ e]) / (Previous year Scope 1+2 emissions [72,885]) X 100 = 6.02%.
Other				

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No

Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	No

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	62,494	62,494
Consumption of purchased or acquired electricity		192	152,392	152,585
Total energy consumption		192	214,886	215,079

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

Comment

This fuel type is not used in Wendy's operations.

Other biomass

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

Comment

This fuel type is not used in Wendy's operations.

Other renewable fuels (e.g. renewable hydrogen)

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

Comment

This fuel type is not used in Wendy's operations.

Coal

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

Comment

This fuel type is not used in Wendy's operations.

Oil

Heating value

HHV

Total fuel MWh consumed by the organization

7,016

Comment

Gas

Heating value

HHV

Total fuel MWh consumed by the organization

55,476

Comment

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

Comment

This fuel type is not used in Wendy's operations.

Total fuel

Heating value

HHV

Total fuel MWh consumed by the organization

62,492

Comment

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in C6.3.

Sourcing method

Green electricity products from an energy supplier (e.g. green tariffs)

Energy carrier

Electricity

Low-carbon technology type

Low-carbon energy mix, please specify

Low carbon electricity bought and supplied into UK National Grid from a blend of sources including hydropower, wind, solar, biomass and landfill gas.

Country/area of low-carbon energy consumption

United Kingdom of Great Britain and Northern Ireland

Tracking instrument used

Contract

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

192

Country/area of origin (generation) of the low-carbon energy or energy attribute

United Kingdom of Great Britain and Northern Ireland

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2,021

Comment

C8.2g

(C8.2g) Provide a breakdown of your non-fuel energy consumption by country.

Country/area

United States of America

Consumption of electricity (MWh)

151,999

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

151,999

Country/area

United Kingdom of Great Britain and Northern Ireland

Consumption of electricity (MWh)

393

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

393

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	No third-party verification or assurance
Scope 2 (location-based or market-based)	No third-party verification or assurance
Scope 3	No third-party verification or assurance

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, but we are actively considering verifying within the next two years

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers/clients

Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect climate change and carbon information at least annually from suppliers

% of suppliers by number

9

% total procurement spend (direct and indirect)

26

% of supplier-related Scope 3 emissions as reported in C6.5

53

Rationale for the coverage of your engagement

In Wendy's 2020 Corporate Responsibility report, the company published its goal to responsibly source its top 10 product categories responsibly by 2030 and, in our 2021 Corporate Responsibility Report, we validated through a third-party lifecycle assessment (completed in 2021), an opportunity to address our Scope 3 emissions and the other environmental impacts that result from producing, shipping and storing the top 10 priority food categories we source.

To understand the current landscape of suppliers implementing responsible sourcing initiatives (animal welfare, food quality & safety, people & community, natural resources & environment, efficiency & innovation), we engaged a sample of Wendy's suppliers to

learn more about their broader ESG program objectives as well their ability to track operational GHG emissions specifically.

Impact of engagement, including measures of success

Wendy's engaged suppliers above a spend threshold in our global supply system providing at least one item included in the Top 10 priority food categories of our responsible sourcing goal and scheduled conversations with each of them. The impact associated with this engagement was to introduce the goal and understand their baseline for ESG information gathering and opportunity for program improvement through our goal. Having completed supplier engagement, as well as supplier and country risk assessments, Wendy's Responsible Sourcing program is now developing the program criteria for alignment, including both sustainability certifications and continuous improvement expectations over time, utilizing supporting technology, such as EcoVadis, to gather relevant information and assess the ESG performance of our suppliers.

Comment

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Climate change performance is featured in supplier awards scheme

% of suppliers by number

100

% total procurement spend (direct and indirect)

100

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

Key stakeholders are increasingly aware of sustainability and the impact our business has on both people and the planet. To complement our enhanced corporate responsibility journey, Wendy's and Quality Supply Chain Co-op, the independent purchasing co-op for the Wendy's North America system, award an annual "Good Done Right Supplier of the Year Award." This award is given to a supplier who is making strides within the Good Done Right Pillars – Food, People, Footprint. Formerly known as the Squarely Sustainable Award, The Good Done Right award recognizes corporate responsibility efforts by our supplier partners that directly relate to Wendy's products and their work with us.

All of our North America supply chain partners in food, beverage, packaging and equipment are eligible to be considered for the Good Done Right award.

Impact of engagement, including measures of success

In 2021, we received 143 submissions to our Good Done Right Supplier of the Year Award. While we were impressed by the sustainability practices from every applicant, we named Cavendish Farms as our 2021 Good Done Right Supplier of the Year.

Example of a positive outcome: During our 2021 annual franchisee and supplier convention, Wendy's presented Cavendish Farms with the Good Done Right Award for sustainability efforts to reduce waste and emissions, donate seeds, plant trees and fight soil erosion. Headquartered in Canada with operations in Canada and the U.S., Cavendish Farms is taking commendable steps to reduce the company's environmental footprint, such as using treated potato waste as a natural fertilizer, diverting potato waste to farmers for cattle feed and processing it into biogas to fuel the company's processing plants. The company's biogas project helped to reduce greenhouse gas emissions in its largest facility by more than 50% and after processing, the waste is used as natural fertilizer. Cavendish Farms also works closely with watershed organizations to support local sustainability initiatives. Additionally, the company grows pollinator plant mix and donates seeds to local groups, which supports healthy environments for bees and other insects and contributes to crop growth. Cavendish Farms also plants trees on parts of its property not suited for agriculture and reengineers large potato fields to reduce the risk of soil erosion.

Comment

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Other, please specify

Code of conduct featuring climate change KPIs

% of suppliers by number

9

% total procurement spend (direct and indirect)

68

% of supplier-related Scope 3 emissions as reported in C6.5

89

Rationale for the coverage of your engagement

All North American suppliers, and their suppliers and contractors, are expected to comply with Wendy's Supplier Code of Conduct and all applicable local, state/provincial and federal laws and regulatory requirements as part of responsible business operations, including adhering to environmental standards. Suppliers are encouraged to operate responsibly at all times with a commitment to preserving our environment for

future generations. Suppliers with active sustainability initiatives are encouraged to address, document and make continuous improvement efforts with regard to the following environmental considerations: water usage including wastewater management; soil management (specifically agricultural operations); energy reduction and fossil fuel usage; material and food waste reduction; packaging and recycling; solid waste reduction; emissions from manufacturing, processing and transportation; responsible construction and development; protection of forests and high conservation value areas; hazardous material handling and disposal; and responsible sourcing of raw materials.

Suppliers are expected to comply with applicable legal environmental requirements and regulations, including securing and renewing all related permits. In developing sustainable business practices, Wendy's encourages suppliers to consider developing and deploying an environmental management system, based on international standards such as ISO 14001:2004, in an effort to identify, document, manage and/or mitigate any environmental issues or concerns.

Impact of engagement, including measures of success

The Supplier Code of Conduct was established in 2015 and applies specifically to Suppliers' business on behalf of Wendy's. Covered suppliers affirm annually that they have received and understand the specific outlined expectations of the Code. Suppliers with their own codes of conduct may share those with Wendy's as part of the affirmation process.

Comment

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement & Details of engagement

Education/information sharing

Run an engagement campaign to education customers about your climate change performance and strategy

% of customers by number

% of customer - related Scope 3 emissions as reported in C6.5

Please explain the rationale for selecting this group of customers and scope of engagement

Wendy's regularly communicates with our key stakeholders including customers, employees, franchisees, shareholders, suppliers and non-governmental organizations (NGOs) on a range of ESG topics. The publishing of our annual Corporate Responsibility report provides our customers, among other stakeholders, with an overview of Wendy's activities, goals and strategies related to governance structure, and environmental and social performance for the previous year.

Impact of engagement, including measures of success

Wendy's measures the impact of our customer engagement in three ways, including earned media sentiment, partner engagement, and blog engagement. In 2021, our Earned Media Coverage Sentiment was 100% neutral/positive and 100% of coverage included our new news and/or new goal language. Regarding our Partner Engagement, four partners that were named in our Corporate Responsibility report shared the Wendy's report via their own external communication channels. Finally, with respect to blog engagement, we measure organic page views, read time, and social media impressions.

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

Wendy's regularly engages franchisees to share what we've learned about resource efficiency and conservation. For example, in 2015, Wendy's was among the first restaurant brands to sign on to the U.S. Department of Energy's Better Buildings® Challenge – and the first restaurant company to include its franchisees in the Challenge. The Company, together with nineteen franchise organizations, represent a total of 3.7 million square feet. Additionally, we have two franchise organizations, which represent more than 150 restaurants, participating in the Better Buildings Water Challenge. In 2021, one of these franchisees surpassed our 20% water reduction target by 2029 (against a 2018 baseline), achieving a 31% overall reduction.

Wendy's also engages multi-stakeholder groups aimed at advancing continuous improvement in various aspect of sustainability, including the U.S. Roundtable for Sustainable Beef. Wendy's engages by participating in goal-setting discussions and other facilitated sessions to support their work related to producing beef in a sustainable, environmentally and socially responsible way.

Wendy's is also a supporting partner of the NextGen Consortium, a collaborative that is devoted to finding global solutions to reduce single-use food packaging waste and advance the design, commercialization and recovery of packaging alternatives.

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

Yes, climate-related requirements are included in our supplier contracts

C12.2a

(C12.2a) Provide details of the climate-related requirements that suppliers have to meet as part of your organization's purchasing process and the compliance mechanisms in place.

Climate-related requirement

Complying with regulatory requirements

Description of this climate related requirement

All suppliers are required to acknowledge our supplier code of conduct, which requires compliance with regulatory requirements as a minimum requirement.

% suppliers by procurement spend that have to comply with this climate-related requirement

68

% suppliers by procurement spend in compliance with this climate-related requirement

Mechanisms for monitoring compliance with this climate-related requirement

No mechanism for monitoring compliance

Response to supplier non-compliance with this climate-related requirement

Retain and engage

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

Direct or indirect engagement that could influence policy, law, or regulation that may impact the climate

Yes, we engage indirectly through trade associations

Yes, we engage indirectly by funding other organizations whose activities may influence policy, law, or regulation that may significantly impact the climate

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

No, but we plan to have one in the next two years

Describe the process(es) your organization has in place to ensure that your engagement activities are consistent with your overall climate change strategy

ESG matters, including climate change, and government relations/public affairs are management responsibilities of Wendy's Chief Corporate Affairs & Sustainability Officer (CCASO). These responsibilities are delegated to the CCASO to ensure that Wendy's direct and indirect activities that influence policy are consistent with our overall climate change strategy. Additionally, public policy positions are determined through a consultative process across the business that includes operations, finance, and development, to enable identification of priority topics and the Company's position on them and ensure that our position is also consistent with our ESG goals and strategy and Company values. ESG topics and progress, as well as public policy advocacy and engagement activities are regularly reported to the Board and its committees.

C12.3b

(C12.3b) Provide details of the trade associations your organization engages with which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association

US Chamber of Commerce

Is your organization's position on climate change consistent with theirs?

Consistent

Has your organization influenced, or is your organization attempting to influence their position?

We are not attempting to influence their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

According to the U.S. Chamber of Commerce, the Chamber "believes that there is much common ground on which all sides of this discussion could come together to address climate change with policies that are practical, flexible, predictable, and durable. We believe in a policy approach that is supported by market-based solutions, developed through bipartisan legislation in Congress, and acknowledges the costs of action and inaction and the competitiveness of the U.S. economy. We work with policymakers to forge climate solutions and engage in the United Nations COP on behalf of the business community." To that end, Wendy's position on climate change is aligned with that of the U.S. Chamber of Commerce. Our commitment to pursue a science-based target (in accordance with the Science Based Targets initiative (SBTi)), to address Scope 1, 2 and 3 greenhouse gas (GHG) emissions. and continued reporting through our annual Corporate Responsibility Report and CDP Climate Change Disclosure is demonstrative

of our commitment to transparency and continuously working to improve our climate footprint to reduce the impacts that would otherwise contribute to climate change.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

Describe the aim of your organization's funding

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

No, we have not evaluated

C12.3c

(C12.3c) Provide details of the funding you provided to other organizations in the reporting year whose activities could influence policy, law, or regulation that may impact the climate.

Type of organization

Non-Governmental Organization (NGO) or charitable organization

State the organization to which you provided funding

U.S. Roundtable for Sustainable Beef (USRSB)

Funding figure your organization provided to this organization in the reporting year (currency as selected in C0.4)

15,000

Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate

The USRSB has an established goal to achieve climate neutrality by 2040. This goal statement reflects the recognition by the U.S. beef industry that the activities associated with beef production are both impacted by and contribute to GHG emissions in the short and long-term. It underscores the full industry's commitment to produce more with less and contribute to a future that stays within 2 degrees or ideally 1.5 degrees Celsius of global average temperature increase relative to pre-industrial times. Additionally, the USRSB has established sector targets for the Retail & Foodservice sector, which includes:

- All USRSB member retail and foodservice companies have set credible GHG reduction goals to reduce scope 1 and 2 emissions by 2023;
- All USRSB member retail and foodservice companies have set credible GHG reduction goals for their company to reduce scope 3 emissions and are publicly reporting progress by 2030; and
- All USRSB member retail and foodservice companies have a strategic plan in place by

2030 with concrete steps to achieve climate neutrality for the beef value chain by 2040 for scopes 1, 2 and 3.

A portion of the funding Wendy's provides to the USRSB, supports the USRSB in its efforts to achieve climate neutrality by 2040.

Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?

No, we have not evaluated

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports

Status

Complete

Attach the document

 2021-Wendys-Annual-Report.pdf

Page/Section reference

Strategy, pp. 3-4; Risks & Opportunities, pp. 19, 28, 34 ; Emissions Figure, p. 3; Other Metrics, p. 3.

Content elements

Strategy
Risks & opportunities
Emission targets
Other metrics

Comment

Publication

In mainstream reports

Status

Complete

Attach the document

 Wendys-2021-Bookmarked-Proxy.pdf

Page/Section reference

Governance, pp. 20; 23, 29, 34-38 Strategy, p. 41, 101; Risks & Opportunities, p. 41

Content elements

Governance
Strategy
Risks & opportunities

Comment

Publication

In voluntary sustainability report

Status

Complete

Attach the document

 Wendys-2021-Corporate-Responsibility-Report.pdf

Page/Section reference

Governance, pp. 7-10; Risks & Opportunities, pp. 8, 10, 18, 39, 54; Strategy, p.3, 7, 9, 10, 37, 46, 54; Emissions Figures, pp. 36; Emissions Targets, p. 36-37

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets

Comment

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity
Row 1	Yes, executive management-level responsibility	<p>The highest level of responsibility for climate-related issues within Wendy's is held by the Corporate Social Responsibility Committee of our Board of Directors. Pursuant to its Board-approved Charter, the Corporate Social Responsibility Committee has responsibility for the review and oversight of environmental, social, and governance (ESG) matters, e.g., animal care and welfare, food safety and quality, responsible sourcing and other supply chain matters, sustainable packaging, food waste, energy use, GHG emissions, climate risk, water use, and workforce diversity, equity and inclusion, demonstrating the importance of such issues to Wendy's and its future. The Corporate Social Responsibility Committee regularly reports and provides recommendations to the Board of Directors with respect to the Company's ESG strategic initiatives. The Wendy's Board of Directors and the Senior Leadership Team believe this integrated approach enables climate-related risks to be evaluated in connection with other broad-ranging risks that may affect the company.</p> <p>Our directors have a diversity of experience and perspective that spans a broad range of industries in the public, private and not-for-profit sectors. They bring to our Board a wide variety of qualifications, skills and attributes that strengthen the Board's ability to carry out its oversight role on behalf of our stockholders. Nine of Wendy's 11 directors have reported possessing relevant experience, qualifications or skills with respect to sustainability or other environmental, social, & governance (ESG) matters.</p>

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity
Row 1	No, and we do not plan to do so within the next 2 years

C15.3

(C15.3) Does your organization assess the impact of its value chain on biodiversity?

Does your organization assess the impact of its value chain on biodiversity?	
Row 1	No, but we plan to assess biodiversity-related impacts within the next two years

C15.4

(C15.4) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity-related commitments
Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	Land/water protection Land/water management Species management Livelihood, economic & other incentives

C15.5

(C15.5) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	No, we do not use indicators, but plan to within the next two years	Response indicators

C15.6

(C15.6) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
In voluntary sustainability report or other voluntary communications	Content of biodiversity-related policies or commitments	pages 16-17  1

 ¹Wendys-2021-Corporate-Responsibility-Report.pdf

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Chief Financial Officer	Chief Financial Officer (CFO)

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms