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18 August 2021

The Manager

Market Announcements Office

Australian Securities Exchange

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

SYDNEY NSW 2000

Dear Sir

**Sustainability Report for the year ended 27 June 2021**

Please find attached for immediate release the Sustainability Report for the Company for the year ended 27 June 2021.

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

Authorised for lodgement by the Board.

**Craig Ryan**

**Company Secretary**

**END**



# SUSTAINABILITY REPORT 2021

DOMINO'S PIZZA ENTERPRISES LIMITED

**OUR  
PIZZA  
BRINGS  
PEOPLE**





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# SUSTAINABILITY REPORT

# & CHAIRMAN'S CEO'S MESSAGE

On behalf of Domino's Pizza Enterprises Ltd (Domino's) team members across our nine markets, we are proud to present the first edition of our Sustainability Report.

It was noted at the outset of this year's Annual Report that Domino's performance this year was a direct result of our focus. At the centre of our focus is a clear understanding of our Purpose as a global enterprise and the Values that make Domino's the organisation we are today.

This document is a reflection of our Purpose and Values, and of the journey of continuous improvement we are making to live up to those values.

At Domino's, we have captured this approach in one of our core values: 'Do the right thing, because it is the right thing to do'. Doing the right thing is not new to Domino's – throughout our history, we have provided sponsorships, in-kind support and disaster relief; from our stores, from Domino's Pizza Enterprises Ltd, and from our registered charity Give for Good. It has been a source of pride for our team members knowing that in times of disaster, Domino's is the last kitchen to close, and the first to reopen.

Doing the right thing includes taking care of our environment and what kind of food we source from our suppliers and serve to our customers. While we have taken important steps in this field, such as transitioning towards e-delivery and natural ingredients, we increasingly recognised that we not only need to do the right thing, but to also be transparent about our efforts and the outcomes of these efforts. We believe that with this report, we take another important step in that direction and demonstrate the progress we have made this financial year.

While we recognise there are some gaps in this document: we intend to address these gaps moving forward. It also reflects that Environmental, Social and Governance (ESG) is an ongoing journey for our company, with a commitment to continuous improvement in everything we do.

2021 marked the start of a new phase in our efforts to do the right thing. In the past couple of years, we commenced consultations with investors and other stakeholders on what they expect from us in this space. These consultations have led us to better understand the importance of a more strategic and structural approach towards sustainability and measuring its progress in a transparent way. For this reason, we determined to present our sustainability efforts under the umbrella of ESG criteria. To ensure the essence of these efforts is easily understandable by all stakeholders, we have called this approach: "Domino's for Good".

We understand there is an increasing desire to have a sustainability report presented in one of the established reporting frameworks. While there are many, and each has its strengths, we will determine our approach after a careful assessment of our different stakeholders' expectations and what we consider most beneficial

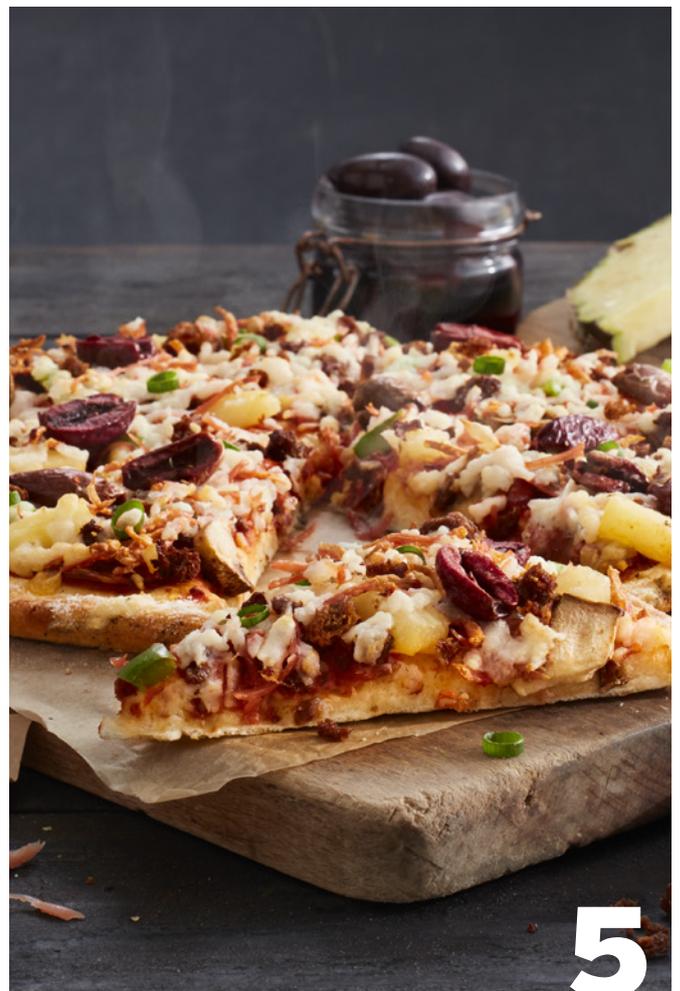
to enable us to achieve measurable, transparent, and meaningful progress in our ESG journey. Next year's sustainability report will be based on the outcome of this assessment.

Understanding that we are still in the early stages of our ESG journey, our recent efforts in this field have already helped us to improve as a company. We intend to demonstrate continuous improvement over time, which means the measurements we use will be as important as the targets we set. This will allow Domino's, and our stakeholders, to assess both the progress we are making, and the outcomes we achieve.

We look forward to providing further updates to our shareholders and communities on our progress.

**Jack Cowin,**  
**Chairman Domino's Pizza**  
**Enterprises Ltd.**

**Don Meij,**  
**CEO and Managing Director,**  
**Domino's Pizza Enterprises Ltd.**



# EXECUTIVE SUMMARY



## Our people.

We made progress with our target to achieve proportional gender distribution across our business, already reaching our target at Board level and in our German market. We have further integrated (workplace) safety into our operations and undertook immediate actions on COVID-19 to ensure the safety of our employees. We also continued our efforts to ensure all our team members are rewarded fairly, including ensuring the sustainability and profitability of our franchisees.

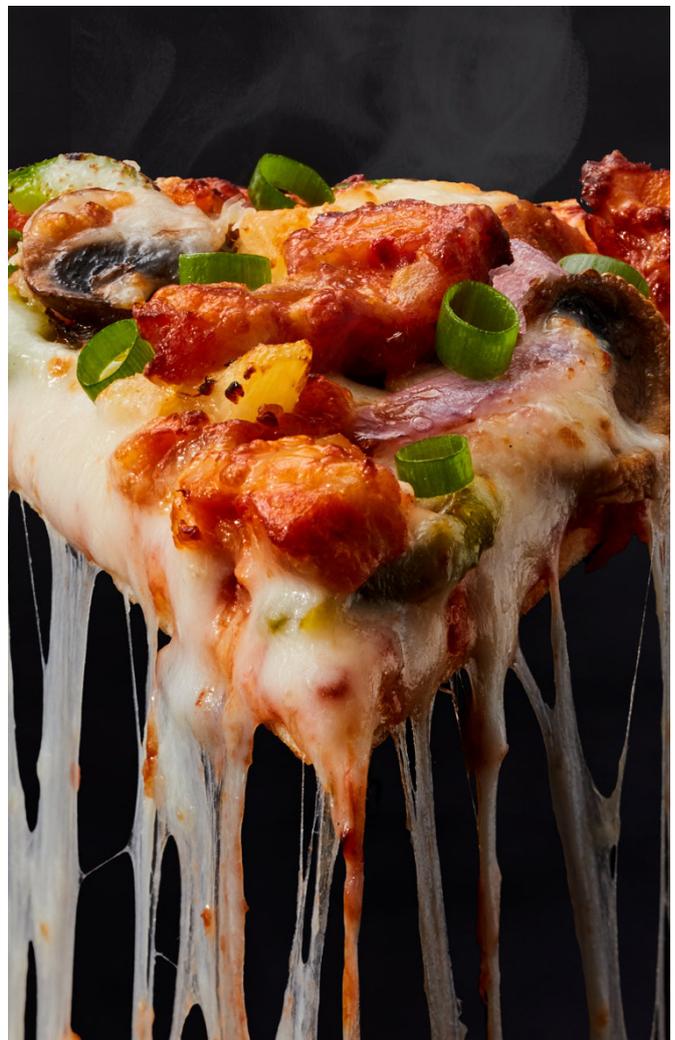
## Our food.

We achieved substantial progress in ensuring the quality and sustainability of our food: we are the first company in our industry to have achieved that all of our products are free of artificial ingredients in Japan, this year we have already reached 99% of our European markets' 2022 target for food free of artificial colours and flavours, and 96% of our Australian menu is free of artificial additives. Food safety remains our priority and despite COVID-19 challenges we continued our regular safety and quality inspections at our stores. This year we also entered into partnerships with animal welfare organisations and signed the European Better Chicken Commitment.

Domino's Pizza Enterprises Ltd is the largest franchisee of the Domino's brand outside the United States of America, operating almost 3,000 stores across nine markets and three continents and employing 86,000 people across our corporate operations and our franchised network combined. Strongly driven by our Purpose to bring people closer and our drive to do the right thing, because it is the right thing to do, we took meaningful steps this year in further implementing ESG into our business.

Important governance milestones this year are the appointment of our first Group Chief ESG Officer, the commencement our Corporate Footprint baseline measurement, a revised Business Partner Code of Conduct and publishing our first Modern Slavery Statement.

Based on our 2019 ESG materiality assessment and stakeholder consultations, we identified 20 materiality topics that we divided among five pillars: our people, our food, our customers, our environment and our community. Out of the 20 materiality topics, we then identified five topics that are considered most material to us: food safety and quality, customer data privacy and security, workplace safety, customer experience and engagement and culture, ethics and trust. This report provides an update on our progress this year for each pillar and the five most material topics.



### Our customers.

In the past 12 months we served more than 29.88 million unique customers, about 8.8% of the population of our markets or about 21% of all households. Our global ESG customer survey showed us that the vast majority of our customers agree on the importance of ESG, and they expect us to prioritise action on our food and our environment. According to the survey we are taking the right actions but need to inform our customers more actively about our efforts. Our solid security strategy and operations ensured the data privacy of our customers, resulting in zero information security breaches or other security breaches.

### Our environment.

This year we commenced our global corporate footprint baseline measurement which covers our greenhouse gas emissions, our water impact, our impact on land use change and the quality of ecosystem (biodiversity). Based on this data we will set science-based targets and develop an implementation strategy next year. E-delivery has already become the dominant way of delivery in our European markets and other markets have made good progress. We have further progressed in reducing our waste and the sustainability of our packaging, resulting in a reduction in transport and carbon emissions.

### Our community.

Our own charity Give for Good in Australia achieved a milestone of 8 million customer microdonations, which combined to deliver more than \$2.4 million in donations, that were invested in projects in education, disaster relief, regional and rural communities and future leaders. This year we successfully launched our Feed the Knead program in several markets, with 400,000 donated pizzas to those in need in Japan alone.

### Moving forward.

Looking ahead at FY22 we intend to: ensure that we have a global ESG vision and strategic approach; expand our baseline measurement for all our five ESG pillars; strengthen our understanding of ESG related legislative requirements and risk management; and to communicate and engage more on ESG with our key stakeholders.

**...we are the first company in our industry to have achieved that all of our products are free of artificial ingredients in Japan...**



# OUR COMPANY

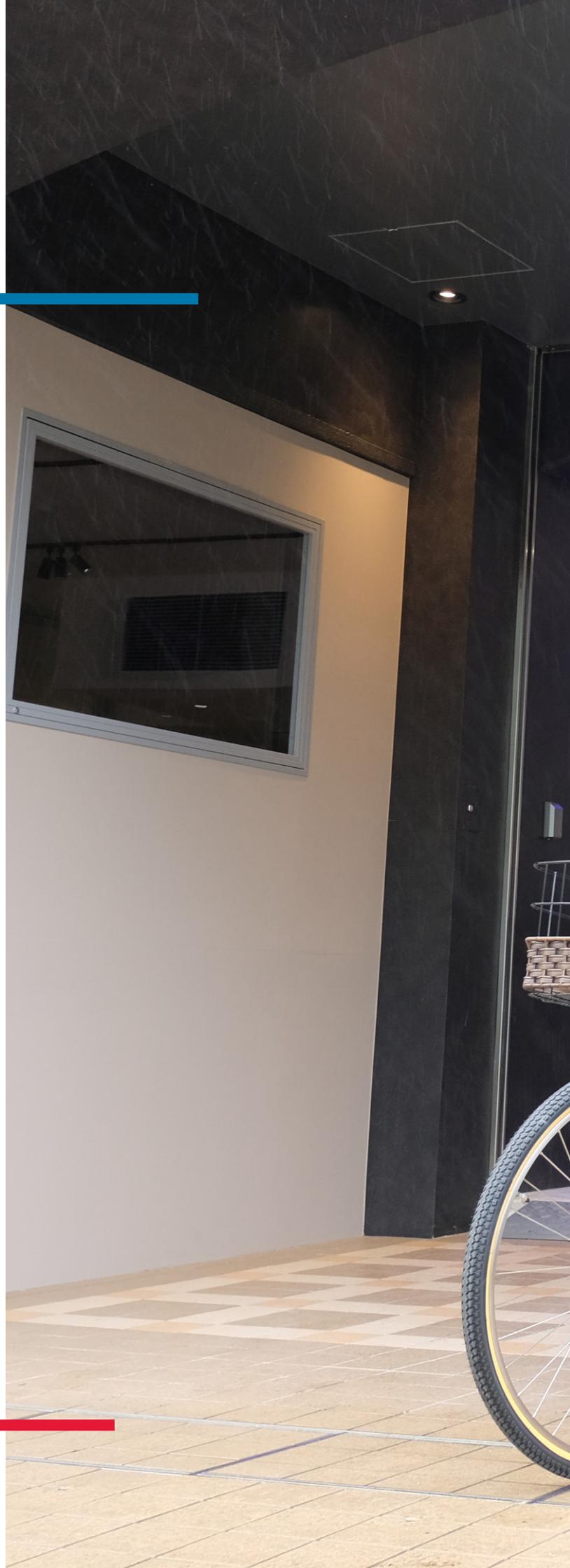
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Domino's Pizza Enterprises Ltd is the largest franchisee of the Domino's brand outside the United States of America, operating almost 3,000 stores across nine markets: Australia, New Zealand, Belgium, France, The Netherlands, Japan, Germany, Luxembourg, and Denmark. In 2021, Domino's Pizza Enterprises Ltd announced that it had reached a binding agreement to acquire the rights to operate Domino's stores in its 10th market, Taiwan. The Domino's brand is owned by Domino's Pizza, Inc, a listed US company. Domino's has both corporate-owned and franchisee-owned stores.

Domino's Pizza Enterprises Ltd currently employs 86,000 people, across our nine markets and our corporate operations and our franchised network combined. In the past 12 months we served more than 29.88 million unique customers, about 8.8% of the population of our markets or about 21% of all households.

Traditionally our people, from our store team members to our head office employees, have sought to be responsible community members, to provide employment and serve our customers hot, fresh, quality meals every day of the week and supporting our communities.

This first sustainability reports reflects the progress we have made this year by bringing our Purpose and Values further to life by serving the needs of all of our stakeholders; our people, customers, communities, shareholders and our external partners.





# D-PIT





## Our Purpose

Consultations with our stakeholders in 2019 first identified that Domino's has not traditionally published the principles and expectations of our business. In October 2019, we established our new Purpose and Values for all markets, which were released at our AGM in 2019, and are further explained below.

### Our Purpose: Our pizza brings people closer

We recognise that we are here to sell more pizza and have more fun ... but we also believe there is something bigger we can all be a part of.

After discussions with team members around the world about who we are and why we exist, we concluded that pizza is a shared experience accessible to all. It answers an enduring human need - a need for connection in the face of growing aloneness, fracturing communities, increasing division and it solves that need by bringing people together over the world's best sharing food – pizza, made accessible by Domino's High Volume Mentality (HVM), see further explanation on the next page. With HVM, we smash the prevailing wisdom that says you can't have Quality, Speed and Affordability. We put the world's most delicious and versatile bonding food within reach of every person.

## Our Values

Our Purpose is accompanied by five core values that are instilled in our franchisees, store managers and team members. We are confident that our Purpose and Values lead to stronger teams, stronger outcomes, and a stronger business.

### BE GENEROUS AND PROVIDE JOYFUL EXPERIENCES



Fun is in our DNA. It makes our people happier. Helping them provide a joyful customer experience. Our empathy, generosity and optimism are catching. They spread outwards - starting with us. Crucial because we're really selling happiness and connection - that just happens to come in pizza form.

### CRUSH CONVENTION



We think outside-the-box and deliver experiences that make our customers say, "How did they do that!" We defy the convention which identifies three main drivers: Fast, Affordable and Good Quality and believes you must settle for any two. We're unbeatable when we deliver all three seamlessly.

Again. And again. And again.

### INVEST TO CREATE DEVOTION



We want customers for life. Our obsession is providing an outstanding Domino's experience.

Set the bar high - to delight the most demanding people.

That guides everything we do - including the way we do innovation and efficiency programs and the reason and way we use data.

### HELP PEOPLE GROW AND PROSPER



We make people better off: Team members, franchisees, our company, and the communities in which we live. We have a strong entrepreneurial spirit. Balanced with a determination to give our team rewarding experiences, opportunities, and a great place to work.

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



We behave well, with a great sense of responsibility to our team, our customers, communities, partners and investors. We hold ourselves to a high standard of integrity - recognising how valuable, yet fragile, trust can be.

“ WE RECOGNISE WE ARE HERE TO SELL MORE PIZZA AND HAVE MORE FUN... BUT WE ALSO BELIEVE THERE IS SOMETHING BIGGER WE CAN ALL BE A PART OF. ”

## Business Model

Our senior management has deep experience in franchise operations, many having previously been successful multi-unit franchisees themselves. As a result, our business is passionate about the strengths of the franchising model and the opportunities it creates for ambitious entrepreneurs and their team members. At the core of our success is a proven pathway for talented store managers to purchase their own stores, often with the support of their franchisee or Domino's Pizza Enterprises Ltd.

Underpinning Domino's Pizza Enterprises Ltd is the business philosophy High Volume Mentality (HVM). Rather than exporting flavour preferences and menus to the world, Domino's Pizza Enterprises Ltd has exported High Volume Mentality; training team members passionate about customer service how HVM delivers benefits across the value chain.

High Volume Mentality is about identifying the barriers, physical or attitudinal, to increasing sales throughout a small-footprint pizza kitchen. By increasing sales, while keeping fixed and semi-fixed costs relatively low, unit economics and franchisee profitability is enhanced, and the benefits of increased efficiency can be passed on to customers. The result is a focus on value: high quality meals, delivered safely and fast, at an affordable price. It is exemplified by Domino's value "Crush Convention" – every Domino's team member knows that customers don't have to choose between fast, high quality and affordable - at Domino's customers can receive all three.

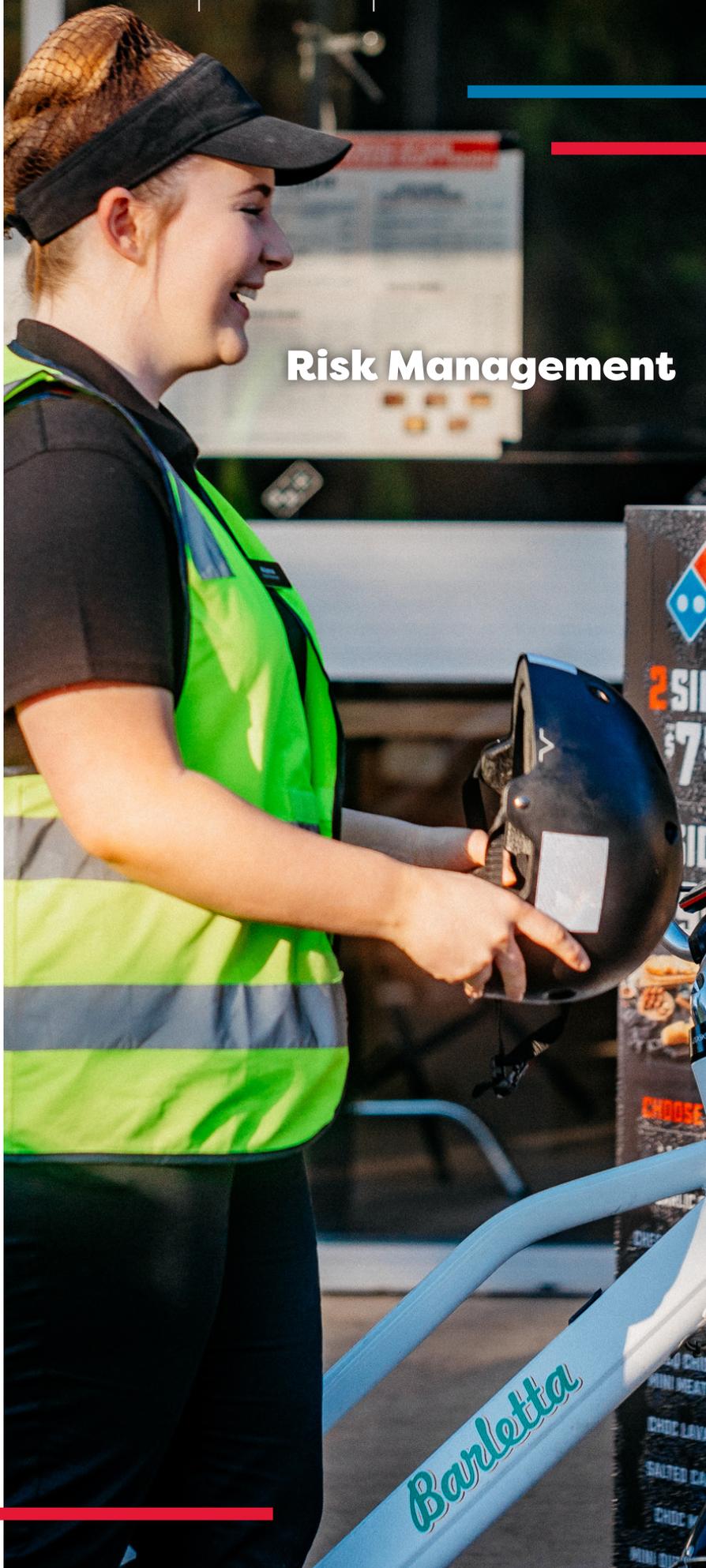
Supporting Domino's growth over the past decade has been expertise in digital delivery – serving record customer numbers, increasingly ordering online, and often delivered directly to the customer's home. Domino's Pizza Enterprises Ltd has embedded its OneDigital technology platform into each of the markets it operates.

Domino's competes with other pizza restaurants and quick service restaurants, aiming to provide superior Product, Service and Image, at an affordable price. More importantly, it competes with every opportunity a customer has to enjoy a meal, whether another fast-food offering, a frozen or ready-to-eat meal, a home cooked dinner, and even a night out at a restaurant.

Domino's business is pizza – as is reflected in our Company's purpose "Our Pizza Brings People Closer". Other meal offerings (side items) are frequently ordered by customers, but these are typically to complement a pizza purchased for a shared occasion with friends or loved ones. Popular side items vary by market, but often include garlic bread, chicken dishes, desserts, and salads.

These offerings are prepared by Domino's kitchens and designed for delivery. This provides Domino's stores a competitive advantage against other businesses that seek to retrofit their offering to add delivery to their service, having recognised the growing importance of convenience to their customers.





## Risk Management

Our audit and risk management committee (Committee) oversees our company's risk management framework. The committee is responsible for:

- (a) evaluating the adequacy and effectiveness of the corporate reporting processes, including internal financial and other controls used by the Company to ensure the accuracy and integrity of all information provided to the Board and to others outside the Company; and
- (b) where the Committee considers it necessary, enquiring into the resources, systems, and controls of the Company as they affect the audit, financial management, risk or compliance functions or the integrity of the systems and controls relating to those functions, and will make any resulting recommendations to the Board.

In this reporting year, we focused on reviewing our existing controls and risks related to Modern Slavery and identifying opportunities to strengthen controls in the future. This review involved mapping controls for key risk areas across our business units, assessing the controls that we currently have in place, and evaluating system functionality and data quality. Greater formalisation to consider Modern Slavery risk within our procurements across business units was identified as a key area of improvement we will focus on going forward.

## Our ESG approach

We truly believe in our Values and do our utmost to live them every day. With respect to our ESG approach, we have achieved important progress in determining what 'doing the right thing' means for Domino's and how we should integrate this in our business.

Important milestones this financial year are the appointment of our first Group Chief ESG Officer, the establishment of a global ESG working group, the start of developing our ESG strategy and our Corporate Footprint baseline measurement and tackling key governance topics in several statements and policy documents. The section below provides further details.



### ESG governance structure

It is our strong belief that our ESG approach will only be successful if we integrate this into the core of our business and culture - from our Board to our franchisees and team members in our stores.

Crucial to this is building an ESG governance structure that enables us to put our ambition into practice. Our governance structure is further explained below.

#### BOARD

The Board is responsible for guiding and monitoring us on behalf of our shareholders. The Board seeks to identify regulatory obligations and areas of significant business risk, ensuring arrangements are in place to adequately manage those risks. This includes monitoring compliance with our Values and Codes of Conduct and meeting our obligations (for instance Modern Slavery as was shown by the publishing of our Modern Slavery statement).

This financial year we also established regional Boards to ensure that the directors are more closely connected to our business operations across our different markets. We have also broadened our Audit Committee. It now specifically includes overseeing our corporate risk.

#### BOARD COMMITTEES

While the board retains full responsibility in discharging its stewardship, it also makes use of committees, including the nomination and remuneration and audit and risk committees. The audit and risk committee, for instance, is responsible for monitoring the culture and effectiveness of the Group's risk and compliance, and internal controls and systems.

#### COMPANY SECRETARY

The company secretary is responsible for advising on governance matters, monitoring Board and committee policies and procedures, and other responsibilities in co-ordinating board functions.

#### MANAGEMENT UNDER LEADERSHIP OF SENIOR EXECUTIVES

Our management is responsible for implementing strategic objectives, day to day running of our company, and timely and accurate reporting to the Board. The Chief Executive Officer and the Global Leadership Team are responsible for leading by example, instilling our Purpose and Values throughout our business and for oversight of matters relating to for instance Modern Slavery, ESG risk management and compliance and ESG reporting.

#### BUSINESS UNITS

Most functions conduct their own procurement, with oversight from Finance and Corporate, and report on operations through established management channels.

#### FRANCHISE STORES

In relation to our franchise stores, it is our strong preference to recruit franchisees from internal candidates. These candidates have a good understanding of our business and our Purpose and Values. We nevertheless ensure we apply standard screening and onboarding procedures, which includes a franchisee training program, to all candidates.

Our franchisee agreements mandate compliance with respective market labour legislation and standards. We also have monitoring and audit procedures in place that, for instance, monitor if a store complies with our food quality standards. To ensure our standards are being met and to support our franchisees, franchisees receive centralised support from head offices, including regular training and supply chain management services.



## ESG management

To further strengthen our commitment towards ESG, we appointed an inaugural group Chief ESG Officer in February. The Chief ESG Officer is a member of our Global Leadership Team and directly reports to our Group CEO.

Earlier on in this financial year we also established a global ESG working group, which consists of representatives from each market. The working group provides regular updates to the Chief ESG Officer, ensures company-wide alignment and knowledge exchange, supports with ESG data collection, and helps to identify gaps in our ESG approach.

## ESG strategy and framework

This financial year we have started to develop a global ESG strategy and framework. A first important step is determining our ESG vision and strategic focus for our five ESG pillars (see further explanation in our materiality assessment section on the next page). Our ESG vision is currently being developed by the Global Leadership Team in close consultation with key internal stakeholders such as the ESG working group, regional department heads, and franchisee and team member representatives from our markets. As recognition of its importance to our business, it will be approved by our Board and shared with our communities.

Another milestone in developing our ESG strategy is the commencement of our corporate footprint baseline measurement project in May. As part of this project, sustainability consulting firm Quantis is helping us set Science Based Targets to address our corporate footprint. This measurement not only looks at our greenhouse gas emissions (carbon footprint), but also includes other key environmental impact areas (see 'Our environment' for further explanation). The first phase of this project is to better understand our ESG hotspots, which are determined by reviewing our 2019 materiality assessment (see further information on the next page) and conducting a global industry peer benchmark.

At the end of this financial year, we also initiated an ESG customer survey in all of our markets with the objective to better understand what consumers feel is important, from an ESG perspective, and how we currently perform in their view. More details on this are provided in the Our customers section of this report.

Our ESG vision, combined with the outcome of our corporate footprint baseline measurement, the ESG materiality assessment review, peer benchmark and customer survey will be our starting point in determining appropriate targets and actions for the coming years.



“ **ANOTHER MILESTONE  
IN DEVELOPING OUR  
ESG STRATEGY** ”

## This report explains the policies, targets and results for each pillar in a separate chapter.

### Materiality assessment

In 2019, we undertook a materiality assessment. Our consultations included a wide-ranging review to identify areas of focus for our industry and peers; investor consultation through a survey and interviews; engagement with Domino's leadership; and an assessment of community expectations, including a thorough media analysis.

The purpose of this was to assess which of the many ESG priorities globally should be a strategic focus for Domino's. To determine this, the review considered our Purpose and Values (and associated employee expectations), as well as the expectations of investors, customers and other community members.

The review identified 20 topics that could be considered most material to us, which were initially classified according to four ESG pillars outlined at our Annual General Meeting in November 2019: Our Community, Our Environment, Our Food and Our People. In our last annual report, we introduced a fifth pillar "Our Customers" as this better reflects our longstanding, customer-centric approach. This report explains the policies, targets and results for each pillar in a separate chapter. The table below provides an overview of the 2019 materiality assessment outcome.

## 2019 materiality assessment outcome – 20 most material topics classified according to five pillars:

### Our People

- ◆ Culture, ethics and trust
- ◆ Workforce labour rights and wage compliance
- ◆ Workplace diversity and inclusion
- ◆ Workplace safety
- ◆ Workplace health and wellbeing
- ◆ Talent attraction and retention
- ◆ Franchisee engagement

### Our Community

- ◆ Community prosperity and local partnerships

### Our Environment

- ◆ Animal welfare
- ◆ Energy efficiency and carbon footprint
- ◆ Waste reduction and sustainable packaging
- ◆ Water use

### Our Food

- ◆ Ethical sourcing
- ◆ Food nutrition
- ◆ Food safety and quality
- ◆ Food innovation

### Our Customers

- ◆ Customer data privacy and security
- ◆ Innovating for a digital future
- ◆ Customer experience and engagement
- ◆ Marketing to children



## Of the 20 topics, five topics can be considered most material for us and our stakeholders combined, based on their importance and urgency:

### Food safety and quality

Ensuring our food safety and quality standards are world-class and that every team member in every country understands the importance of safe food storage, preparation, and handling requirements. Progress is explained in 'Our food'.

### Customer data privacy and security

Maintaining responsible management of information technology as we grow our digital capabilities to protect the privacy of workforce, operations and customer information and maintain defences against cyber security breaches. Progress is explained in 'Our customers'.

### Workplace safety

Protecting and promoting the safety of our employees, franchisees, and contractors through enabling a strong safety culture supported by risk management, systems and processes, and the tone from the top. Progress is explained in 'Our people'.

### Customer experience and engagement

Every customer wants their pizza made fresh and hot out of the oven. Meeting customer expectations and improving satisfaction in the design and delivery of our products, services, and experiences. Progress is explained in 'Our customers'.

### Culture, ethics and trust

Conducting the business with ethics, integrity and in compliance with our Values and with the law. Developing a positive working environment through engaging and supporting our workforce, franchisees, and business partners. Progress is explained in several sections of this report, including 'Our company' and 'Our people'.

This year, our report includes the first quantifiable updates and targets on these five priority topics as is explained in the next chapters.



## Our commitment to responsible business conduct

Our Values underpin our commitment to ensure fair and ethical standards through every channel of our value chain and business on a daily basis. We want to collaborate with our partners based on mutual respect, transparency, and trust. To further strengthen our commitment and ensure our partners' commitment towards responsible business conduct, we formalised our obligations in a number of key policy instruments which include, but are not limited to:

- ◆ Our Company Governance Code of Conduct
- ◆ Our Business Partner Code of Conduct
- ◆ Our Whistleblower Policy

These policy documents are further explained in the next sections.

### Company Governance Code of Conduct

Our Governance Code of Conduct (Code) outlines the standards of behaviour in the workplace that we expect of each employee on a range of issues to promote a culture of fair and ethical behaviour.

The Code sets the standard to which each director, executive and employee must adhere while conducting their duties, and is supported by our Whistleblower Policy. The Code states that unlawful or unethical behaviour must be reported, and that the identity of the reporting individual will remain confidential. The Board has responsibility to investigate, and take appropriate action in relation to, all complaints or allegations which indicate that there may be illegal or unethical conduct by the company or any of its employees.

The objectives of this policy are to guide behaviour, enhance investor confidence in our company, and to demonstrate our commitment to ethical standards and practices. As an example, we returned \$700,000 of Job Keeper funding to the Australian government this year, because we did not believe receiving this money would be the right thing to do for our company

### Business Partner Code of Conduct

This year we revised our Business Partner Code of Conduct (BP Code). This BP Code outlines our Values and our expectations of our business partners, and their supply chain, in providing any goods and services to Domino's Pizza Enterprises Ltd. It more specifically sets out our expectations for our business partners on human rights, diversity and non-discrimination, environmental management, workplace health and safety, business integrity, anti-bribery and corruption, and animal welfare. Together with our business partners, we aim to achieve continuous improvement in our business operations and value chain, while respecting that our suppliers are independent businesses and the exclusive employers to their employees.

We expect and request our business partners to hold their supply chain, including any subcontractors or third-party labour agencies, to the same standards contained in our BP Code.

Next financial year we will further embed our BP Code in our procurement processes globally. Also, we will revise standard contracts and terms and conditions globally to align with our BP Code. It is our intention to annually review our Code.

## Human Rights and Modern Slavery

We respect Human Rights as set out in the United Nations Universal Declaration of Human Rights and recognise the International Labour Standards maintained by the International Labour Organization (ILO), which is further described in our BP Code. This year we specifically focussed on improving our understanding of Modern Slavery in our value chain and prioritizing our actions on this important topic, as is further explained below.

### Modern Slavery

This year we conducted our first Modern Slavery risk assessment across our operations and supply chains, and we submitted our first Modern Slavery statement, which was published on the Australian Modern Slavery Register in May.

In preparing for our first Modern Slavery Statement, our risk assessments and internal engagement focused predominantly on our Australian operations and supply chains. In future years we will assess risks across other geographies.

According to this year's Modern Slavery risk assessment for our Australian operations, approximately 2% of suppliers, corresponding to around 7% of our procurement spend, fell into a high priority category, which were rated as both high risk magnitude and high leverage. We will focus on these higher risk suppliers for further engagement on Modern Slavery to reduce and manage risk. These suppliers mostly provide goods with agricultural inputs, primarily pizza ingredients, as well as printing consumables and packaging, uniforms, and appliances.

In relation to our own workforce, we have had a significant focus on underpayment of wages in the last few years, particularly for casual and part-time employees in our franchise stores in Australia. In minor cases, we have found inadvertent underpayment due to technical issues with award rates applied or isolated cases of not reporting overtime worked, which were rectified. More severe cases have involved deliberate coercion and illegal underreporting of hours worked in order to save on franchisee labour costs. We take these matters very seriously and are aware that instances of underpayment can be indicators of more severe labour exploitation.

We have undertaken significant work in 2020 to identify our Modern Slavery risks and review our current risk management framework and are committed to continuing to develop our approach into the future. We are exploring options to better assess effectiveness of our Modern Slavery risk management as part of the action plan we will develop in FY22.



**Anti-bribery and corruption**

Domino's Pizza Enterprises Ltd and its subsidiaries are committed to preventing bribery and corruption; operating within the laws of each jurisdiction in which we do business and respecting the Organisation for Economic Cooperation and Development (OECD) Convention on Combating Bribery and the US Foreign Corrupt Practices Act, which prohibit us or any business partners from making a payment to a foreign official with a corrupt motive in order to gain or keep business. We are committed to operating in a way that is consistent with our Governance Code of Conduct and the expectations of shareholders. We also expect the same standards from our business partners as is further explained in our BP Code.

We also have adopted an Anti-Bribery and Corruption Policy, which sets out a number of matters for our Board and all of our employees. A copy of the Company's Anti-Bribery and Corruption Policy can be found on the Company's website – see: <https://investors.dominos.com.au/corporate-governance>.

The Board will receive periodic reports containing summary information in relation to concerns raised under the Anti-Bribery and Corruption Policy. This may include, for example, a summary of the number, nature and outcome of matters that have been raised under Anti-Bribery and Corruption Policy. The Board may also be provided with additional information about any material incidents raised.

**“Via our wage assistance hotline in Australia/New Zealand, we received 48 complaints this year.”**

### Whistleblower protection

We are committed to whistleblower protection as outlined in our Whistleblower Policy. We protect whistleblowers and encourage them to raise any concerns they have around their employment or in their business relationships with us. Our Whistleblower Policy sets out our commitment to a culture of corporate compliance, honest and ethical behaviour, and strong corporate governance and the Reportable Conduct Procedure where stakeholders may notify us on a Reportable Conduct.

This financial year our Whistleblower protection system and Wage Assistance Hotline were fully in place in Australia and New Zealand. Our other markets have finalised their Whistleblower Policy and reporting system (Germany, Japan) at the end of this year or are in the final stages of formalising their respective local Whistleblower policies and reporting system according to the applicable local market legislation (France, The Netherlands, Belgium, Luxemburg, Denmark).

Whistleblower complaints	Australia	New Zealand	Total
<b>FY20</b>	<b>51</b>	<b>2</b>	<b>53</b>
<b>FY21</b>	<b>42</b>	<b>6</b>	<b>48</b>

# OUR PEOPLE

Our company has grown rapidly over the past few years. We currently employ 86,000 people, across our nine markets and our corporate operations and our franchise network combined. We are a people focused business and we are committed to providing our people in all of our markets with a safe, fair and equitable workplace with competitive conditions and benefits. Currently, each of our markets are at different maturity levels with

some markets leading the way in innovative ideas whilst other markets are still developing into their own. It is our intention to further align our people and culture policy across all of our markets and develop this towards a global standard. Nevertheless, we ensure that all of our markets maintain our key employment standards and work towards achieving the same global targets. This chapter provides further details.

## Our workplace supports equal opportunities and non-discrimination

At Domino's, we have always been about bringing people closer; breaking down barriers and connecting communities through the world's best bonding food. We believe that to do this our business must accurately reflect the communities in which we operate, with employees from all backgrounds and walks of life.

Domino's is proud to be an equal opportunity employer and is committed to eliminating discrimination and fostering inclusion throughout the workforce. This year we made substantial progress in strengthening our commitments and actions towards safeguarding an inclusive culture.



### Domino's is committed to proportional gender distribution

In November 2020, Domino's Pizza Enterprises Ltd committed to achieving gender equity for the Board, Global Leadership Team and country/regional leadership, with a target of achieving 40% Female, 40% Male and 20% any gender representation by 2030. The commitments below further formalised this target:

**30 Percent Club:** We had previously joined the [30 Percent Club](#), whose global mission is to reach at least 30 per cent representation of all women on all boards.

**40:40 vision:** In 2020 we pledged our support for [40:40 Vision](#), regarding achieving gender balance in leadership roles within the business by 2030.

We also comply with the Workplace Gender Equality Act and report our performance in this area to the Workplace Gender Equality Agency.

We are committed to making our plans public to employees, shareholders, investors and the business community and to report annually on how we are tracking against our targets, as shown in this sustainability report.

“breaking down barriers and connecting communities through the world's best bonding food.”

**PROGRESS RESULTS**

This year we surpassed our target at Board level, and we made progress on our Global Leadership Team, European Leadership team and our ANZ leadership team level (see graph below). We also made progress on improving gender diversity at other levels. Key highlights are:

**Non-Executive Director (NED)** representation improved 10% from 40% in January 2020 to 50% in January 2021. Leadership Team – we have split out the Global LT from the ANZ LT and included a category of European LT and Denmark. Denmark leads the pack with 60% representation, followed by Benelux on 30%, France 25% and ANZ 25%.

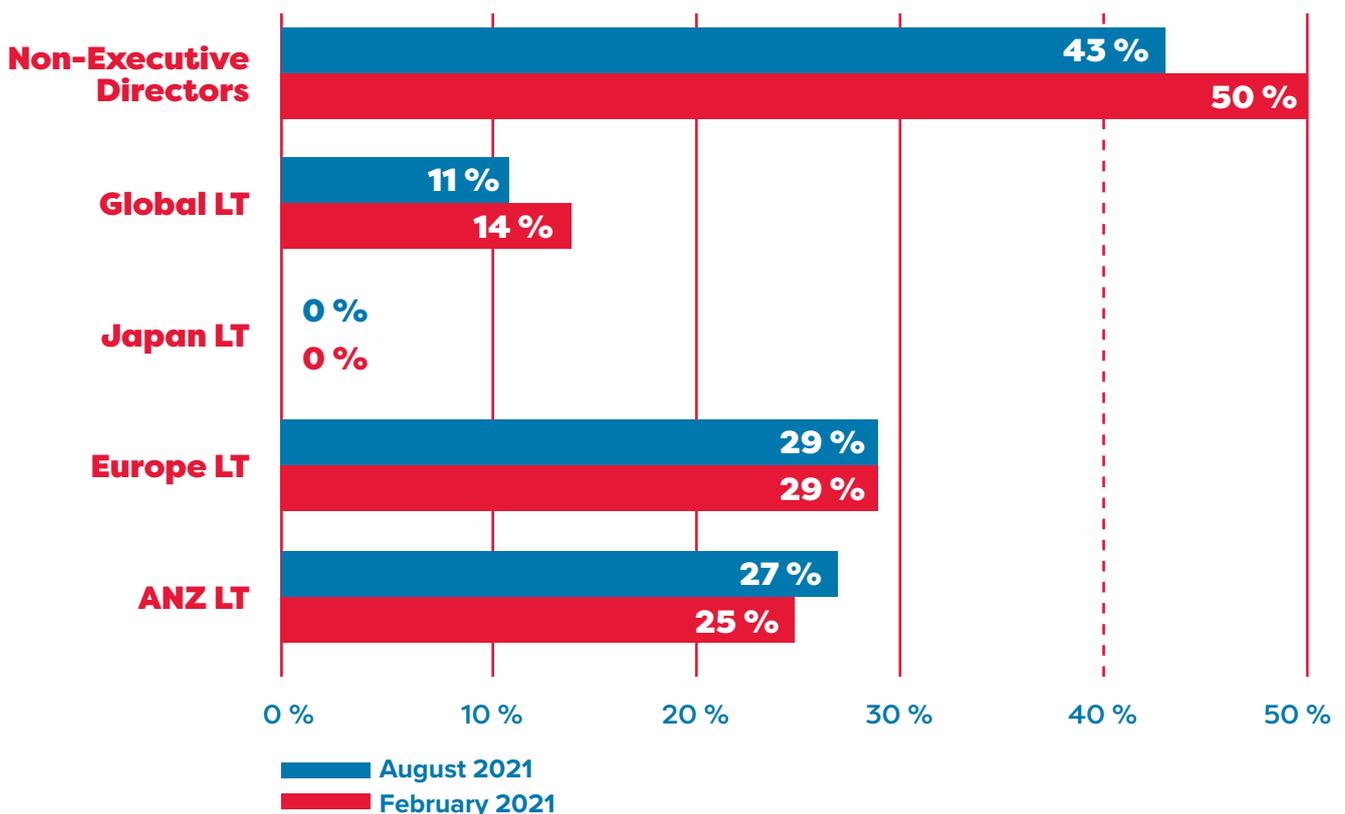
**Managers (Head Office)** – Germany has 60% female representation followed by ANZ and France, with good improvement in ANZ and France over the last 12 months.

**Corporate Store Managers** – overall results have improved from 17% to 20% in 2021 with great improvement shown in ANZ with an increase from 14% to 21% in 2021.

**Franchisees** – globally we have improved representation from 10% to 12% in 2021 – with Japan having its first female franchisee join in December 2020.

**Drivers/Instore** – we have seen a large improvement from 2020 – with an increase from 12% to 20% with notable improvement in Germany (increased from 10% to 25%).

## % Female Leaders Leadership team & non executive directors





### Domino's takes action to stimulate diversity and inclusion

Employment at Domino's is based solely on a person's merit and professional competence. Domino's does not discriminate against any employee or applicant because of race, age, religion, gender, sexual orientation, disability, marital status, or any other basis protected by law. Because it's the differences in who we are, what we've experienced, and how we think that makes our business stronger. And, more importantly, because it's the right thing to do.

Under the Anti-Discrimination Act, and through our Governance Code of Conduct and induction training, we are very clear that discrimination on the grounds of age, disability and ethnicity is prohibited in all our workplaces. Harassment and abusive behaviour are also prohibited at Domino's as emphasised through training, work contracts and our Governance Code of Conduct.

“And, more importantly, because it's the right thing to do.”

### WORKPLACE GENDER EQUALITY ACT 2012: AUSTRALIA

In Australia, non-public sector employers with 100 or more employees are required to submit an annual report to the Workplace Gender Equality Agency. The aim of the Agency is to develop a detailed picture of the state of gender equality in Australian organisations. Australia is currently finalising their 2020/2021 report. This report includes head office and corporate store staff as well as our two subsidiaries – Construction, Supply and Service and IPG Marketing Solutions.

The latest report submitted by Domino's shows improvement in some gender pay gaps and female management promotions, however, in our largest workforce (labourers) the wage gap has increased between male/females. Focus is now on this area to gain a deeper understanding of what is occurring in this group and develop strategies to address this.

This year several global and market initiatives took place to foster an inclusive culture. The markets for instance organised several events, initiated diversity teams and several team member focused female and LGBTIQ networks were established.

**INTERNATIONAL WOMEN'S DAY (IWD) 2021: GLOBAL**

The 2021 theme for IWD was #ChoosetoChallenge, which set the tone for an online social campaign that saw individuals raise their hand to show commitment in calling out inequality and to help forge an inclusive world. The ANZ People & Culture team coordinated two virtual IWD events on 8 March 2021 and more than 200 employees tuned into the events. Prior to the event, employees were asked to take a picture of themselves raising their hand as a commitment to choosing to challenge (see image). Two hundred photos were submitted from team members in Japan and ANZ.



- ANNEMAJ - PRIYA - TESSA - NADINE - ELSEMIEKE - ESTHER - DOMINIQUE - PIETERNELLA - ESMA - MARIEKE - KHADJIA - MAHIA -
- JESSIE - BETTINA - TAMARA - MAUD - MAXIME - JANA - MELANIE - CHARLOTTE - ROZANNE - CHARLOTTE - SOLANGE -
- GAUWRIE - LAURA - IVONA - KHADJIA - RUGIATU - AICHA - NEFERTETE - LOIS - MARKA - DERYA - SANNE -
- KIMBERLEY - HELEEN - LAURIAN - MEREL - RACHEL - MARCELLA - LAURA - BRIGITTE - LAURENE - LAURA - RIAN -
- ELISA - MATHILDE - ESTHER - METTE - ADANZA - IZA - GRETE - DANIQUE - DORIEEN - SALOME - ELINE -
- LOUISE - BRITT - SIMONE - NAOMI - MILA - LUNA - QUINCY - JULIE - DONNA - FAY - SABRINA - NIENKE -
- FAMKE - DAPHNE - MARISE - RABIA - JULIE - MANSOURE - ROOS - INEZ - MARLENA - ZENZI - DAGMAR -
- LAURA - ROOS - IZA - ESMEE - VALERIA - FLOOR - BERBER - JACYNTHIA - DANIELLE - FRIDA - CLAUDIA -
- JACKELIN - NELLY - SOPHIE - SOPHIE - JOELLE - KAYLA - ERIN - DANIQUE - BABS - AMBER - SUZANNE -
- WENDY - VEERLE - ESMAY - SZABO - SUZANA - MYRTHE - SENNA - NAOMI - MARVIANNY - JENNIFER -
- IRIS - ISABELLE - MIRTHE - MEAGHAN - KAYLEIGH - LIANNE - SANNE - SAMANTHA - LISA - SHERINA -
- LYSBETH - YASMIJN - ANTONELLA - VIRAO - GINA - INEZ - SIMONE - NADEGE - ROMY - RAYA - SELMA -
- NINA - SIGRID - NIKITA - CHANTAL - BENTE - CHAREL - NINA - BABS - EVA - DONIKA - ELS - JUSTINE -
- RADINA - NELLY - LAURA - MARIJANA - SAM - SANNE - ZOE - JENNIFER - DION - NOORTJE - SOPHIE - JAMIE -
- KAYLEE - ROMY - ROMY - SANNE - MEREL - ERINN - RENSKÉ - RAMONA - ANIEK - MICHELLE - YOEL -
- MARLIES - EVA - MARA - PAULA - HANNAH - QUINTAN - MIKE - SOFIE - MELISSA - ANNA - KAROLIJN - NEGAR -
- ANI - MAAIKE - ROBIN - CHARLOTTE - NAOMI - KIM - MARTA - LIYA - KEETI - HESTER - NUSHA - DENISE -
- SANNE - JOUKE - MIRTHE - IMKE - LITE - JILDOU - PARANK - SARAI - CSILLA - LIEKE - YANNIE - SELINA - HAI-LIN -
- CHRISTINE - SHANNA - FIEN - SARAH - DEMI - PETYA IVAYLOVA - MEIKE - NOOR - IRIS - AGNE - ALEKSANDRIA -
- JILDOU - ESMEE - JESSY - KELEY - ROXY - MANDY - MYRA - HASTY - DENISE - DENISE - DENISE - MAAIKE - ANJA -
- MARIANNE - FEMKE - CHARLOTTE - AMILLO - MARIJANA - FLEUR - NURAY - SERENA - KAHLY -
- ILONA - JOYCE - EVAN - REBECCA - LIEKE - DIDI - JESMERALDA - JOELLE - ERYKAH - XANNE -
- ROBIN - IMRE - EMMA - NINE - FEMKE - NOVA - ANISSA - ANNE - SIMONE - LOES - LOTTE -
- NOELLE - HUMEYRA - MILOU - JANICE - ANNA - SHUREYMA - TARA - LOTTE - SABINE - NURAN -
- ESMEE - SANNE - ANNALISA - JODIE - ASHLEY - LISANNE - JESSICA - ANNA - ASHLEY -
- DORST - CARMEN - SELMA - DEANNE - VALERIE - DANIELLE - TESSA - AISHA - DIEDÉ - CERIEL -
- JAIRIS - ROSALIE - DIDI - MYRTHE - SHERONA - YVETTE - ASHLEY - SAMIRA - MARIT -
- EVA - RIANNE - SANNE - IMMA - FLEUR - LOES - SARA - YELINA - DANIQUE - KEELEY -
- EMMA - REEM - MANDY - ROMY - KSENJIA - FAMKE - ANNE - FLEUR - NOVA - RENSKÉ -
- NIKE - ISABEL - MARISKA - GEKE - NICKY - STERRE - ANNELOTTE - MARESA - TIFFANY -
- NOA - IKE - CHE GUEVARA - CARLA - KIM - TYLA - JOYCE - JADA - BRAYANNA - REDA - ELLIS - LEA - PELIN -
- ANNEKE - ELKE - JOYCE - SABINE - ANNE - MICHELLE - MICHELLE - IRINA - THERA -
- MARIANNE - DANIELLE - RENATE - MIRANDA - RENSKÉ - ANNE - STEPHANIE - NICKY -
- DONNA - CLAUDIA - ANNEMAJ - SHEVALI - LESLEY-ANN - JESSICA - SHARON -
- DOMINIQUE - PIETERNELLA - ESMA - PRIYA - TESSA - NADINE - ELSEMIEKE - ESTHER -
- TAMARA - MAUD - MAXIME - JANA - MARIEKE - KHADJIA - MAHIA - JESSIE - BETTINA -
- ROZANNE - CHARLOTTE - SOLANGE - NEFERTETE - LOIS - MARKA - DERYA - SANNE -
- LAURENE - LAURA - RIAN - ELISA - MATHILDE - ESTHER -
- MARCELLA - LAURA - BRIGITTE - GRETE - DANIQUE - DORIEEN - SALOME - ELINE - LOUISE - BRITT -
- MILA - LUNA - QUINCY - JULIE - DONNA - FAY - SABRINA -
- DAPHNE - MARISE - RABIA - JULIE - MANSOURE -
- MARLENA - ZENZI - DAGMAR - LAURA - ROOS -
- DANIQUE - DORIEEN - SALOME - ELINE -
- LOUISE - BRITT - SIMONE - NAOMI -



## Employee engagement

Although our team members are spread across the globe and do not always speak the same language, we believe they are all part of our unique Domino's culture and team spirit.

In order to engage with our colleagues and to stay connected to the brand, we traditionally organize annual rallies in several markets. Due to COVID-19 restrictions this was not possible this year, our 2021 annual ANZ Rally was therefore held virtually with Rally parties held across Australia and New Zealand. Last year The Netherlands also hosted a successful virtual Rally and Award show, see case study.

To further ensure we are doing the right things for our people, we measure our employees' engagement via bi-annual (Glint) engagement surveys in each market. The survey covers all head

office/commissary employees and some store-based staff In Japan, Germany and Denmark. The results are displayed as a positive or negative score when compared to the global benchmark standard,

which is the target. Once the results are available, Managers share scores with their teams and create action plans to improve applicable areas. This year's engagement results are displayed below.

Country	ANZ	Japan	France	Germany	Netherlands/ Belgium	Denmark*
Employee Satisfaction Rating	76 %	64 %	78 %	89 %	74 %	47 %
Response Rate	90 %	85 %	66 %	66 %	65 %	15 %
Benchmark	72 %	72 %	72 %	72 %	72 %	72 %

\* Denmark do not use Glint, however, they run team member surveys twice a year via Survey Monkey.

We have seen improvement in employee satisfaction in a majority of markets, noting that there is a natural bias in Japan to score lower in engagement surveys compared to other countries. We are working hard to improve results in markets where the response rate or employee satisfaction rating are below benchmarks. In FY 22 we plan to expand the survey to include store-based employees where possible.



## Celebrating our people

The people of Domino's are our strength – celebrating the success and lesson of our best, helps to make our teams stronger.

Unfortunately, bringing people together physically often isn't the right thing to do during COVID-19 – but our people decided this shouldn't be a barrier to some of our most anticipated group events.

In multiple countries this year Domino's Pizza Enterprises Ltd organised virtual events, which brought our pizza closer, albeit remotely.

In the Netherlands, our team organised a complete, internally-focused, television show – with the studio audience limited to award winners and fastest pizza maker contestants who had returned a negative COVID-19 test.

The result, shared online, was three hours of entertainment and Domino's culture – available to every team member in the country.

A Domino's 'Rally' is a key of our culture – an in-person conference that is part-awards show, part-rock concert, part-sports event (including a race to make Domino's fastest pizza).

In Australia/New Zealand, the team delivered the full Rally experience from a purpose-built television studio in head office – streamed to homes, hotels and conference rooms across Australia and New Zealand.

No component was missed – ANZ Rally 2021: FORWARD featured on-demand workshops by top performing franchisees, presentations by the business' leaders, and even a motivational speaker who rallied our team members.

Domino's online events are a clear example of our team crushing convention to overcome the challenges of COVID-19.



## Help people grow and prosper



We invest in our people to ensure they are motivated and have access to training and development opportunities. We believe we aren't just a pizza business – we are a people business. We see it as our responsibility that a wobble-boarder, pizza maker or delivery expert of today has the opportunity, tools, and resources to become a leader of tomorrow as so many have before them.

Our People Development strategy is built on three core principles:

1. For many, Domino's is their entry into the workforce. We must ensure they develop skills and attitudes that enable them to prosper inside and outside our company.
2. Every team member must be provided the opportunity to develop and grow.
3. We must identify and accelerate the development of hungry, talented team members and invest in their leadership journey.

A key strength of the Domino's system is our proven success in identifying talented pizza store managers and assisting them to purchase their first franchised store and to provide profit share structures that allow a franchisee to access capital that may not be available through traditional banks until they have expanded their business.

## People health and safety

At Domino's, we are committed to providing a safe and healthy work environment for all team members, franchisees, contractors, and visitors by promoting a positive attitude toward health and safety as part of our business undertakings.

We continue our safety journey by focusing on the health and safety of all our team members. Safety is integrated into our operations globally through dedicated safety professionals and as a responsibility of all our leaders and managers.

With a globally dispersed workforce we are conscious of the work health and safety legislation and framework in each of the countries that we operate within.

We have invested in several initiatives to promote safety in our workplace including the rollout of our GPS Driver Tracker across many of our markets together with the introduction of safe systems of work and work health and safety programs.

### Our COVID-19 Response

The COVID-19 pandemic placed unprecedented demands on our operations across the globe. At Domino's our primary focus has been on the safety of our customers and team members. Some of the immediate actions we undertook included:

- ◆ Ensuring social distancing requirements were met in all our workplaces
- ◆ Providing our office-based team members with flexible work arrangements
- ◆ Introducing zero contact delivery (ZCD) and take-away services, including car park delivery
- ◆ Enhanced cleaning and sanitisation in our workplaces
- ◆ Provision of appropriate personal protective equipment to our team members

### Workplace Safety

One of the challenges of operating across different countries and markets is the difference in measuring safety performance. We are working with each of our teams in these markets to standardise reporting. This will be a key focus in FY22, and we hope to be able to share global reporting in our next sustainability report.

For FY21 we did not have any workplace accident resulting in the death of a team member – a statistic we will work hard to achieve every year.

#### ROAD SAFETY INITIATIVES

We are aware of the potential dangers our drivers encounter on the road and have initiated several projects and policies to enhance the safety of our employees. Domino's Pizza Enterprises Ltd Australia and New Zealand for instance increased enforcement relating to its Speeding and Safe Driving Compliance Policy in January 2021. The policy had been in place from April 2015, with local franchisees taking action against speeding drivers as appropriate. A dedicated resource at Head Office was appointed in December 2020 to monitor the enforced policy based on speed detection reports generated from the GPS Driver Tracker system.

The policy is designed to ensure appropriate disciplinary action is taken when a team member is detected travelling more than 15km/h over the speed limit, including not allowing drivers back on the road if a speeding breach is detected on shift.

#### NEXT STEPS

Workplace safety is a key issue for us to manage, both in the short and long term. It has become apparent that not all relevant safety incidents are reported to Domino's Pizza Enterprises Ltd, in some cases, because these are reported directly to government, in others, due to local privacy laws. Regardless, what gets measured, gets managed. Our next steps in improving our management of workplace safety, therefore, includes:

- ◆ Implementing and reviewing a health and safety policy and corporate strategy on a global level.
- ◆ Establishing robust reporting structures for work related incidents (from our offices, corporate stores to franchisees) to gain confidence that all incidents are captured and reported.
- ◆ Ensuring employees and franchisees are appropriately trained in relation to health and safety.
- ◆ Undertaking risk assessments and updating when necessary.
- ◆ Undertaking internal and external audits of the safety management system, and reporting on the number and percentage of employees covered by the system.

# Employee rights and payment

We ensure that our labour standards are fair and equitable and at least meet or exceed ILO standards, and comply with both local laws and regulations and local standards. A large part of our workforce consists of young people, it is our priority to

ensure that we comply with local and international laws and regulations regarding forced labour, child labour and children's rights.

Domino's also works hard to provide our people with secure employment that is flexible for individual needs.

For example, employees are frequently attracted to casual store-based roles because they provide flexibility around study, and we give employees input into rosters, which accommodate their personal needs outside of the workplace.

## Wage compliance

We support freedom of association and the right to collective bargaining for all our employees. Depending on the market, either government mandates wages or collective bargaining agreements apply.

Domino's is a people business, so we ensure our team members are rewarded fairly for their contribution with a living wage. Some countries require a 'minimum' or 'award' wage, that we meet, or exceed.

Since 2014, we have been proactively working with franchisees and within our corporate-owned stores to reduce the risk of labour rights issues in our operations, including underpayment. Our franchisees are required to operate in full compliance with all applicable laws and regulations and to uphold the Domino's brand values as part of our agreement with them. The Sub-Franchisee Agreement mandates compliance with employment law and we provide training in accordance with these laws.

We conduct regular inspections in our stores to ensure the (franchise) stores meet our strict compliance criteria. The table below shows the number of inspections and compliance breaches in the last two years. It is important to note that not all compliance breaches relate to the deliberate underpayment of wage. For example, this may relate to requirements to document changes to an employee's rostering arrangements, or to keep records relating to any agreed payroll deductions. However, Domino's intends to be best practice in our industry, so each is taken seriously and addressed as part of the compliance program.

Domino's takes a strict approach to workplace obligations: where a franchisee is identified as deliberately underpaying team members, action can include termination of a franchise agreement. Domino's has policies in place to ensure team members affected receive their due entitlements as part of this process.

WAGE COMPLIANCE	AUSTRALIA	NEW ZEALAND
<b>Investigations undertaken</b>		
FY20	274	121
FY21	101	44
<b>Number of inspections performed</b>		
FY20	220	21
FY21	375	30
<b>Compliance breaches</b>		
FY20	121	10
FY21	94	7
<b>Franchisees terminated</b>		
FY20	7	0
FY21	3	0
<b>Wages recovered and paid to team members</b>		
FY20	AUD \$160,176	NZ \$5,444
FY21	AUD \$192,512	NZ \$22,535



### We provide secure employment

When it comes to business structure and staffing requirements, we work within legislative frameworks around business restructuring. There have been no large-scale redundancy programs in recent years. We are focused on providing continuous employment as far as possible. For example, when store closures occur, we arrange wherever possible for redeployment to other stores.

In addition, while Domino's does engage with a number of external delivery services, only Domino's delivers – every time a customer orders a Domino's meal, it is prepared and delivered by our team members, not third-party contractors.

We are working towards a global HR solution that will enable us to report on turnover using common levels and coverage of our head office and corporate store team members. At present our systems are disaggregated and we are unable to report this data using a common framework.

“we ensure our team members are rewarded fairly for their contribution”

## Franchisee profitability

Shared success is key to the growth of Domino's Pizza Enterprises Ltd, both the growth to date, and for the future. Franchisee sustainability and profitability is at the core of this approach, and Domino's Pizza Enterprises Ltd management and the Board receive regular updates on franchisee profitability. Franchisees are either required (where local regulations allow), or encouraged, to submit monthly profit and loss statements. Domino's also tracks, on a daily basis, the average cost of goods measured against menu and promotional prices.

This calendar year Domino's has published, for the first time, aggregated group franchisee profitability with the release of the Full Year Market presentation. It is proposed this will be updated on a semi-annual basis.

On an individual store level, Domino's will provide financial support (for example rental support) where local trading conditions require – for example where a shopping centre is undergoing refurbishment and reducing foot traffic. At a market level, Domino's will from time-to-time provide targeted support, which can be linked to specific operational or network improvement goals.

These can include incentives for improved customer satisfaction scores, reduced average delivery times, as just two examples. This year, management in Australia/New Zealand determined additional incentives would be established to reward franchisees determined to grow their store networks as is further explained in the case study on our Ignite Project.





## Project Ignite

Domino's Pizza Enterprises Limited has introduced Project Ignite, a multi-million dollar stimulus package to drive store growth and profitability. The announcement will help solidify the success of our franchisees well into the future as we strive towards the target of 1,200 stores in Australia and New Zealand by 2025-28.

The four-year program commenced on 1 July 2021, delivering a decrease in operating costs for our franchisees and introducing incentives to open new stores in opportunity markets.

Franchisees Stefan and Susan So have already taken advantage of the program to expand their network from three to five stores with their sights set on adding another two.

“Our overall goal is to accelerate our growth and optimise our store operations. Project Ignite allows us to grow our business through customer acquisition, equipment, and investing in our people,” Mr. So said.

Franchisees Nathan Quiring and Vanessa Van Der Ryst currently own and operate six stores across New South Wales and recently opened their first new store in Woolgoolga.

“The reduced costs of building a new store, coupled with the Option Deed interest rate covering some principal when executed were most exciting to us. This means we can grow our store count whilst maintaining a profitable business model,” Ms. Van Der Ryst said.

Reinvestment in our franchisees illustrates Domino's dedication to live by our Values: to help people grow and prosper, invest to create devotion, and do the right thing, because it's the right thing to do.



# OUR FOOD



## Our food philosophy: food without regret

What people put in their bodies matters. It is our belief that in order to truly serve our customers, we need to provide good food that is also still an indulgence. Good food for us means food that is good for our bodies, our customers, for our people, and for our environment.

Our customers tell us they appreciate our food because it is a treat, an indulgence with which they celebrate milestones, connect with friends, and reward themselves after exercise. We want to ensure that our **food remains an indulgence, with rich flavours, but nevertheless we believe that we can offer indulgent health, where these rich flavours need not come at the expense of health or quality.**

For some time, we have demonstrated we are responsive to customers' taste and dietary preferences. For example, when reducing fat was a customer priority, we made huge strides with reducing fat while retaining flavour. We worked hard to remove preservatives, and celebrated "the taste of colour", with menu changes that customers loved across multiple markets.

We worked to create gluten-free crusts, adapted to be one of the first quick service restaurants to offer vegan cheeses, doughs and proteins. All these initiatives lifted the quality of our food, made it taste better, made it better for the customer, made us more relevant and, therefore, separated us from the pack. In the process, in many cases, customers were happy to reward us for these products.

Sustainability in our food and the ingredients we use begins with farmers and their practices. It is important for us to understand their processes and help support them to find ways to be more sustainable for the long-term. We also work with our direct suppliers to support and encourage sustainable and ethical sourcing practices throughout our whole supply chain. In Europe, for instance, our Chocolate Lava Cakes consist of UTZ sustainably sourced Cacao as of April 2021.

Initiatives to implement this approach include our Business Partner Code of Conduct, Supply Agreements, ingredient initiatives (for example, the Roundtable on Sustainable Palm Oil), and continuous supplier reviews.

## Food quality: targets and results

In more recent years we have achieved further progress and improved the quality of our food under the umbrella of what we call 'Our food philosophy'. As part of this philosophy, in 2019 we set the following target for our European markets:

### We want to achieve 100% clean label by the end of 2022

We intend to do this by ensuring:

1. **Good food quality:** We believe that to really enjoy our pizzas, all ingredients have to be sourced in an honest way and they have to be real. Therefore, we strive for **authentic, natural food** and work towards making **good quality** products that are **100% free** of artificial additives. From dough to topping.
2. **Sustainable choices:** What good food means is individual and based on personal interests, mood and moment. That is why we offer a **choice** for everyone. We have a wide range of pizzas. With or without meat, extra vegetables or 100% vegan. Our menu is still growing with other dishes and more sustainable options.
3. **Transparency:** By being **transparent** about our products, the ingredients, and the nutritional value, we help our customers to make their own choice.
4. **Ethical sourcing:** We strive for **ethical** sourcing of our ingredients and take environmental and social impacts into account when sourcing our products. Our products are locally sourced where currently feasible and beneficial. Together with our partners and suppliers, we are working for better welfare standards for chicken, pork, beef and tuna. Our shared expectations are included in our recently updated BP Code of Conduct.

We are proud of the milestones we have achieved, at the same time, we realize that there is still more to do: Product innovation is a continuous journey, see case study.



## Our Food Philosophy: clean menu

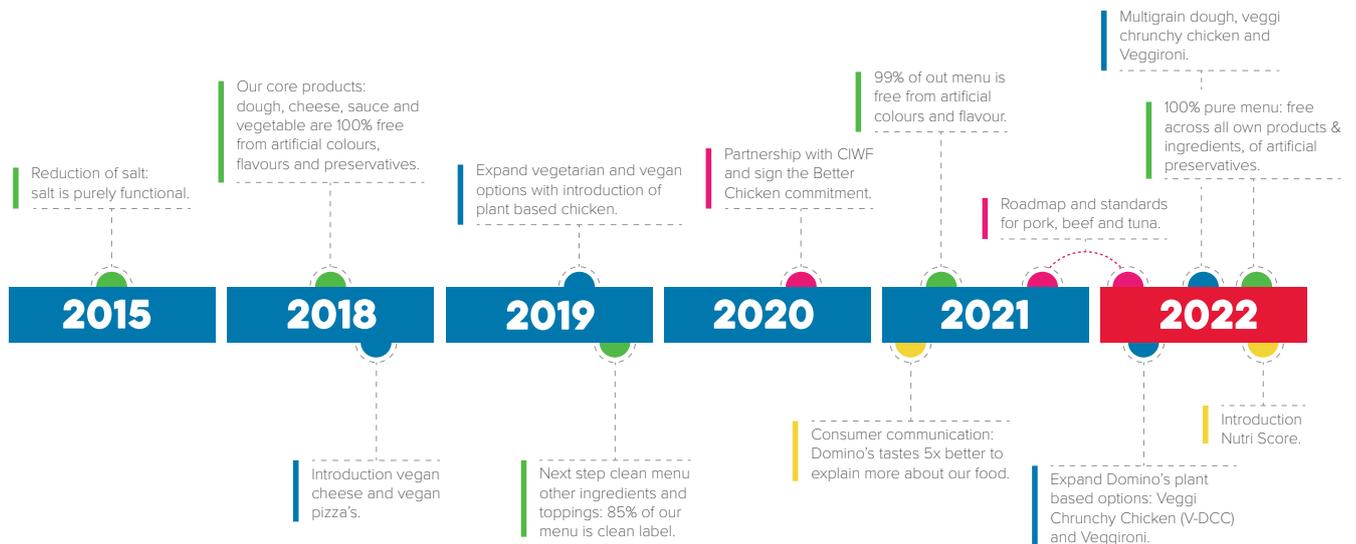
The food philosophy team in Europe is on a mission to exclusively use authentic and natural ingredients and achieve a “clean-label” menu by the end of 2022.

The concept of clean-label ingredients means using products that are 100% free from artificial flavours, colours and preservatives.

This ambitious goal was set back in 2017 and redefined in 2019, presenting challenges for storage, logistics and the use of certain cheese ingredients.

Domino's stores across the Netherlands, Belgium, France and Germany collaborated with suppliers on product testing and are well placed to achieve 99% of our target by the end of 2021. Domino's Netherlands currently leads the way with a 92% clean-label menu.

A simple process of continual evaluation and refinement, coupled with the desire to consistently transform the most challenging products to a clean-label standard, have been key to the progress of this initiative.



We have also worked hard to reduce the use of artificial colours, flavours and preservatives in other markets. In Japan all pizzas and side items are completely free of artificial preservatives, flavours and colours since May this year. This makes Domino's Pizza Japan the first in our industry to ensure that all of our products are free of artificial ingredients. In Australia, 96% of our menu is free of artificial additives.

In recent years we have made significant improvements in reducing the fat and sodium content of our products in all markets. We also do not include any genetically modified organisms (GMO) products in our food. Our pizza dough is vegan friendly, free of sugar, and GMO and MSG (monosodium glutamate) free.

Some other food improvements we have delivered include, in Australia:

- A 25 per cent decrease in the fat content of our cheese.
- A 40 per cent decrease in the fat content of our seasoned chicken.
- A 60 per cent reduction in the fat content of our ham.

Our strong preference is to not use palm oil in our food. However, if used we ensure it is 100% sustainably sourced and meets the standards of the Roundtable on Sustainable Palm Oil (RSPO).

We do not contribute to the depletion of global fishing stocks, instead using farm-grown seafood where possible. Where seafood is wild-caught, for example Tuna, we only buy seafood that does not use 'fish aggregator devices' (FAD-free Tuna) that reduces bycatch.

We are proud of the quality of our products, and we are always seeking out opportunities for continuous improvement. A great achievement in this space is for instance the PETA Vegan award we received for our vegan pizza in Germany, see case study.



## PETA Vegan award and Four Paws Atlas Challenge

Domino's Germany has partnered with leading animal welfare organisation, Vier Pfoten (Four Paws), to permanently offer a vegan or vegetarian pizza option with every third or fourth promotional campaign. Domino's Germany has already incorporated the change into its July 2021 promotion even though full implementation is only scheduled for 2024.

The shift has seen meat and fish reduced in special promotion pizzas by 25-33%, with increases in plant-based alternatives. The product development team has successfully kept quality and taste at the forefront with the new creations, ensuring that the new vegetarian and vegan pizzas can be enjoyed by all, regardless of dietary preference.

The initiative culminated in Domino's Germany's Vegan BBQ pizza being awarded the crown of 'Best Vegan Pizza' in the 2021 PETA Vegan Food Awards. The accolade has inspired renewed motivation within the team to continue exploring new and innovative vegetarian and vegan products.



## Food safety

Food safety is a priority for all of our team members every day, and Domino's has a strong track record in food safety. A comprehensive food safety program operates in every market, which is supported by additional, independent audits conducted by Domino's Pizza Inc. Our internal audit team conducts regular audits according to our Domino's Operations Evaluation Report (OER) system, Food Safety/Hygiene inspections and Quality inspections.

Despite COVID-19 related movement restrictions, Domino's operations team members have kept up a regular pace of food safety, quality and hygiene inspections. The table below displays the data that we recorded this year, there are some variances in recordings between markets as not all markets currently record the inspections in the same way.

	Australia	New Zealand	Japan	France	Belgium*	Netherlands	Germany	Denmark	Luxemburg*
<b>Number of store inspections</b>									
FY20	5332	929	2197	1524	-	1145	2802	19	-
FY21	5651	1148	2453	3501	-	1132	2707	98**	-
<b>Inspections per store</b>									
FY20	7.6	7.0	3.72	8	-	6	8.9	2.4	-
FY21	7.9	8.3	4.01	8	-	7	7.7	6	-

\*No data available (yet). \*\* Half year data per 1/1/21

In addition to regular food safety inspections, Domino's operations teams will respond rapidly to issues of concern raised from customers and the community, taking swift action while any concern is investigated. This system ensures objectivity in identifying issues and opportunities for continuous improvement. We have rigorous processes in place to identify any food quality issues (even where not a food safety issue).

We also have thorough traceability and product recall systems in all the markets in which we operate. In addition, all Domino's commissaries are third party certified to FSSC (Food Safety System Certification) 22000, have Five-Star certification and certification by Domino's Pizza International.

Lastly, our thorough Hazard Analysis and Critical Control Point (HACCP) plan assures product safety for our customers.



## Supplier quality and audit

All our suppliers complete a supplier approval questionnaire. Suppliers considered 'high risk' are audited every one-to-two years and 'medium risk' are audited every two-to-three years. All suppliers are required to have HACCP or equivalent food safety certification, which ensures third party auditing takes place as well. Domino's does not audit indirect suppliers, however, our suppliers require their own suppliers to have HACCP/Food Safety Certifications in place.

Domino's approach to non-compliance, is that where problems are detected, automatic termination of contracts is not the best outcome. This is especially true regarding human or labour rights issues, as contract termination is known to result in poor outcomes for vulnerable parties in the supply chain. Domino's response in the first instance is to work with suppliers to rectify any non-compliance issues identified through regular audits.

Reporting on incidents and their follow-up is part of Domino's recall plans and where non-compliance is identified, all suppliers and distribution centres have recall procedures in place.

## Animal welfare

Our BP Code of Conduct outlines our strong expectations of our suppliers when it comes to animal welfare.

All markets adhere to local laws regarding animal welfare standards. In some markets, work is advancing to introduce animal welfare measures that are better than industry standard. In Europe, for example, we entered into partnerships with animal welfare organisations, including the Four Paws in Germany (see case study) and Compassion in World Farming (CIWF), through their Better Chicken Commitment (BCC) to address concerns about animal welfare, sustainability, and food safety, see case study. In other markets we are in discussions with relevant animal welfare bodies.





## Better Chicken Commitment

Doing the right thing has always been central to our Values and is highlighted in Domino's Europe's partnership with animal welfare organisation, Compassion in World Farming (CIWF).

The partnership, commenced in November 2020, will deliver better welfare standards for animals and commit new sourcing standards for our European stores by 2026.

All stores across Europe are now signatories to CIWF's Better Chicken Commitment (BCC), which ensures that 100% of our chicken meat is from suppliers that comply with the regulations.

A BCC supplier tender process is underway, in addition to ongoing collaboration with CIWF on improved welfare standards for pork, beef and tuna.

Although we are still in the initial stages of the commitment, we are confident in the work of our purchasing and product development teams to fulfil our promise.

Europe and Australia/New Zealand have also committed to not purchasing caged eggs by 2025. The table below shows the progress we have achieved so far.

2020	Australia	New Zealand	Japan	France	Netherlands	Belgium/Luxemburg	Germany	Denmark	Total
Number of products containing free range or enriched eggs*	1	1	0	8	5	5	5	5	30
Total number of products containing eggs	11	11	12	15	11	10	21	8	99
% of free range or enriched egg products	9%	9%	0%	53%	45%	50%	24%	63%	30%

2021	Australia	New Zealand	Japan	France	Netherlands	Belgium/Luxemburg	Germany	Denmark	Total
Number of products containing free range or enriched eggs*	1	1	0	9	5	5	10	5	36
Total number of products containing eggs	11	11	12	14	9	10	25	8	100
% of free range or enriched egg products	9%	9%	0%	64%	56%	50%	40%	63%	36%

\*According to guidelines for enriched eggs set by CIWF, see <https://www.ciwf.org.uk/farm-animals/chickens/egg-laying-hens/#enrichedcages>

### Next steps

We want to ensure a global standard for animal welfare across our business, and next year intend to formulate our vision across all of the animal proteins on our menu, starting with Europe where we intend to develop animal welfare standards for pork, beef and tuna. This will ultimately enable us to report our progress for all proteins, we are currently investigating our options to publish an animal welfare report next year. Next year we will also continue to work towards increasing the number of cage free eggs together with our suppliers and we will take further appropriate actions to meet our Better Chicken Commitment.

In order to increase our transparency towards our customers and the choices we are offering them, we are investigating possibilities to join the Nutri-Score system in Europe next year.

Furthermore, we aim to further investigate possibilities for more local sourcing in our markets and we gradually shift towards more organic products, for example by switching to organic tomato sauce in France next financial year.

# OUR CUSTOMERS

In the past 12 months Domino's Pizza Enterprises Ltd has served more than 29.88 million unique customers, about 8.8% of the population of our markets or about 21% of all households. In a large proportion of these customers, we have served them many times.

## Our marketing is responsible

Domino's is passionate about ethical marketing practices. We pride ourselves on marketing, which is truthful, accurate, balanced and never misleading, unsubstantiated, derogatory, degrading or offensive.

Strong advertising guidelines govern many of the markets in which we operate, and we are proud members of advertising boards in many of these markets. Our advertising is always clearly identifiable as advertising, and not presented as research or other published formats.

Domino's does not market to children, and this is reflected in our company policy. We do not provide items such as toys or games to appeal to children.

## Customer engagement

Engaging with our customers is a priority for Domino's Pizza Enterprises Ltd and we actively engage with our customers through social media. Our management approach to ensuring our customers receive a world class experience involves:

- ◆ Innovating service offerings to meet changing customer expectations
- ◆ Committing to respond to customer complaints

This financial year we commenced integration with Critizr as a single, global platform to manage all customer feedback. This includes feedback from multiple sources, such as our own online forms or reviews posted to third-party platforms.

The platform provides a central location for our franchisees and in-store team members to easily view feedback and respond to customers quickly. Targeted alerting and reporting allow for greater focus on improving customer satisfaction, responsiveness, and retention. For the first time we are also collecting feedback in a globally aligned way and have made updates to our feedback collection to improve internal and external benchmarking, and for greater insights into the reasons behind the feedback. Japan is the final market to be onboarded to the Critizr platform and we are working on a roadmap of enhancements to bring further value to our team members and customers in the use of this tool.

## Customer ESG survey

A crucial step in doing the right thing for our customers is to better understand their expectations of us in the field of ESG. We therefore conducted an ESG customer survey, covering all of our markets, this year.

The survey showed us that the majority of our customers (including potential customers) agree that ESG is important. The survey found there were few differences based on differences in markets, age groups, gender or education.

However, our current ESG activities are not well-known among our (potential) customers.

The survey found when thinking about ESG and Domino's, customers expect us to prioritise our actions on two of our five ESG pillars:

- ◆ Our food: food safety and quality are important. Suggested actions include:
  - ◆ Transparency regarding how our food is made (open kitchen, preparation online)
  - ◆ Clearly mention local sourcing of the ingredients
  - ◆ Participate in global initiatives and prominently mention these as consumers touchpoints
- ◆ Our environment: waste reduction and sustainable packaging are key drivers. Suggested actions include:
  - ◆ Use recyclable and eco-friendly packaging
  - ◆ Find ways to minimise packaging
  - ◆ Leverage e-bike and eco-friendly transportation

The survey confirms that we are taking the right actions with our current ESG efforts, but an important point of attention for us moving forward in our ESG journey is to find ways to better communicate our ESG initiatives to our customers as they are not well-known. According to the survey, customers need to be actively informed about our ESG efforts and we need to make these efforts as tangible and concrete as possible.

We will include these learnings into our customer communication and engagement activities moving forward.



## Our (data) security strategy

The data privacy and security of our customers is crucial to them, and to us. What customers order, when they order, how they order, even the name they choose to display in our restaurants when their order is ready – these matter.

As a company that fulfils the vast majority of orders and payments online, continual vigilance and development is essential.

### PROGRESS

In our last report, we outlined that Domino's Pizza Enterprises Ltd is aligned to the NIST CSF Version 1.1 (CyberSecurity Framework). Our work around this includes identifying security threats, putting in place preventative processes, up-to-date monitoring, clear response protocols, and procedures to recover if a cyber-attack occurs.

For security reasons, exact details of actions taken in each of these five areas must remain confidential – all large organisations must maintain an active awareness of how the information they publish could be used by those with ill-intent. Nonetheless, Domino's Pizza Enterprises Ltd has continued to make progress against all five of these areas.

Our progress this financial year includes:

- ◆ Enhancing our capability for managing the security of data with data mapping exercises conducted across the group and ensuring that appropriate governance is put in-place to protect any sensitive data.
- ◆ Securing administrative accounts and those that have access to large volumes of data with second-level authentication i.e. Multi-Factor Authentication (MFA).
- ◆ Enforcing password complexity both technically and in policy, with regular reviews to ensure that only 'good' passwords are utilised.

- ◆ An ongoing program of Business Continuity Planning and Disaster Recovery, that commenced this financial year, assists in identifying those systems, services and data that are critical to the operation of our business and work, adding a program of risk mitigation for any risks that may be present.

We conducted regular testing to identify data or processes that could be compromised or stolen, so that we can formulate a response to close any vulnerabilities.

Due to our strict data security policy and systems, we did not have any information security breaches or other security breaches, including those related to customer personally identifiable information, this financial year.

Our security system ensures that 144 million emails per month are protected by DMARC (Domain-Based Message Authentication, Reporting and Conformance) Secure Email Authentication, (see case study). More than 10 million online Ordering Customer Accounts across ANZ and EU were protected this financial year from Account Takeover attacks. On average, 60 million Security 'insights' are processed every day, generated from more than 26 different systems and services that we log and monitor. Techniques such as machine learning are being used to analyse these insights and generate alerts to the internal Security Operations Team when required.

Although there is an extensive understanding of online retail within Domino's Pizza Enterprises Ltd, we recognise that this is an evolving space and ongoing training, and development is required. Accordingly, our Chief Information Security Officer undertakes a model of continuous training programs to enhance staff skills, both within the security team and across the organisation.

Furthermore, as part of a skills matrix assessment of the Board we ensure that there is representation with a deep understanding of the online retail environment and the cyber security responsibilities associated with that environment.

Our Business Continuity Plan (BCP) and Disaster Recovery Planning has identified areas of risk mitigation that we are systematically tackling, to build greater redundancy across our organisation.

Cyber and data security is the responsibility of every team member, senior management, and the Board.

Cyber Risks are communicated to the board and senior leadership team either directly or via the Group CFO via either quarterly or half yearly reporting with a cyber maturity presentation to the board on a yearly basis.

There are a number of cutting-edge tools that are being utilised across the group to improve the ability to detect and prevent attacks against the organisation using multiple layers of security and a team of dedicated security staff responding to potential alerts.

<sup>2</sup>Breach: an event that resulted in a reportable loss of customer information that resulted in formal action from a relevant body over the last year.



## DMARC

Customers need to know that when they entrust their private information with Domino's Pizza Enterprises Ltd, we take all necessary steps to protect it.

Equally, it's important when customers receive an email purportedly from Domino's that it's actually sent by our teams, not by someone pretending to be Domino's – a significant issue in the online retail world.

To help in this effort, starting in January 2020 Domino's security team reviewed all key email domains used by the business and third-party partners to determine how email was being handled. The team then implemented special 'DMARC' records that clearly identified who could send emails on our behalf. This was then monitored, before progressing to ensure only external systems with approval from Domino's could send emails on our behalf.

The project protects not only our customers and the public, but also the Domino's brand, and increases the likelihood genuine Domino's emails will be delivered.

The project was completed in March 2021, protecting and verifying more than 51 email domains and more than 144 million emails a month. It means Domino's has helped protect the general public, including our customers, from fake Domino's phishing attacks.

### Next steps

Domino's will continue to invest in ensuring these are best-in-class, that new vectors for cyber-attack are identified, and that risk mitigation procedures are put in place to prevent or minimise their impact.

We intend to strengthen our already robust partnerships with vendors, governmental entities as well as other private organisations.

CyberInsurance is an essential part of an organisation's disaster recovery in the event of a cyber-attack – Domino's Pizza Enterprises Ltd works closely with our insurance provider to ensure they are informed about our risk profile and to share best practice in this continually, and rapidly, evolving space.

# OUR ENVIRONMENT



Domino's is on a journey to improved sustainability. We have taken important steps that are beneficial for our environment, our communities and our stores. Equally, we recognise more needs to be done. We also recognise the science, and urgency, of addressing climate change, and we want to be part of the solution. To further strengthen and structure our commitment, we initiated a global corporate footprint baseline measurement project this year. This will help us to not only measure our company's footprint, but also to set science-based reduction targets.

This year we also implemented initiatives to reduce packaging in our supply chain, to rethink how we transport food to reduce freight mileage and to phase out single use plastics. We will continue to share our progress as we develop and expand these practices.

## Corporate footprint baseline measurement

In May we started our corporate footprint baseline measurement project, which is coordinated by our external partner Quantis. Quantis is a leading worldwide sustainability consultancy firm. They help us to set a credible baseline for an ambitious and science-based environmental strategy. The project includes a hotspot assessment, footprint measurement, the development of a climate strategy and roadmap, and internal communication and engagement program.

While most companies usually focus on greenhouse gas emissions to measure and reduce their environmental impact, the measurement of our footprint consists of four elements that each are key for the food industry:

1. Greenhouse Gas Emissions (GHG): Climate is the biggest risk faced by the world today; we consider it imperative to reduce our emissions to limit global warming.
2. Water impacts: Water availability and quality is an important impact factor for food producing companies. We understand that the hotspots of our water impacts will vary between regions and will in many cases be local. We believe that better understanding our water impact and adequately addressing this, together with our suppliers, is key for the resilience of our company now and in the future.
3. Land use change (LUC): Land use is one of the main GHG drivers of food and agricultural companies. Deforestation assessment goes hand-in-hand with LUC assessment. Understanding this part of our footprint will therefore be essential in our efforts to reduce our impact.
4. Quality of ecosystem – biodiversity: Biodiversity has become a key issue for consumers and investors, driven by scientific research results that underline the importance of restoring nature. Understanding where our impact is in this field is the first step for a consistent holistic biodiversity strategy for our (entire) value chain.

This project is an important foundation in determining the steps we will need to take in the coming years. It is our intention to report on our progress in setting our science-based targets, our climate strategy and the results we achieve.

## Our current environmental efforts and targets

We are always looking for opportunities to reduce our energy consumption. We choose equipment and appliances based on energy efficiency and look for other ways to improve the efficiency of our operations. This also includes our local stores and initiatives led by various departments such as our commissaries, see also case study included in this chapter.

In 2020 we set our first environmental targets which are:

- ◆ **Target: We will reduce the emissions of the European Supply Chain Centre fleet by 20% by 2025.**
- ◆ **Target: By 2030, we intend for the electricity supply to all stores to be carbon neutral.\***

A significant reduction in supply chain emissions per store was already achieved in the last two years through route optimisation and upgrading to the first Compressed Natural Gas (CNG) Truck.

We are working towards increasing the use of green electricity in our offices and stores and are currently investigating the possibilities for this, especially with regard to offering an attractive solution to franchisees.

E-delivery has become the dominant way of delivering our pizzas across our European markets, in Denmark we already have a 100% electric delivery fleet. In our Australian market, we currently operate around 1,600 e-bikes. Japan has significantly increased the number of e-bike deliveries, our nationwide e-bike delivery is currently 28.4% whereas it was 14.56% in 2018. New Zealand operates 55 e-bikes and 67 UBCO's (e-scooters).

\*Our European target is 100% e-delivery by 2025.



### Less is more

A desire to think outside the 'cardboard' box and reduce waste drove Domino's France to revolutionise its supplier product packaging.

With cardboard the primary waste culprit, the Domino's France team was determined to decrease the amount of cardboard waste in stores by offering cardboard-free supplier product delivery.

Plastic crates were identified as a potential product carrier option, similar to those already used to transport dough balls. After overcoming a few obstacles, a suitable, foldable crate was found that had the right dimensions and was light enough for staff to carry.

The impact was substantial, with 450 tonnes of cardboard recycled into the supply chain centre this year compared to 60 tonnes last year, savings in truck delivery space of 11%, extra turnover of EUR 600,000, and improved time and storage efficiencies.

In September 2020, 30 Gennevilliers stores in France carried out the first test before extending the initiative nationwide in March 2021. Domino's Netherlands will implement it next in October 2021, with Domino's Germany planning to follow suit.



## Our efforts to reduce our waste

To ensure we are environmentally responsible and to operate financially efficiently, we continually work to reduce food wastage in our stores – which, per meal, is typically lower than the average household.

Within our own departments we continuously look for ways to improve our operations and reduce our waste, such as we did this year with project Less is More (see case study). We also initiated a project in France called project Golf; with this project we increased the number of dough balls we can transport in each crate, expectedly significantly reducing transport movements and subsequent carbon emissions.

## Our packaging is recycled and recyclable

For many years, we have strived to reduce as much packaging as possible.

We report on our packaging levels through the Australian Packaging Covenant Association (APCO). Our 2020 APCO Annual Report and Action Plan received very positive feedback on the advances we have made in improving packaging sustainability, particularly in plastic reduction and improvements in materials efficiency.

Wherever local laws allow, our pizza boxes are made of 100% recycled cardboard, and we encourage our customers to recycle these boxes in line with local laws. Where local laws do not allow 100% recycled cardboard, we use the maximum allowable amount of recycled materials. For example, in France, 70% of the paper used in pizza boxes is made from recycled paper.

These initiatives are having a positive result. For example, in France we have reduced the equivalent paper consumption in packaging by more than 265 tonnes/year, equivalent to 3180 trees.

Domino's is working to phase out single-use plastics. In several markets in which we operate, this is consistent with local laws, however, in many cases we are also ahead of legislation as we are constantly looking for innovations in this field. In Australia, for instance, we phased out single-use plastic in more than 710 stores nationwide by 30 June 2021 and we initiated a project to remove plastic bag liners from suppliers' cartons, see case studies. In Japan, single-use plastics were already phased out from 1 July 2020 and in France we phased out single use plastics ahead of official European legislation which was officially enforced on 3rd July 2021.



## Single Use Plastics

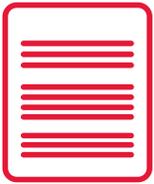
Domino's Australia rallied its 710 stores nationwide to phase out single-use plastics from its distribution network by 30 June 2021.

The removal of all plastic straws and spoons will expel more than two metric tonnes of plastic per year and reduce the circulation of single-use plastic by up to 2.85 million pieces annually.

Single-use plastic items have now been replaced with biodegradable paper straws, wooden spoons, recycled sundae packaging and polyethylene terephthalate thick shake cups.

The program places Domino's Australia well ahead of the Australian Government's National Waste Policy Action Plan deadline of 2025, when use of problematic and unnecessary plastics will cease.

Domino's Australia is proud to take positive steps towards improving its environmental footprint and recognises this as an opportunity to drive significant change in reducing plastic consumption.



## Linerless box

Domino's Australia's linerless box project resulted from our mission to remove all single-use plastic whilst minimising commercial impacts.

Commencing in October 2019, this project focused on removing plastic bag liners from suppliers' cartons, eliminating at least 300 meters of plastic per year.

To implement the project, Domino's Australia partnered with a supplier that already had the technology to provide a suitable and functional box.

After overcoming challenges around the defrosting of products, initial testing results demonstrated that the concept was fit for purpose. These positive results have created opportunities for further reducing plastic across other areas of the business within the local and international supply chains.

The project is still working through several trials with the goal to be fully launched in the Australian market within the next 12 months, before potentially rolling out in all global markets.



# OUR COMMUNITY



## We support the communities in which we operate

Domino's is a proud supporter of the communities in which we operate. We are passionate about our responsibility to improve the communities and people around us. We make this possible through a number of giving initiatives:

- ◆ Give for Good (Australia) – our registered charity focused on building strong and resilient communities through investment in education and disaster relief. Major partners we are working with in this space include Lifeline, The Smith Family and Rural Aid.
- ◆ Partners Foundation (Australia, New Zealand, Japan) – team members support team members in need.
- ◆ Store fundraising programs – Domino's and our franchisees give back to local community groups through initiatives including 'Doughraisers' and 'Feed the Knead (see case study)', where contributions are given in cash or kind to local organisations and individuals (Australia, New Zealand, Japan, Germany), or other non-government organisations including 'Eet met je hart' (Netherlands) or Voedselbank (foodbank) (Belgium).
- ◆ Programs for customers to donate to charitable initiatives, including 'Round up for Charity' (Australia), where customers can make small donations at the end of the ordering process.

## Our own charity program: Give for Good

We contribute to ethical, responsible and sustainable business practices through our Give for Good Program in Australia. Our objective is to build strong and resilient communities by investing in education, disaster relief, regional and rural communities and future leaders. We aim to be partners with the best and most reputable organisations that deliver on these goals. To date, some of these include The Smith Family, The Australian Scholarship Foundation, Monash University and the University of Tasmania.

Launched in 2016, Give for Good Limited is a registered charity and is run by an independent Board of Directors. Around a third of our employees contribute via payroll to Give for Good, as do customers through our 'Round-Up for Charity' program. This year marked the milestone of 8 million microdonations received.

Donations are outlined below:

Give for Good	Round Up – customer donation	Workplace giving	DPE donations
FY20	\$959,463	\$31,303	\$69,678
FY21	\$1,029,174	\$57,586	\$26,519



## Give for Good

Making a difference in the lives of those doing it tough in our communities continues to be the motivation behind Domino's registered charity, Give for Good.

Starting in October 2020, Give for Good will contribute \$750,000 over three years to Australia's national suicide prevention charity, Lifeline, to help fund the phased roll-out of a nationwide text support service.

In February 2021, Give for Good participated in a state-wide 'doughraiser' held in Western Australia to support those impacted by the Wooroloo and Hills bushfires. The event raised \$50,000 in addition to donating much-needed hot meals to first responders, volunteers and evacuees.

As record-breaking rain caused severe flooding and mass evacuations on the New South Wales coast in March 2021, Give for Good donated \$20,000 to the Australian Red Cross NSW Floods Appeal.

Domino's Round Up for Charity initiative continues to strengthen, reaching its eight millionth microdonation in May 2021. Incredibly, more than \$2.4 million was raised, which all goes towards supporting Give for Good's various initiatives.



*everyone's family*



To qualify for support from Give for Good, organisations and individuals must meet very specific criteria which align with our [Charter](#).

Other markets are in advanced stages of implementing their respective local charity initiatives, next year we expect to launch this in at least France, Germany and New Zealand.



## Feed the Knead

In late 2020 we launched our community-based program “Feed the Knead” in Australia and New Zealand and more recently in other markets like Japan. This program, which is run by local Domino’s stores, provides support in the form of free pizza to those who are doing it tough.

It generated a positive shift in perception of our brand in Japan as it showed our commitment to our value of ‘Doing the right thing, because it is the right thing to do’, see case study. Feed the Knead has also been successful in other markets, in France for instance, we donated more than 30,000 pizzas this year and in Germany 9,510.



## Feed the Knead

Pizza can't solve all the world's problems, but it can certainly bring a small slice of joy, particularly in times of stress and uncertainty.

That's the rationale behind Domino's Feed the Knead program, which allows individuals to nominate someone they know who is doing it tough to receive free pizza. The program has donated more than 13,000 pizzas to those in need across Australia and New Zealand and has been an incredible success in our Japanese market where we donated over 400,000 this year alone. The program has been strongly embraced in all of our markets and it shows how we can remain connected to our communities and support them in times of need.

Multi-unit franchisee Rishi Sharma owns and operates several stores in the Wellington region of New Zealand and said that giving back to those in need was a big focus for him.

"We have so many people in our community who are under stress at any given time for a variety of reasons. With Feed the Knead we can show how much we care by sharing the joy of pizza, hopefully making their day a little brighter," Mr. Sharma said.

In Japan we have received hundreds of appreciation letters, that for example said:

"We have enjoyed the hot meals together with all of our staff. All of us really appreciate and respect your kindness. Domino's pizza gave us a lot of energy to move vigorously forward starting tomorrow."

"Thank you very much for so many free pizzas. All children were so excited by so many kinds of pizza. Really appreciate your wonderful gift to us."

Domino's considers it a privilege that it can continue to deliver safe and hot meals in challenging times. In return, Domino's does everything possible to live up to that privilege and give back to our communities.



## Volunteering

Domino's also provides one volunteering day per year to employees to support a charity or not-for-profit in their community during working hours in our Australian and New Zealand markets. Our other markets are currently in different stages of implementing this as well.

## Next steps

Our current community giving efforts vary among markets. It is our intention to further align our approach and develop a global giving strategy as part of our overall ESG strategy next year. This will include a global framework for donations and guidelines and criteria for markets initiatives.

# MOVING FORWARD

This first sustainability report showed the progress we have made this past year with regard to our ESG journey. Compared to last year, we achieved considerable progress, but we of course intend to further improve our performance next year.

Our initial materiality assessment was an important step for our business and our people. It identified that this framework extends beyond a singular focus on the environment, or 'green' initiatives. As we are further progressing in our ESG journey, we will also regularly review our materiality assessment. In the coming year:

- ◆ We will broaden our consultation to ensure we consider the widest possible set of opinions across our organisation and from our external stakeholders.
- ◆ We will review our peer group, to identify any areas considered best practice, to ensure that Domino's always aims to be a leader in our field.
- ◆ We will carefully examine the regional nuances inherent in a multinational organisation. For instance, we will consider the impact of upcoming European Union (EU) legislation as part of the EU Green Deal. Ultimately, this may lead to a further prioritisation of material topics and targets per region.
- ◆ Based on these findings we will re-categorise and further clarify our most material topics at a group level. We will also look to reduce the overall number of materiality topics and to further align our ESG materiality topics with Domino's Pizza Inc. to ensure global consistency.

Looking ahead at FY22, our focus for this period can be summarised in four main points:

## 1. Ensure that we have a global ESG vision and strategic approach that is aligned with our core business.

As part of developing our ESG strategy, we believe it is important to first have a better understanding of what really drives us and what distinguishes us from our competitors. Our ESG vision needs to be aligned with our Purpose and Values and our key internal and external stakeholders, including our franchisees, customers and investors.

## 2. Create a solid measurement framework – what gets measured, gets done.

This year marked the start of reporting on our ESG data, so while we do not have a complete overview of all relevant data yet, it is our intention to further improve our ESG data collection and overall baseline measurement next year. This will allow us to formulate targets, measure our performance and report on our progress moving forward.





### 3. Ensure compliance and risk management for crucial ESG topics.

Understanding that the ESG field is relatively new for us, we want to further strengthen our understanding of the current and upcoming legislative requirements on ESG related topics and risk management in all of our markets and our global value chain. We are aware of the risks we face, for instance, within our global value chain related to Human Rights as explained in our Modern Slavery Statement and we will take further action next year. Other priorities are addressing (potential) risks related to health and safety, the quality of our food, and data privacy.

### 4. Communicate and engage with our stakeholders.

We want to make sure that our vision is well-known and understood by our people, that they are motivated by it, and are able to translate this to their daily jobs. Therefore, next year we will roll out an internal ESG engagement program. This will also allow us to collect feedback on our ESG progress and to further improve our efforts.

**We also intend to share our vision with a wider external audience later in FY22.**

