ASX RELEASE

SUSTAINABILITY REPORT 2025

Tuesday, 24 June 2025: Attached for release is Collins Foods Limited's (ASX: CKF) 2025 Sustainability Report.

ENDS

Authorised for release by the Board.

For further information, please contact:

Investors	Media
Adrian Mulcahy	Jasmine Walters
Automic Group	Automic Group
P: +61 438 630 422	P: +61 498 209 019
E: adrian.mulcahy@automicgroup.com.au	E: jasmine.walters@automicgroup.com.au

About us
Collins Foods Limited (ASX: CKF) is a KFC and Taco Bell franchisee in Australia, KFC Netherlands corporate franchisee and KFC franchisee in Germany. The Company seeks continuous improvement in all areas of its operations and work towards the following mission: "Restaurants Done Better." For further information please visit www.collinsfoods.com

SUSTAINABILITY REPORT 2025

Collins Foods Limited

CFL
COLLINS FOODS LIMITED

COLLINS FOODS LIMITED ACN 151 420 781

CFL

COLLINS FOODS LIMITED

MAKING
a positive IMPACT.

393
RESTAURANTS
PROVIDING EMPLOYMENT AND SERVICE TO COMMUNITIES

About this report

This report summarises our sustainability performance over reporting period 29 April 2024 - 27 April 2025. It outlines our key sustainability challenges and opportunities and describes our strategy, key actions, systems and results. As part of our developing reporting journey, this report has been informed by several reporting standards including the Global Reporting Initiative (GRI) Standards 2021, the Australian Sustainability Reporting Standards (ASRS) 2024, and the European Sustainability Reporting Standards (ESRS) 2024. Any financial figures are in AUD unless otherwise stated.

Our report addresses how we manage our material topics, with policies, key actions and targets, as well as which metrics we use to track and report our results. We have made every effort to disclose information we feel provides relevant and meaningful insight into our sustainability activities and performance. Selected Greenhouse gas emissions and waste metrics within this report have been subject to independent limited assurance as outlined in Appendix 1.

Disclosures in this report relate to restaurant and other assets operated by Collins Foods Limited (Collins Foods) and its subsidiaries during the financial year, unless otherwise stated. Restaurants operated by other franchisees in the Netherlands, where Collins Foods acts as corporate franchisor are out of scope of this report.

Our vision

THE WORLD'S TOP
Restaurant
OPERATOR.

WE CREATE UNMATCHED EXPERIENCES
FOR OUR CUSTOMERS & PEOPLE.

Contents

2025 SNAPSHOT

THIS PAGE OUTLINES OUR KEY SUSTAINABILITY RESULTS ACHIEVED IN OUR FISCAL YEAR 2025 (FY25). UNLESS OTHERWISE STATED, THESE ARE CONSOLIDATED GROUP RESULTS.

Environmental action

RESTAURANTS
196
Generating solar power

REDUCTION
21%
in our relative per-restaurant emissions since 2019

23%
Waste diverted from landfill
(up from 22% last year)

37%[1]
decrease in single-use plastics[2]

10,432
Trees planted

Social catalyst

PEOPLE EMPLOYED
21,688
with 91 nationalities

43%
female leadership

(1.7%)
gender paygap

258,902
training courses delivered

EMPLOYEES SUPPORTED
94
With over $250,000 by our Collins Family Fund

Thriving communities

FOOD SAFETY INSPECTIONS
380
Passed with 95% compliance

1 QSR
Healthier Food Manifesto[2]

DONATED
$909,600
to our charity partners

100%
of our tier 1 suppliers onboarded for ethical risk screening

TRAINED
2,134
Food Safety Supervisors

1. Percentage shows the reduction in calendar year 2024 compared to calendar year 2023.
2. Results specific to our European operations.

LETTER OF INTRODUCTION

This has a been a year of focus, in which we sharpened our sustainability strategy to ensure we act on what matters most: delivering meaningful impact while meeting our upcoming sustainability reporting obligations. We refined our priorities, embedding sustainability deeper into our business operations, aligning it with corporate strategy, and strengthening our sustainability governance.

NAVIGATING A CHANGING CONSUMER AND REGULATORY LANDSCAPE

We navigated an increasingly challenging QSR consumer landscape this year, marked by shifting customer expectations, economic pressures, and evolving market dynamics. This led us to refocus our corporate strategy, which included the decision to exit our Taco Bell operations and focus on accelerating expansion in Germany. In the current QSR environment, sustainability remains a key differentiator – not only in enhancing resilience but also in driving long-term consumer trust and brand value.

From a regulatory point of view, this has been a dynamic year. In Australia the Australian Sustainability Reporting Standards (ASRS) are now officially in force; however, the Corporate Sustainability Reporting Directive (CSRD) applying to our European entities has been postponed, reflecting the evolving regulatory landscape and the need for businesses to adapt to shifting timelines and expectations.

REINFORCING OUR BEYOND-COMPLIANCE POSITIONING

The CSRD postponement has allowed us to use our CSRD-aligned double materiality assessment for strategic purposes: to deepen our understanding of our most significant environmental and social impacts. This early preparation ensures we are well-positioned to meet future reporting requirements while reinforcing our beyond-compliance focus. We see sustainability not just as an ethical choice. We are convinced that a stronger and more strategic approach towards sustainability strengthens operational stability and future growth, and contributes to shareholder value to which we remain firmly committed.

We also believe sustainability is not just about ambitions, it is about accountability and execution. As a leading QSR business, this means we recognise the sustainability challenges in our industry - such as emissions, waste and packaging - and acknowledge the complexity of solving these. With our updated goals and strategy, we aim to focus on those things we can influence and where we have the largest impact for our stakeholders as well as our business. This includes continued investment in energy efficiency, waste reduction, and plant-based proteins, to minimise our environmental footprint and associated climate risks. While solving sustainability challenges in our industry will take an iterative approach, we are committed to getting it right.

Xavier Simonet
Managing Director and CEO

Robert Kaye SC
Independent Non-executive Chair

Beyond our environmental efforts, we remain deeply committed to the positive social impact we create as an employer of over 21,000 people globally. We are proud to be a first employer for many young people, offering early career opportunities that help shape long-term futures.

The health and safety of our team members continues to be a key priority and a critical foundation for our success. This year, we observed an increase in reported safety incidents, which we anticipated following a deliberate effort to strengthen our safety reporting culture. While increased reporting reflects greater transparency, we acknowledge the need to improve our performance in this area. We are implementing targeted strategies to reinforce our safety culture, enhance risk management, and support the well-being of our team members.

Our commitment to equity and inclusion remains strong, as demonstrated by 43% female representation in leadership and continued neutral gender pay gap. We remain focused on building a diverse, inclusive and thriving workplace.

LOOKING AHEAD
This report captures the progress we have made, the lessons learned, and the opportunities that lie ahead for continued improvement. Delivering on our sustainability goals requires foresight, adaptability, and collaboration, including with our franchisor and fellow franchisees. We remain committed to driving meaningful change, ensuring that sustainability is not just a strategic imperative but a catalyst for long-term success and positive impact.

We extend our deepest gratitude to our team, partners, and stakeholders for their dedication and shared vision. Together, we are shaping a more responsible and resilient future – one meal, one opportunity, and one commitment at a time.

Xavier Simonet
Managing Director and CEO

Robert Kaye SC
Independent Non-executive Chair

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ABOUT COLLINS FOODS

1.1 OUR COMPANY

Collins Foods is the owner and operator of nearly 400 Quick Service Restaurants (QSR) in Australia, the Netherlands and Germany, with a legacy dating back to 1968.

Collins Foods operates two brands within the Yum! Brands, Inc. portfolio: Kentucky Fried Chicken (KFC) and Taco Bell.

We create value by creating unmatched experiences. For our customers, by serving high-quality food that brings people together and fosters social connection regardless of age, background or culture. For our employees, by placing people at the heart of everything we do and continuously investing in their empowerment and development. For our communities, by supporting both locally and globally, and taking responsibility for our environmental footprint.

Our business model relies on natural resources, such as land, water and sunlight, to provide our restaurants with power, water and food to sell. We depend on human capital through our more than 21,000 employees worldwide, more than 50% of whom are under the age of 18, who play a vital role in our business every day. We also rely on strong relationships with our franchisor, financial capital providers and shareholders to help us meet our operational and business goals.

Our long-standing presence in the QSR sector reflects our commitment to growth, innovation and excellence. Our scale, as an ASX company and largest Yum! Brands franchisee in Australia, means we have a responsibility to grow responsibly and lead the way on topics that are important to us and our stakeholders.

Our vision

THE WORLD'S TOP

Restaurant

OPERATOR.

WE CREATE UNMATCHED EXPERIENCES FOR OUR CUSTOMERS & PEOPLE.

Our values

PEOPLE AT THE HEART

We are deeply committed to the wellbeing, development and safety of our people, and treat them as our family.

OWNERSHIP

This is our company. We treat it like our own and take complete accountability for results.

Operational EXCELLENCE

'Being Brilliant at the Basics' is in our DNA – we are fanatical about driving performance and getting it right every time.

positive IMPACT
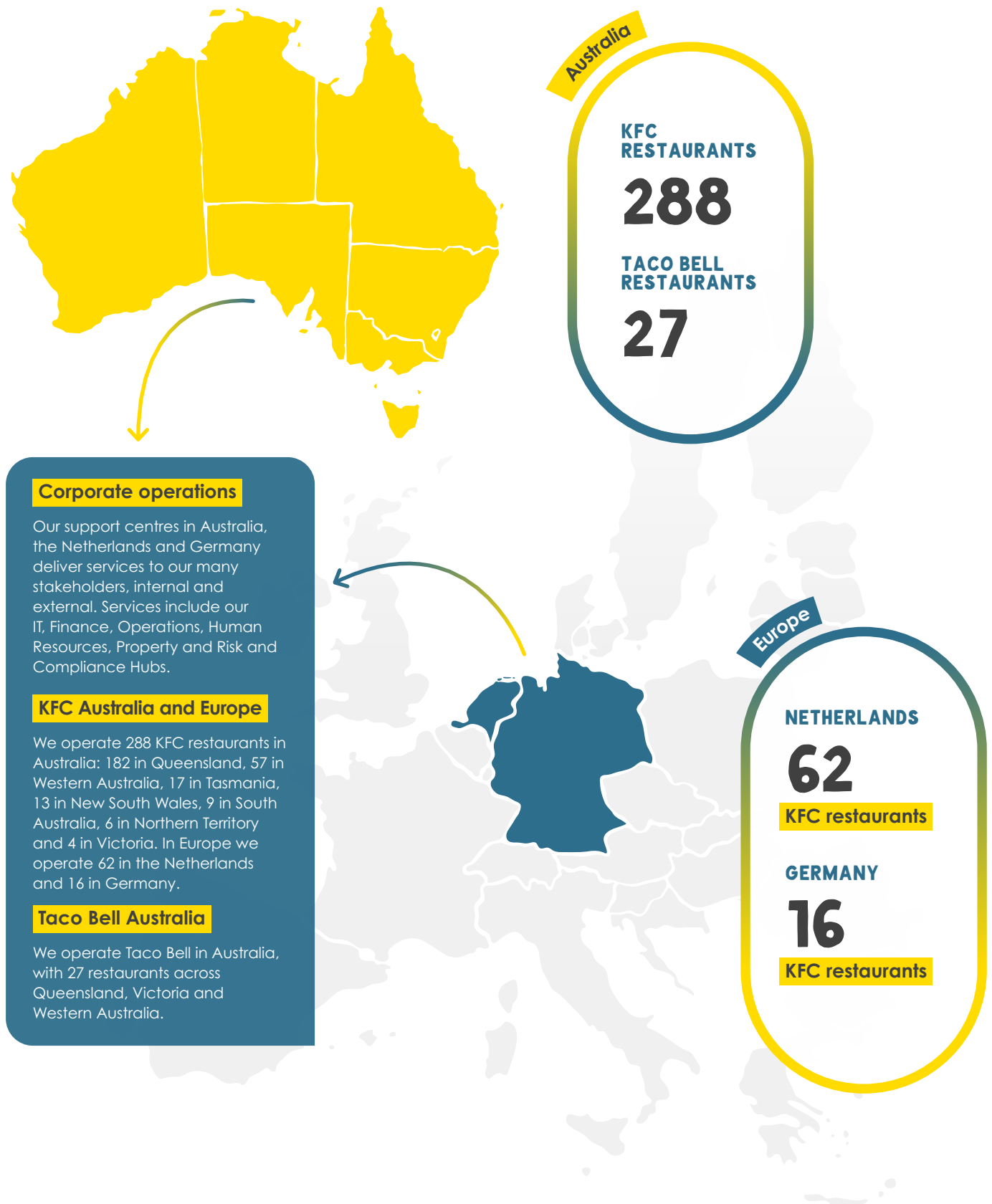
Our people, our communities, and our planet deserve our wholehearted commitment. **We want our growth to be sustainable.**

Innovation MINDSET

Life is too short to stick with the status quo. **We think big and take bold moves** to make sure we are better tomorrow than today.

Customer DRIVEN

We are passionate about our customers. We work together to create unrivalled experiences.

1.2 OUR OPERATIONS

Our nearly 400 restaurants are located across Australia, the Netherlands and Germany, are supported by our Restaurant Support Centres (RSCs) in Brisbane, Amsterdam and Düsseldorf. These RSCs house our corporate functions, including HR, risk management, IT, finance, and sustainability.

Australia

KFC RESTAURANTS

288

TACO BELL RESTAURANTS

27

Corporate operations

Our support centres in Australia, the Netherlands and Germany deliver services to our many stakeholders, internal and external. Services include our IT, Finance, Operations, Human Resources, Property and Risk and Compliance Hubs.

KFC Australia and Europe

We operate 288 KFC restaurants in Australia: 182 in Queensland, 57 in Western Australia, 17 in Tasmania, 13 in New South Wales, 9 in South Australia, 6 in Northern Territory and 4 in Victoria. In Europe we operate 62 in the Netherlands and 16 in Germany.

Taco Bell Australia

We operate Taco Bell in Australia, with 27 restaurants across Queensland, Victoria and Western Australia.

Europe

NETHERLANDS

62

KFC restaurants

GERMANY

16

KFC restaurants

1.3 OUR FRANCHISE MODEL AND VALUE CHAIN

As a franchisee of Yum! Brands, Inc., Collins Foods currently operates KFC and Taco Bell restaurants. In both Australia and Germany, as a Yum! Brands' franchisee, we operate under a franchise agreement that defines key principles for our business interactions. This means we use Yum! Brands brand standards, goods, and services to ensure quality and consistency across the franchise system.

In the Netherlands, we operate both as Yum! Brands' franchisee and as the corporate franchisor. This means that, alongside operating our own KFC restaurants, we also provide brand management, marketing, supply chain and related support to other Yum! Brands franchisees in the Netherlands, reinforcing our leadership in the QSR sector. As stipulated in the 'About this report' section, the restaurants run by other franchisees are not included in this report as they are owned and operated by others.

As part of our franchise agreement, our franchisor provides us with marketing, menu and food innovation, supply chain, and IT services in exchange for service fees. Yum! Brands is responsible for sourcing food, packaging, equipment, and other essential items, and securing supply and distribution through its approved partners.

Collins Foods actively participates in various forums, committees, and councils with Yum! Brands and other franchisees to help drive industry best practices, with sustainability playing an increasingly prominent role. As the largest Yum! Brands' franchisee in Australia and the Netherlands, we feel a responsibility to take a leading role in network collaboration. Particularly for topics that are most material to our value chain, such as food-related impacts, animal welfare, and packaging.

DEVELOPMENT SUPPLIERS
Supply of construction materials, furniture and labour

FARMERS
Incl. chicken hatcheries, vegetables, potatoes, cacao & soy

FOOD MANUFACTURERS
Processing of raw materials into food

NON-FOOD SUPPLIERS
Supply of (kitchen) equipment, oil, chemicals and packaging

OUR RESTAURANTS
Where we prepare and sell food to customers

OUR RSC'S
Our offices from which we support our restaurants

TRANSPORT & LOGISTICS
Transportation from suppliers to our restaurants

CUSTOMERS
Customers dining in, picking up, or using our drive-throughs

DELIVERY
Delivery aggregators (Like Uber eats, DoorDash)

LOCAL COMMUNITIES
Communities where our restaurants are located

Key

| Upstream | Own Operations | Downstream |

1.4 OUR STAKEHOLDERS

Our mission of restaurants done better includes continuously raising the bar in what people think a restaurant experience should be, including in relation to sustainability. This begins with understanding our stakeholders' expectations. Throughout the year, we proactively engage with our key stakeholders to not only understand their needs and expectations, but also to obtain valuable input on our challenges and test potential innovations. The visual below shows the key stakeholder groups we interact with on a regular basis. An overview of how we engage with each, as well as the specific topics we engage on, is included in the Appendix.

SHAREHOLDERS

CUSTOMERS

FRANCHISE PARTNERS

SUPPLIERS

STAKEHOLDERS

AFFECTED COMMUNITIES

SOCIETY AND THE PLANET

LENDERS

GOVERNMENTS & REGULATORS

EMPLOYEES

2

OUR SUSTAINABILITY STRATEGY

2.1 OUR COMMITMENT TO SUSTAINABILITY IN A CHANGING LANDSCAPE

The QSR sector faces various sustainability challenges, including plastic use, waste, the carbon intensity of meat, and public health concerns. At the same time, our business is intrinsically tied to the health of the planet, the resilience of our food system and the welfare of our people. This means that we have a responsibility to people and the planet to minimise our negative impact, but also to act responsibly in ways that support business resilience and growth.

From a political and legislative perspective, this was another dynamic year, with a rapidly changing sustainability landscape across the jurisdictions in which we operate as well as globally. While we have made significant progress over the past five years, this year we took the opportunity, in preparation for upcoming mandatory ESG reporting requirements (ASRS in Australia, and CSRD for our European entities initially) – to reflect, refine and align our sustainability agenda more closely with our corporate strategy and business operations.

These actions allow for greater focus and fit-for-purpose infrastructure to guide and track our actions in the coming reporting year and beyond.

Reporting and compliance progress

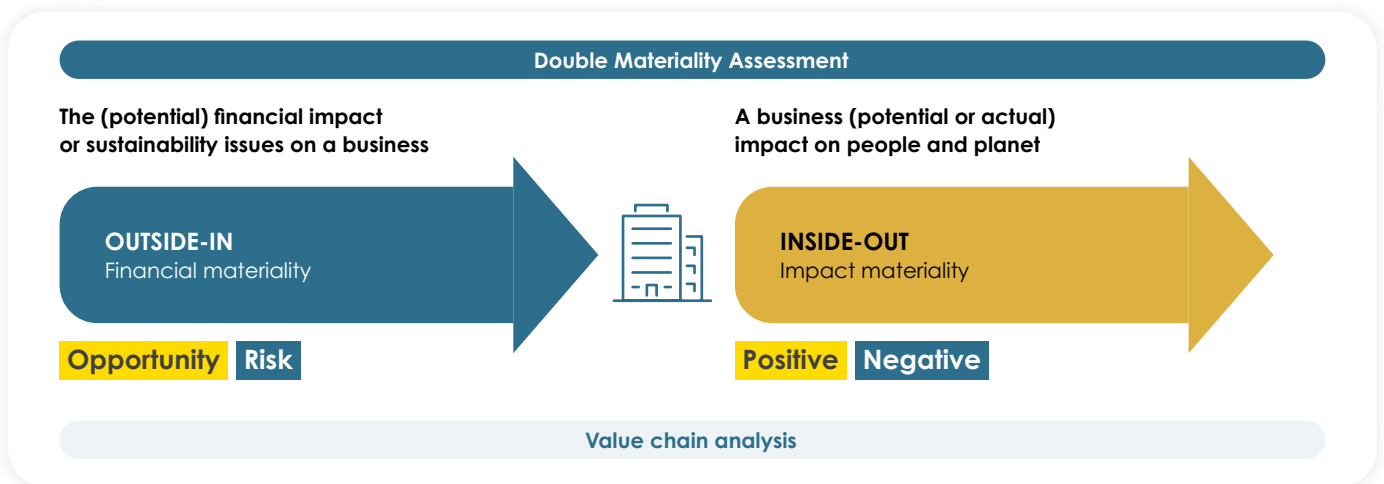|		
1	Establish a clear ESG regulatory development roadmap across our juridictions	ACHIEVED
2	Ensure a solid foundation and direction for our sustainability strategy by updating our double materiality analysis and 2030 ambitions	ACHIEVED
3	Conduct a robust climate risks and opportunities assessment, including scenario analysis, and lay the foundations for our climate transition plan	UNDERWAY
4	Improve our data quality, primarily for our climate and waste topics	ONGOING
5	Strengthen our sustainability governance	ONGOING

2.2 OUR MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

This year, we updated our double materiality assessment (DMA) to fully align with upcoming regulatory requirements. This includes assessing both our impact on people and planet, as well as the financial impact of sustainability risks and opportunities on our business. These topics and Impacts, Risks and Opportunities (IROs) have been mapped across our value chain.

While the topics themselves are broadly consistent with those identified in previous reporting years, the updated assessments brings sharper focus to the specific issues and priorities within each area. A detailed overview of our material topics including topic definitions, IRO scores and value chain relevance is included in the Appendix.
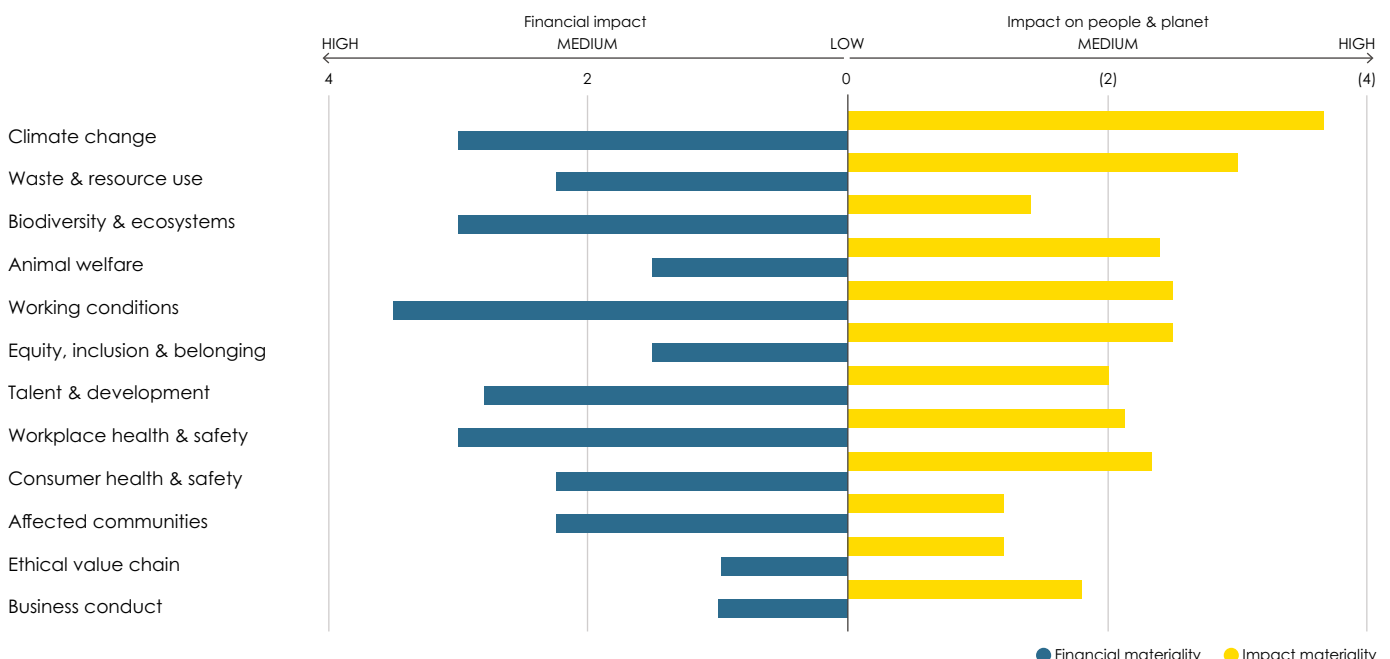
We are in the process of conducting a more detailed climate risk and opportunity assessment to inform our climate transition plan, strategy, and risk management. More information is available in Chapter 3.1 – Climate Change.

The visual below shows the components of a double materiality assessment.

Double Materiality Assessment

The (potential) financial impact or sustainability issues on a business

A business (potential or actual) impact on people and planet

OUTSIDE-IN
Financial materiality

INSIDE-OUT
Impact materiality

Opportunity **Risk**

Positive **Negative**

Value chain analysis

FY25 Double materiality results

The graph shows the financial and impact materiality scores on a 0-4 scale, consolidated from underlying scores for scale, scope, likelihood and irremediability for IROs relating to each topic. The higher the score indicated by the blue lines, the bigger the potential financial impact relating to risks and/or opportunities on Collins Foods. The higher the score indicated by the yellow lines, the bigger our impact on people and planet (positive and/or negative) is for a certain topic. More information on the DMA process, IRO scoring and value chain mapping is provided in Appendix 2.

	Financial impact			Impact on people & planet		
	HIGH	MEDIUM	LOW		MEDIUM	HIGH
	4	2	0		(2)	(4)
Climate change						
Waste & resource use						
Biodiversity & ecosystems						
Animal welfare						
Working conditions						
Equity, inclusion & belonging						
Talent & development						
Workplace health & safety						
Consumer health & safety						
Affected communities						
Ethical value chain						
Business conduct						

● Financial materiality   ● Impact materiality

2.3 OUR SUSTAINABILITY STRATEGY & AMBITIONS

We published our first 2030 Ambition Statement in last year's report, which, though mostly qualitative, reflected our aspirations and commitment to sustainability. This year, we built on that foundation by making our ambitions more concrete and quantitative, based on our current results and plans as well as industry benchmarks.

While we support the concept of a transition to a Net Zero economy, this year's assessments have led us to revise our emissions reduction ambition to better reflect the current status of our strategy. As we intend to continue growing our business and number of restaurants in coming years, we foresee purchasing green energy in addition to the solar power generated by our own panels to reduce absolute emissions in our operations. We plan to continue building on our climate data maturity - including scope 3 data - to better understand potential levers and solutions for limiting and reducing our total carbon footprint. As our climate transition plan matures, we will reassess the possibilities for aligning our emissions reduction to a Net Zero pathway.

While in principle we have set targets that we believe are achievable, with effort, for some targets this requires efforts beyond our direct sphere of control. This particularly relates to achieving our Australian waste diversion target, which requires solving several infrastructural complexities together with our waste collection partners.

As part of a franchise network, we do not have full control over all sustainability-related topics (such as packaging, sourcing of core products, and our menu offering – as these are provided by our Franchisor Yum! Brands). For these areas, we align with Yum! Brands' 2030 ambitions, which are indicated with a Yum! Brands' logo in the accompanying visual.

ENVIRONMENTAL ACTION

We continuously focus on minimising our environmental impact and increasing the resilience of our food system. We do this by accelerating sustainable and responsible business practices in our operations and value chain.

SOCIAL CATALYST

As the employer of >21,000 people globally, our people are at the heart of everything we do. We focus on offering a remarkable people experience and sense of belonging, and empower and enable our employees with knowledge, skills and opportunities to advance and excel in their careers as well as in life.

THRIVING COMMUNITIES

We aim to positively impact the communities in which we operate by taking ownership and operating responsibility, being the best neighbour we can be and supporting those in need.

ENVIRONMENTAL ACTION

	FY25 key initiatives	2030 Medium term ambitions
Climate change	– Sustainable design in 65 new builds & remodels – Launched Zinger Veggie in the Netherlands – Supplier climate targets in place 🔴	– Reduce our scope 1 + 2 emissions by 30% compared to 2025 levels
Waste & resource use	– Trialled organic waste collection in WA – Food waste outlier program – Back of House diversion push – Transitioning off single-use plastics 🔴	– Reduce and maintain our operational food waste at <2% – 30% of total waste diverted – 100% recoverable plastic packaging 🔴
Biodiversity	– Soy de-forestation assessment 🔴 – Biodiversity risk assessment 🔴	– Working with our franchisor Yum! Brands in striving to end natural forest loss and degradation by 2030 🔴
Animal welfare	– 100% of suppliers audited 🔴 – Continued with Better Life chicken – 100% cage free eggs in Europe 🔴	– Continuous improvement of standards in supply chain 🔴 – 100% cage free eggs globally 🔴

SOCIAL CATALYST

	FY25 key initiatives	2030 Medium term ambitions
Working conditions	– Wellbeing and Wealth programs – Supported 94 employees with >$250,000 via our Collins Family Fund	– Above industry-benchmark % of employees rate us as a great place to work
Talent & development	– Updated training & development framework – Delivered >250k training sessions – Accelerated our Building Bench initiative	– Accredited Diploma of Leadership & Management for RGMs – >70% of employees feel we offer great development opportunities
Equality, inclusion & belonging	– Founded our 2nd Belonging Council – EIB statements in all recruitment – Mentored 10 emerging female leaders through our SHINE program	– A balanced workforce and leadership with >40% women and >40% men
Workplace Health & Safety	– Safety culture survey – Hazard identification awareness program	– Comprehensive safety management system embedded across the business

THRIVING COMMUNITIES

	FY25 key initiatives	2030 Medium term ambitions
Consumer health & safety	– Continuous food safety audits & training – QSR Healthier Food Manifesto – 17% reduced salt in our original breading in EU	– 100% of core suppliers are Global Food Safety Initiative (GFSI) Certified 🔴 – Increased number of lower-calorie menu options 🔴
Affected Communities	– $909,600 donated by Collins Foods Giving Program – Employee volunteering in community days – Restaurant-led community actions	– >$1 million generated annually via Collins Foods Giving & community initiatives
Ethical value chain	– 100% of tier 1 suppliers onboarded for regular risk screening – Regular engagement with our franchisor and fellow franchisees regarding ethical supply chain policy and risk screening	– >75% of our core suppliers in our screening platform subject to annual risk assessment

🔴 Yum! Brands Logo indicates Yum! Brands 2030 ambitions that we align with. As published in Yum! Brands 2023 Global Citizenship & Sustainability Report.

3

ENVIRONMENTAL ACTION

We continuously focus on minimising our environmental impact and increasing the resilience of our food system. We do so by accelerating sustainable and responsible business practices across our operations and value chain, together with our franchisor and other strategic partners.

From the responsible sourcing of ingredients to energy-efficient restaurant operations, we are implementing strategies to reduce our environmental footprint. This section outlines our progress and initiatives in key areas:

– Climate, energy-use and emissions
– Menu innovation with alternative proteins
– Waste management and recycling
– Animal welfare and biodiversity

Key figures

Climate:
– 196 restaurants generating solar power (FY24: 183)
– 21% relative reduction in our per-restaurant emisions since 2019

Waste:
– 23% waste diverted from landfill (FY24: 22%)
– 2% food waste (FY24: 2%)

Animal welfare & biodiversity:
– 1st of our Australian chicken suppliers obtained their 100% deforestation-free soy certification
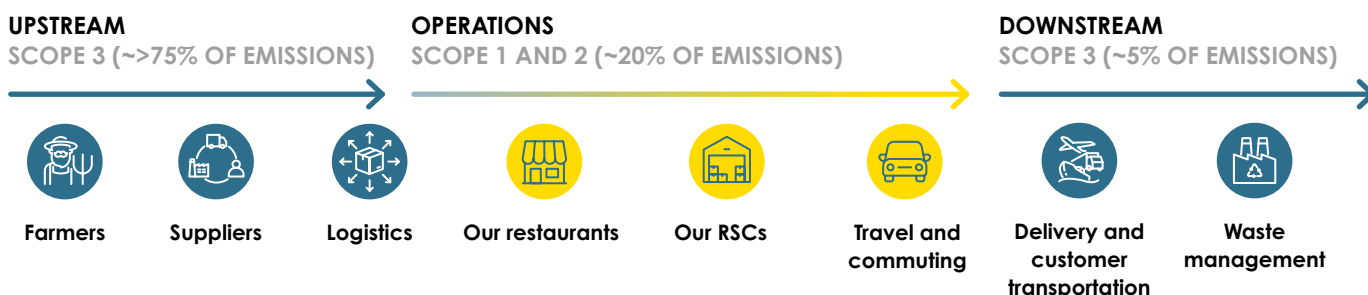– 100% cage free eggs in European operations

3.1 CLIMATE CHANGE

2030 Ambition

Reduce our scope 1 & 2 emissions by 30% compared to 2025 levels

As a business operating nearly 400 restaurants and selling significant volumes of agricultural commodities, our emissions footprint is substantial. Simultaneously, our business model is highly dependent on a resilient food system – one that is increasingly impacted by the effects of climate change. As we begin to see more frequent and severe weather patterns and events, we anticipate increased risks for our business, such as damage to our restaurants and supply chain disruptions. Minimising our carbon footprint, while mitigating and adapting to climate risks, are therefore important components of our broader resilience agenda.

The visual below shows the high-level break down of our emissions footprint. We currently estimate that ~ 80% of our total emissions fall within Scope 3, primarily driven by emissions associated with food ingredients and their agricultural supply chains. Our Scope 1 and 2 emissions are predominantly driven by energy use in our restaurants. This chapter outlines our climate-related actions taken this year, our results, and actions we plan to take next year and beyond.

UPSTREAM
SCOPE 3 (~>75% OF EMISSIONS)

OPERATIONS
SCOPE 1 AND 2 (~20% OF EMISSIONS)

DOWNSTREAM
SCOPE 3 (~5% OF EMISSIONS)

| Farmers | Suppliers | Logistics | Our restaurants | Our RSCs | Travel and commuting | Delivery and customer transportation | Waste management |

Sustainable refurbishment of KFC Indooroopilly

As part of our franchise agreement with Yum! Brands, we remodel our restaurants every five years to ensure they remain fit for purpose and aligned with KFC and Taco Bell brand standards. Where possible, we combine these remodels with sustainability upgrades. In our recent KFC Indooroopilly remodel, we introduced several sustainable features alongside the restaurant's existing solar system. These included low VOC paints, new planter beds made from sustainable materials, upgraded glazing to improve energy efficiency, and carbon negative saveBOARD wall linings made from upcycled shredded and compressed composite packaging.

3.1 CLIMATE CHANGE CONTINUED

Our focus and key actions

Sustainable restaurants & operations: A major contributor to emissions in our controlled operations is our energy use – primarily from equipment and HVAC systems across our growing number of restaurants. Our goal is to gradually transition our entire restaurant portfolio to a more sustainable model, within the constraints of restaurant site conditions, permits and licensing. We aim to achieve this by incorporating sustainable design features and energy-efficient innovations such as solar panels, low toxicity paints, double or triple glazing, and smart cooling management where possible; as well as responsible material choices in our new builds; and reusing and repurposing existing furniture and materials during our refurbishments.

This year, we added 14 new and refurbished 53 restaurants in line with this strategy. Since 2016, our sustainable restaurant transition has achieved:

– LED lighting in every restaurant
– Solar panels on 196 restaurants (up from 183 in FY24), and currently representing 60% of our Australian restaurants (up from 55% in FY24)
– 4 of our European restaurant transitioned off natural gas this year
– 31 restaurants equipped with water tanks
– 2 A+++++[1] fully climate-neutral restaurants in Europe, with a third underway
– Backup battery energy systems installed in 3 of our Dutch restaurants

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→ **Four new Dutch sustainable Restaurants**

We opened four new restaurants across the Netherlands this year, applying our sustainable design principles - to minimise environmental footprint within the constraints of our building sites- representing the result of a year-long collaboration with local municipalities and growing demand from our customers.

All new restaurants are built with a focus on energy efficiency, water conservation, and responsible material use. A major highlight last year was the opening of our Almelo and Steenwijk restaurants, which became the first fast-food restaurants in the Netherlands to receive an A+++++ energy label[1] (called an "Energy Zero building")– a Dutch standard that indicates the highest level of energy efficiency a building can acquire. This year's four new restaurants in Amersfoort, Almere Oorweg (with A++++ energy label), Leiden and Nieuwegein Cityplaza have been fitted with best-in-class sustainability design features, such as solar panels, triple glazing, graphene battery technology for peak-demand usage, high-efficiency energy-saving systems, full LED lighting, waterless urinals and HVAC heat recovery systems. Some locations also include air curtains at entrances to improve indoor climate control and reduce heating and cooling losses, along with ground-source heat pumps and seasonal thermal energy storage for efficient temperature regulation year-round. Together, these investments represent another step toward our mission to build a network of future-ready, energy-efficient restaurants that reduce our environmental footprint and support the transition to a more sustainable food service industry.

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1. www.rvo.nl/onderwerpen/wetten-en-regels-gebouwen/energielabel-utiliteitsgebouwen.

Supply chain emissions: As sourcing of most of our suppliers is coordinated by our franchisor Yum! Brands, our efforts to reduce Scope 3 emissions focus on collaboration with partners, suppliers, and other stakeholders to align on climate goals, cross-industry collaboration on pilot programs and joint ways to monitor progress. Progress in our supply chain thus far includes emission reduction targets for all our chicken suppliers, as well as the use of solar panels and LED lighting across supplier facilities, and a trial of an electric truck with one of KFC's chicken suppliers. In Yum! Brands' upstream supply chain there has been a 6% reduction in protein-related emissions per metric tonne of beef, poultry, dairy and packaging achieved since 2019[1]. As we gain greater clarity on Collins Foods' specific Scope 3 emissions footprint over the coming year, we will be better positioned to track progress and target our actions more effectively.

Alternative protein: We estimate emissions related to meat on our menus to be the largest share of our total carbon footprint. In attempts to lower our food-related emissions and meet evolving customer preferences, we have been exploring and testing alternative proteins over the past few years. This year we expanded our plant-based offering with the introduction of a 'Zinger Veggie Tender' (made from mycoprotein) limited time offering as a part of a national window marketing campaign in the Netherlands. Our permanent menu in the Netherlands already included a Veggie Tender with Original breading, which is available as an alternative to chicken in all of our burgers, buckets, twister wraps, salads and snack boxes.

Climate risk assessment: We conducted an initial climate risk and opportunity assessment this year to inform our transition plan and risk management in coming years. A climate scenario analysis is currently underway, as well as more extensive physical risk modelling, to provide us with a better understanding of our exposure to potential natural catastrophies and weather events that may disrupt our operations. The table shows our preliminary list of climate risks and opportunities currently identified. In FY26 we will further mature this list by including quantifications in alignment with ASRS requirements, with current assessments underway.

Type	Risk or opportunity
Physical risks	Potential damage to our restaurants as a result of extreme and changing weather, such as storms and cyclones, flooding, bushfires, inlcuding loss of sales from closed restaurants
	Increased costs for adaptation to changing weather, such as installing flood doors and higher (energy) costs for HVAC in relation to increased hot weather
	Supply chain disruptions (roads blocked, damage to production facilities, farms, harvest and products) including higher price of commodities, caused by extreme and changing weather
Transition risks – Policy & Reputation	Potential reputational, non compliance and litigation risks in case we fail to deliver on our climate obligations and ambitions
Transition risks – Market	Potential higher building & development costs, due to increasing prices for building materials and labour, and/or increased regulatory sustainability requirements for building
	Changing consumer sentiments and preferences around fast food and meat may negatively impact our sales growth in the future
Transition risks – Resources	Grid congestion in our jurisdictions presents risks around energy (connection) shortage, which limits expanding possibilities and related sales growth
	Increasing energy costs in the transition to more clean and green energy
Opportunity	Changing consumer behaviours may provide opportunities to attract new client groups with healthier and plant-based and/or labgrown protein menu offerings

1. Yum! Brands 2023 Global Citizenship & Sustainability Report.

3.1 CLIMATE CHANGE CONTINUED

Our results

The tables show our FY25 total Scope 1 and (location-based) Scope 2 emissions, average per restaurant (ORE*) emissions, energy use and number of restaurants with solar panels, in comparison to previous year. We have updated our Scope 2 methodology this year to align with ASRS requirements, which we need to comply with per FY26, as well the Greenhouse Gas Protocol. This shift includes switching to a location-based approach and including our RSCs and offices in our calculations which were excluded in prior years. For clarity and in support of comparability with last years' results, the emissions inventory table shows both a restated Scope 2 number applying the location-based method for FY24, as well as the number reported last year with our FY24 methodology. Further details on methodology, calculations, estimates and emission factors used are outlined in the Basis of preparation in Appendix 1.

We estimate Scope 3 emissions to represent the largest part of our total footprint. Scope 2 emissions from electricity use remain our most significant source of emissions in our direct operations. While our total energy consumption has increased compared to last year, primarily attributed to the opening of 14 new restaurants, our total Scope 1 and location-based Scope 2 emissions have slightly decreased. This decrease is largely caused by the gradual greening of power grids in the countries in which we operate, which is reflected in lower location-based emission factors compared to last year. Since 2019, this has resulted in a relative emission reduction of 21% per restaurant, decreasing from 247 tonnes in 2019 to 195 this year, as well as in a decrease in our revenue intensity, decreasing from 51.12 tCO2e per million dollars in FY24 to 49.47 tCO2e per million dollars this year.

In the coming years, we plan to strengthen our focus on energy efficiency and sustainable design to further reduce our per-restaurant energy use and related Scope 2 emissions. Commencing Scope 3 measurements next year will also help us identify opportunities to reduce emissions in our supply chain together with our franchisor and network partners.

INVENTORY OF SCOPE 1 + 2 EMISSIONS

	FY24			FY25		
	Australia	**Europe**	**Group**	**Australia**	**Europe**	**Group**
No. of Restaurants (ORE[1])	306 (301.6 ORE[1])	75 (73 ORE[1])	**381 (374.6 ORE[1])**	314[4] (310.6 ORE[1])	78 (75.4 ORE[1])	**392 (385.9 ORE[1])**
Total Scope 1 emissions (tonnes CO2-e)	4,425	1,561	**5,986**	4,262	1,587	**5,849**
FY24 methodology total Scope 2 emissions (tonnes CO2-e)	60,731	9,356	70,088	n/a	n/a	n/a
Total location-based Scope 2 emissions (tonnes CO2-e)	62,153 [6]	7,977 [6]	**70,130** [6]	62,508	6,813	**69,321**
Total Scope 1 and 2 emissions (tonnes CO2-e)	66,578 [6]	9,538 [6]	**76,116** [6]	66,770	8,400	**75,170**
Average emissions per ORE[1,7] (tonnes CO2-e)[2]	221 [6]	131 [6]	**203** [6]	215	111	**195**
Total energy consumption (GJ)	372,438 [6]	92,875 [5]	**465,313** [5,6]	383,627	95,022	**478,649**
Average energy consumption per ORE (GJ)[3]	1,235 [6]	1,272 [6]	**1,242** [6]	1,235	1,260	**1,240**

RENEWABLE ENERGY

We have increased the number of restaurants with solar panels to 196 this year, generating 10,281 GJ (2,855,736 kWh) of energy during the year. This accounts for approximately 2.4% of our total energy use. As we intend to continue growing our business and opening new restaurants, we realise our energy-efficiency measures will only take us so far is reducing emissions, as our absolute energy consumption will continue to rise. While we will continue to fit solar panels on new restaurants we open, we also plan to explore other avenues of green and renewable energy in the coming years as a potential solution to reduce our absolute emissions.

	FY23	FY24	FY25
No. of Restaurants with solar panels	162	183	**196**

NGER REPORT

KFC Australia reports carbon emissions for both Australian based company-owned and franchised restaurants to the National Greenhouse and Energy Reporting (NGER) scheme (established by the NGER Act 2007). Our KFC Australia franchisor, YUM! Brands Inc, reports and lodges the NGER Report with the Clean Energy Regulator on behalf of all Australian KFC franchisees, as they are considered to have operational control as defined under the NGER act.

1. Operating restaurants equivalent (ORE) is considered a more representative measure of consumption than "average energy consumption per restaurant operating at year end".
2. Total GHG emissions divided by the total number of ORE during the reporting period.
3. Total Energy Consumption divided by the total number of ORE during the reporting period.
4. The number of restaurants in Australia excludes 2 new restaurants that opened in April, but include KFC Capalaba that was trading the entire year but closed in April.
5. Data restated due to a mathematical inaccuracy found in FY24 data.
6. Data restated to align with location-based reporting for assets operated by Collins Food Limited and its subsidiaries during the financial year. FY24 has been restated for comparability purposes.
7. The total used to calculate the average includes the emissions generated by our RSCs.

3.2 WASTE & RESOURCE USE

2030 Ambition

– **Reduce to and maintain our operational food waste at below 2%**
– **Increase our waste diversion rate to 30%**
– **Transition to 100% recoverable plastics[1]**

Waste is a significant issue in our industry. This includes waste from packaging and utensils, waste in our restaurants, food waste and waste in our supply chain. Addressing this requires a multi-faceted approach that looks at changing the composition of materials we use, reducing and recycling operational waste, engaging with our franchisor and suppliers to reduce farm-to-fork food waste in our upstream supply chain, and increasing awareness around food waste and recycling at the consumer-level.

Our focus and key actions

Our current approach focuses on the following components:

Changing the composition of our materials: Given the amount of packaging used in our industry, such as KFC buckets, drink cups, straws and burger boxes, we see transitioning to more sustainable packaging as an important strategy to reduce the environmental footprint of these waste streams. Our franchisor Yum! Brands coordinates all packaging procurement across our franchise network. We support the transition to more sustainable materials via our role in the franchise network's supply chain council as well as by ensuring timely trials and roll out of sustainable packaging initiatives. With 100% of our paper packaging made from certified fibre sources, the packaging focus in recent years has been on transitioning away from singe-use plastics. Since 2023 we have significantly decreased these in a large part of our European restaurants, supported by the European Union's Extended Producer Responsibility implemented regulations. In calendar year 2024 we used 35,942,632 items made from single-use plastic, down from 56,670,281 items the year before – a 37% decrease. To date, this transition in our European restaurants has included:

– Switching to reusable plastic cups for dine-in drinks and deserts, resulting in using 3.6 million less disposable cups in calendar year 2024 compared to 2023

– Switching from plastic to paper straws, wooden cutlery, and alternative packaging for milk, sauce and corn

– Eliminating nearly all plastic from our KFC buckets

– Eliminating plastic coleslaw and applesauce packaging

Moreover, in 2025 our Potato and Gravy packaging will transition from polystyrene (PS) to widely recycled polypropylene (PP). While this may seem like a small change, it represents a major innovation in relation to passing food safety tests, and we are proud to present the new packaging in our restaurants this year.

KFC Australia is a signatory of the Australian Packaging Covenant Organisation (APCO). In its role as Brand Owner Signatory, KFC Australia reports and lodges the APCO report containing sustainable packaging progress, performance and commitments to APCO for both Australian based company-owned and franchised restaurants.

Waste separation and recycling: Waste separation and recycling: Given the volume of waste generated in our restaurants, we aim to increase the percentage of waste we divert from landfill or incineration through recycling. Our diverted waste % as reported in the results section includes cardboard, commingled recycling, packaged organics and food recovery (food donations). In FY25 our Group diversion rate was approximately 23% representing a slight increase compared to last year. Our goal is to lift this to over 30% by 2030.

Our strategy to achieve this focuses strongly on lifting recycling awareness among our team members, which we kicked off this year with a rollout of instruction stickers and posters across our Dutch restaurants. We also continue to invest in strong partnerships with our waste collection providers to stay ahead of waste management innovations. In the Netherlands, this includes initiatives by our main partners such as the use of electric trucks, merging routes with other providers for efficiency ("Green collective"), smart techniques for compacting residual materials (EcoCassette), and optimising container configuration and collection frequency using smart weighing tools. Achieving the diversion target in Australia will requires solving several infrastructural complexities around waste separation and collection, together with our waste collection partners. While these solutions are not readily available now, we are committed to continue engaging with waste collection providers and trialling innovations to increase our diversion rates.

Used cooking oil and grease traps: While not included in our diversion % outlined above, 100% of used cooking oil from our restaurants is repurposed for energy recovery - either directly for energy in Europe or as biofuel for heavy machinery and vehicles in Australia. The grease waste collected from our grease traps, which we use to prevent grease from entering community sewerage systems, is collected and upcycled into products such as stockfeed.

Scaling up organic waste collection: As a food business, some operational food waste is inevitable. Organic waste collection helps convert this waste into swill, compost and liquid fertilisers, diverting it from landfill. Despite logistical challenges such as storage space and more frequent pick up requirements, we successfully rolled out organic waste collection to all of our Dutch and a selection of our Western Australian restaurants in FY25.

1. 2030 Ambition by our Franchisor Yum! Brands that we align with.

3.2 WASTE & RESOURCE USE CONTINUED

Food waste: Despite investment in organic waste collection, our priority remains prevention of food waste. While we are aware that food waste is an issue across our supply chain, with an estimated 13.2% already lost between harvest and retail[1] and post-consumer waste in the form of leftovers, our current approach focuses on pre-consumer back of house food waste. We measure this as the delta % between cost of food items purchased versus sales of food items. This covers cooked food we have had to discard in relation to our food safety and quality standards and holding times, as well as uncooked food items that go past the expiry date, and missing items. We aim to minimise this by:

– Using cook-to-order systems to forecast food preparation needs

– Monitoring the food waste % on a weekly basis on a per-restaurant level

– Applying wastage targets at each restaurant

This year we introduced a Food Waste Outlier Program for restaurants with above target wastage, including tailored actions and monitoring to support reduction. We aim to scale up our actions around food waste reduction the coming year, to deliver on our ambition of keeping our food waste percentage at below 2% by 2030.

Results

The tables show our waste management results for FY25 and trend data since FY22. At group level our diversion % has gone up slightly this year, caused primarily by strong performance in our European operations while our Australian percentage shows a slight decrease. We attribute the diversion increase in our European restaurants partly to our awareness actions, which we intend to test for feasibility in Australia from FY26 onwards. We aim to further improve our waste data next year by supplementing the data we currently obtain from our waste collection partners with our own inventory data, as well as continue our dialogue with our waste collection partners on how we can jointly improve the data processes, as part of our broader data maturity agenda. More detail on metrics, definitions and calculation methods used is provided in the Basis of preparation in Appendix 1.

WASTE DIVERSION FY25 AND TREND INFORMATION

Waste stream	FY22 AU	FY3 AU	FY24 AU	FY24 EU	FY24 Group	FY25 AU	FY25 EU	FY25 Group
Solid waste								
Total Solid Waste (tonnes)	12,626	13,297	14,027	4,292	18,319	14,621	4,259	18,880
Waste diversion[2] (tonnes)	2,315	2,596	2,807	1,312	4,119	2,793	1,526	4,319
Waste diversion rate (%)	18,34%	19,52%	20,01%	30,56%	22.48%	19.10%	35.83%	22.88%
No. of restaurants	239	252	264	75	339	267[3]	73[3]	340[3]
Liquid waste								
Grease traps (lt)	8,937,160	9,350,228	9,997,065	1,185,064	11,182,129	10,898,998	1,286,408	12,300,803
Used cooking oil (lt)	665,390	610,225	672,461	282,373	955,134	728,513	309,767	1,043,105
No. of restaurants	281	300	305	75	380	314[4]	78	392[4]

FOOD WASTE

Food waste %	FY24	FY25	FY30 Ambition
Group total	2%	2%	<2%
Australia	1.8%	1.8%	<1.8%
Europe	2.8%	3.0%	<2.5%

1. Food Loss and Waste Reduction | United Nations (https://www.un.org/en/observances/end-food-waste-day).

2. Waste diversion from landfill in Australia and waste diversion from incineration in Europe.

3. Excludes food court restaurants, restaurants serviced by the Sunshine Coast Council in Australia and European restaurants where waste disposal is controlled by landlord and local municipality, as Collins Foods does not have responsibility for, or data relating to waste collection services for these restaurants.

4. The number of restaurants in Australia excludes 2 new restaurants that opened in April, but include KFC Capalaba that was trading the entire year but closed in April.

3.2 WASTE & RESOURCE USE CONTINUED

→ Food recovery & donation

Our food safety standards provide strict rules around food holding times. That means that after a certain period, we are no longer allowed to sell them and must discard them. To reduce waste, we have been working with food donation charity partners for several years, who collect and distribute food to those in need.

In the Netherlands we continued working with The Salvation Army / Leger des Heils this year, supported by our transport and logistics partner Havi, who freezes and distributes food to The Salvation Army. Alongside other KFC franchisees in the Netherlands, we donated between 4500-6000 KG of food this year.

In Australia we work with various partners including Food bank, Brisbane Relief Hub and Oz Harvest. Due to the geographical distance of some of our restaurants from our food recovery partners, food donation is more challenging than in Europe. This is reflected by our total annual recovery volume of approximately 5400KG: in line with the total recovered in Europe, while our number of restaurants in Australia is much higher. Despite these challenges, we are exploring opportunities to expand our partnership with food recovery partners in FY26.

→ Packaged organic waste collection in Western Australia

A key success factor for waste separation and management in our restaurants, is whether a solution fits within the realities of back-of-house operations, including peak times, limited space and quality standards. 'Packaged organics' provided such a solution and was rolled out across 13 of our Western Australian restaurants at the end of last year, after a successful pilot in Queensland.

This initiative came to life following audits of several KFC restaurants by our waste management partner Cleanaway, which showed that up to 78% of waste was packaged food. Since 2020, Cleanaway's recycling plants have used depackaging technology to separate organic material from packaging, recovering material that would have otherwise been sent to landfill. Implementing packaged organics recycling presented an optimal waste diversion solution for us.

To ensure its success, we have appointed a dedicated Area Coach to lead the rollout and support restaurants with site visits, implementation checklists and coaching calls.

As a result, 100 tonnes of organic waste were diverted from landfill this year from these 13 restaurants alone.

3.3 BIODIVERSITY

2030 Ambition

Work with our franchisor Yum! Brands to end natural forest loss and degradation in our supply chain

Our business relies on meat, animal and agricultural products. These inputs – particularly in relation to soy used as chicken feed in our value chain - are associated with significant biodiversity impacts, including extensive land use for agriculture, high water consumption, carbon emissions, and potential deforestation. These factors contribute to environmental degradation and loss of biodiversity. At the same time, preserving biodiversity is critical to our business resilience, with threats such as plant and poultry diseases (avian flu) posing risks to our supply chain and potentially impacting our business.
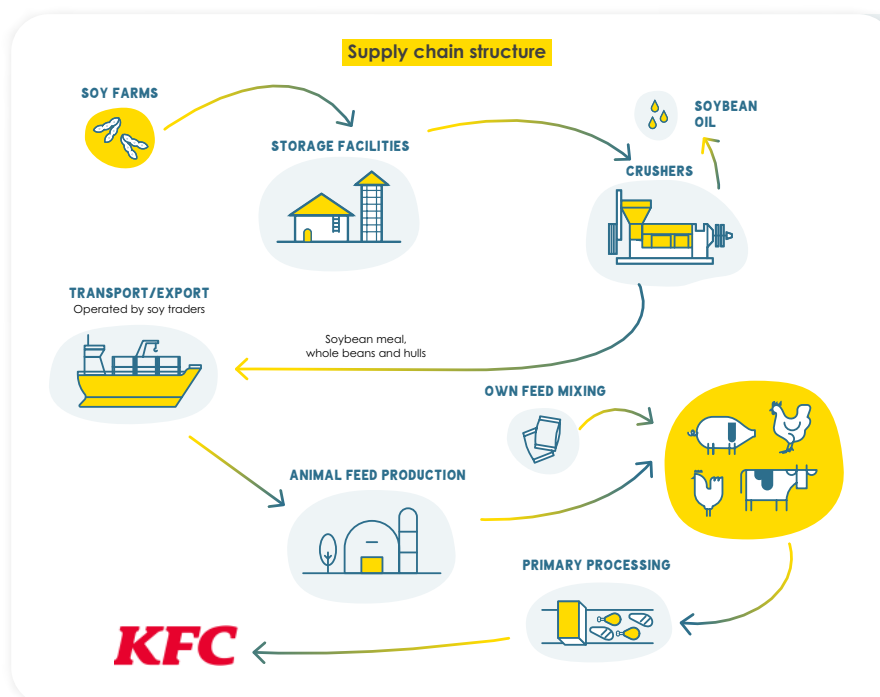
Our focus and key actions

Deforestation-free soy: As soy is our main area of impact on deforestation, it has been a primary focus of the Yum! Brands franchise network, which is committed to sourcing 100% deforestation-free commodities. In Europe, our KFC franchise network's objective is to source 100% of soy in our supply chain from physically traceable, sustainable, deforestation and conversion-free (DCF) sources, whether legal or illegal, by the end of 2025. This aligns with upcoming regulatory requirements under the European Deforestation Regulation (EUDR). The soy supply chain is complex, with our business at least five steps away from the soy farm level. Since 2022, our suppliers have

been mapped annually to identify soy sources and deforestation risks. Progress is reported in the KFC Western Europe Soy Report. Our franchise network also engages directly with poultry suppliers to promote certifications and assess potential soy alternatives.

Although there is currently no EUDR equivalent in Australia, progress on deforestation-free soy as well as water stewardship actions are underway in most of our chicken suppliers. This year the first of our suppliers obtained 100% certified deforestation-free soy, and a second supplier is on track to achieve this in FY26.

Planting trees: We continued our "one-tree-planted" program this year, which involves planting a tree for every new employee and for each tree that is removed during construction of new restaurants. Through our donation not-for-profit One Tree Planted has planted 10,432 trees in projects relating to urban forestry projects to enhance biodiversity, reforestation initiatives focused on gender equity and social justice in various countries including India, Rwanda and the Dominican Republic, and forest fires recovery through USA, Indonesia, Canada, Australia and Europe.

Supply chain structure

SOY FARMS
STORAGE FACILITIES
SOYBEAN OIL
CRUSHERS
TRANSPORT/EXPORT
Operated by soy traders
Soybean meal, whole beans and hulls
OWN FEED MIXING
ANIMAL FEED PRODUCTION
PRIMARY PROCESSING
KFC

Some global facts and figures

– Soy production is linked to deforestation and loss of native vegetation in the Amazon and other areas of South America, leading to global concern about the sustainability of soy

– Approximately 76% of global soy production is used for animal feed

– In 2022, 15% of KFC Europe's total poultry volume covered was reported as physically verified Deforestation and Conversion Free (vDCF) soy

– As of 2022, 69.4% of KFC Western Europe's poultry supply was covered by suppliers with a soy sourcing policy

3.4 ANIMAL WELFARE

2030
Ambition

– **100% cage free eggs globally**[1]
– **Continuous improvement of animal welfare standards in our supply chain**[1]

We believe that good quality food starts with high animal welfare standards. And that we have a responsibility to promote high animal welfare standards across our supply chain from an ethical standpoint, given the significant amount of animal protein we source on an annual basis. Working closely with suppliers to ensure that the animals reared for our operations are well cared for, is therefore a key aspect of animal protein sourcing in our franchise network.

Our focus and key actions

All meat served in our restaurants across Australia and Europe complies with Yum! Brands Approved Supplier Audit Standards. These standards include the Wholesome Animal Food Program, which is designed to ensure the responsible treatment of animals throughout the supply chain.

Our meat offerings include locally sourced chicken, beef, and pork, alongside other animal-derived products such as dairy and eggs. By working with local suppliers who meet rigorous animal welfare requirements, we aim to foster a more humane, transparent, and sustainable food system.

Better Life label

The Beter Leven (Better Life) label, developed by the Dutch Society for the Protection of Animals, uses a star rating system to indicate the level of animal welfare applied in the farming process. By selecting 1-star certified chicken for our Zinger Hot Wings – our most popular dish in Europe - we are supporting higher standards of animal care and aligning our sourcing practices with our broader ESG commitments.

All Australian chicken meat suppliers are required to be members of the Australian Chicken Meat Federation, with all chicken supplied to Collins Foods farmed to the most recognised levels of animal welfare standards in Australia and strictly following the Model Code of Practice for the Welfare of Animals, Domestic Poultry. Moreover, in adherence with the Global Animal Welfare policy of Yum! Brands as well as our own Code of Conduct for suppliers, our suppliers must report on key welfare indicators to demonstrate compliance with the highest standards.

In Europe we continued the Better Life label obtained last year, as well as with the Better Chicken Commitment (BCC, also known as European Chicken Commitment) which KFC has been a signatory of since 2019. BCC lays out 6 goals for farms and suppliers around indicators such as space to live, stimulating environments, and health, against which suppliers are regularly audited.

Together, these actions ensure that chicken served in our restaurants is sourced responsibly, with a focus on continuous improvement and transparency in animal welfare practices across our supply chain.

OUR DATA AND RESULTS

The table below shows the total kilograms of meat supplied to Collins Foods in FY25 compared to FY24. Our key results this year in relation to animal welfare are:

– 100% of suppliers audited against Yum! Brands Animal welfare standard this year
– 100% cage free eggs achieved for all product-categories in our European restaurants
– 1-star Better Life (Beter Leven) quality mark chicken in our Dutch restaurants for Hotwings.

Total meat supplied to Collins Foods (KG)	FY24			FY25		
	Australia	Europe	Total	Australia	Europe	Total
Chicken	20,083,742	5,264,431[2]	25,348,173[2]	27,295,495	5,636,264	32,931,759
Pork	187,896	28,942	216,838	254,410	20,816	275,226
Beef	291,797		291,797	256,788	7,054	263,842

1. 2030 Ambition by our Franchisor Yum! Brands that we align with.

2. Restated due to a mathematical error in FY24 data.

4

SOCIAL CATALYST

As the employer of more than 21,000 people globally, our people are at the heart of everything we do. We are committed to providing a remarkable people experience and sense of belonging, and empower and enable our employees with knowledge, skills and opportunities to advance and excel in their careers as well as in life.

This section outlines our progress towards achieving our ambitions across the following material topics:

– Working Conditions
– Equity, Inclusion & Belonging (EIB)
– Talent and Development
– Workplace Health and Safety

Key figures

Working Conditions:
– 21,688 employees with 91 nationalities
– Supported 94 families with >$250k in donations

Equity, Inclusion & Belonging:
– 43% female leaders
– (1.7%) pay gap

Talent & Development:
– 737 team members promoted
– 258,902 training courses delivered

4.1 WORKING CONDITIONS

2030 Ambition

Above industry benchmark % of our employees rate us as a great place to work

We employ over 21,000 people across Australia, Germany and the Netherlands, with over half under the age of 18. Given the nature of our business and our predominantly young workforce, we place strong emphasis on our duty of care. We are deeply committed to the wellbeing, development, and safety of our people.

Our people are the heart of our business. They are essential in delivering exceptional experiences to our customers. Which is why we aim to provide an exceptional employee experience. Through continuous professional development, structured learning and a comprehensive employee benefits offering - covering health, wellbeing and financial support – we provide a framework that fosters personal growth, financial stability and empowers our people to advance their careers.

Our focus and key actions

This year we continued to strengthen the employee experience through our **Wellbeing and Wealth programs**. On the wealth side, we offer bonus incentive programs, discounts, relocation assistance and continued access to our ownership share plan, allowing employees to share in our success and feel a sense of ownership in the business.

We believe that supporting our people's wellbeing is essential for them to thrive, both at work and in life. To support this we offer:
– Flexible working arrangements
– Early access to long service leave
– Recharge days
– Free influenza vaccines in our Australian operations
– Free, confidential counselling for employees and their family members through our Employee Assistance Program
– Extended Domestic & Family Violence support, including additional days of leave available to individuals (beyond legislative entitlements)

As part of our broader commitment to our employees, we place strong emphasis on upholding all relevant labour laws and maintaining practices that ensure fair and equitable pay for our team members. To support this, we have proactively reviewed historical employment and wage data to determine whether employees have received the entitlements due to them. As a result, provisions have been made for potential unpaid entitlements. We will work to ensure our team members receive any payments owing to them. In our restaurants, we are also continuously enhancing our practices to support the employee experience and the wellbeing of our people.

This year also marked the fifth anniversary of our **Collins Family Fund**, which provides short-term, emergency financial support to team members experiencing unexpected hardship. All employees are eligible to apply for assistance during times of financial hardship, including unexpected vehicle or home repair, medical expenses, or essential household items, particularly following extreme weather events. In FY25, we provided 94 Collins Family Fund grants totalling $ 252,907. Since launching in 2021, we have supported over 340 families with total grants exceeding $ 900,000.

We also launched our first truly **global employee engagement survey**, providing valuable insights into the experiences of our people and how we can better support them. Based on the survey, 63% of our employees currently rate us as a great place to work. While this is a positive start, we are focused on improving this number over the coming year as we work towards our 2030 ambition.

Collins Family Fund: Support when it matters most

One of our team members, a single parent caring for three young children, two of whom have chronic health conditions, experienced major cyclone damage to her home. Water destroyed furniture, clothing, and most critically, her children's medications. With no way to cover replacement costs, things quickly became overwhelming.

"One of my kids has a lung condition, so I couldn't risk keeping anything that had gone mouldy. I didn't know what to do," she said.

Her Restaurant General Manager reminded her about the Collins Family Fund, designed to support team members in times of unexpected hardship.

"Honestly, I was blown away," she said. "The team managing my application was kind, understanding, and made me feel genuinely supported. They even provided more support than I asked for. To anyone thinking about applying: don't hesitate. Collins Foods is here for you. And they mean it."

Her restaurant team stepped in to adjust her schedule, giving her the flexibility to manage the aftermath of the cyclone and be there for her children when it mattered most.

4.1 WORKING CONDITIONS CONTINUED

Our results and outlook

Team member demographics and turnover

PEOPLE EMPLOYED
21,668
with 91 nationalities

TOTAL TEAM MEMBERS
18,773
Australia

2,321
The Netherlands

594
Germany

Team member demographics	Australia	The Netherlands	Germany
Age			
Under 18 years of age	55.7%	24.4%	0.6%
Over 18 years of age	44.3%	75.6%	99.4%
Full-time team members	1032	381	17
Female	57.3%	43.6%	17.6%
Male	42.5%	56.4%	82.4%
Non-binary/other	0.2%	0%	0%
Part-time team members	1595	164	442
Female	52%	72.7%	36.7%
Male	47%	27.3%	63.3%
Non-binary/other	1%	0%	0%
Non-guaranteed hours team members	16146	1776	135
Female	44.9%	41.2%	29.6%
Male	54.5%	58.8%	70.4%
Non-binary/other	0.7%	0%	0%
New team member hires	9661	1720	257
Full-time	116	61	0
Part-time	462	14	194
Non-guaranteed	9083	1645	63
Turnover rate	48.0%	72.9%	50.4%
Full-time	20.9%	22.6%	24.5%
Part-time	34.5%	20.1%	54.8%
Non-guaranteed	51.8%	88.6%	54.8%

4.2 EQUITY, INCLUSION AND BELONGING

2030 Ambition

A balanced workforce and leadership with >40% women and >40% men

At Collins Foods, we believe our food has the power to unite people and foster social connections, regardless of age, background, or culture. Our restaurants are welcoming spaces where everyone feels at home. Just as our customers are diverse, so too are the teams that serve them every day: this year we had 91 nationalities amongst our workforce. Embracing diversity in all its forms is not just a value we uphold, it is a key driver of our success. In this section, we celebrate the richness of our diverse community and reaffirm our commitment to creating an inclusive environment where everyone belongs, and our people can thrive.

Our focus and key initiatives

Fostering belonging: Paired with our ongoing commitment to equity and inclusion, we aim to foster an environment where all our employees feel like they belong: where people feel welcomed, accepted, safe, included, supported and encouraged to engage in the workplace. Given the young and multicultural nature of our workforce, this is especially important. We believe that by fostering belonging we can be the coach, mentor and home base that some may not otherwise have. To ensure Equity, Inclusion & Belonging (EIB) stays front of mind and gets the attention it deserves, our executive sponsors promote our EIB strategy and initiatives, supported by a new European Belonging Council launched this year to help guide and support our European efforts.

Providing employment to refugees: Employment plays a vital role in helping refugees integrate into the labour market. In Europe we partnered with the Tent Partnership for Refugees, a group of large companies offering employment, training and mentorship to work-authorised refugees. Through this partnership, we supported the integration of over 70 refugees from various countries this year, including over 40 from Ukraine displaced by war.

Balanced leadership: We believe a balanced leadership team contributes to the success of our business. For us this means ensuring we maintain our current gender balance, as well as investing in emerging talent. This year we empowered 10 emerging female leaders through our four-month intensive SHINE Program, focused on mentorship, professional development, and advocacy. By fostering safe spaces for growth, SHINE enhances self-awareness, confidence and leadership effectiveness through activities like leadership panels, strengths profiling, and mentoring circles led by senior leaders.
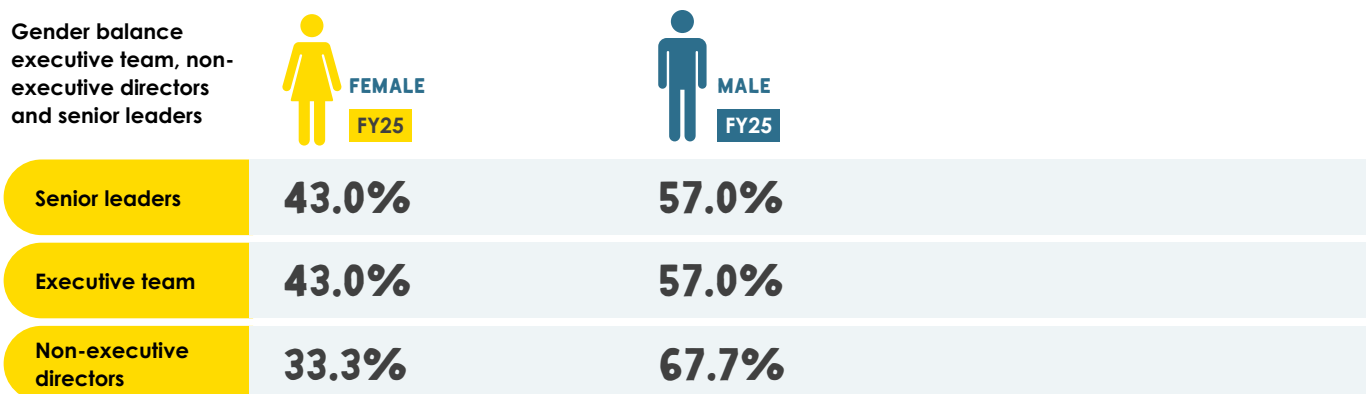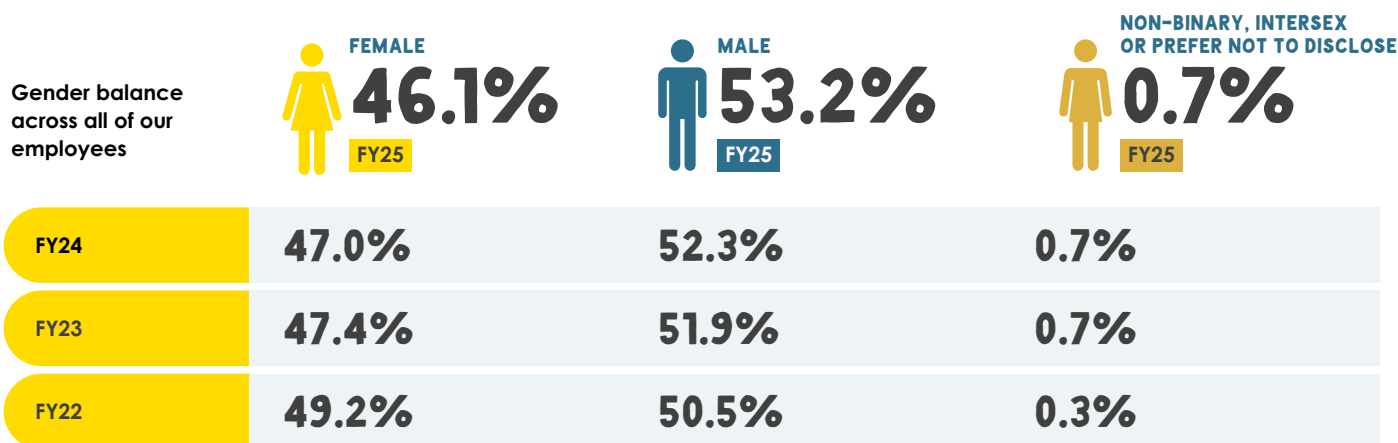
Gender pay equity: Our gender pay equity results reflect our commitment to fair, gender-neutral, and equitable remuneration and benefits for all employees. This year, we recorded a median total remuneration gender gap of -1.7% in Australia, compared to the national Australian benchmark of 8.9% (as assessed by the Workplace Gender Equity Agency (WGEA) for businesses with 100 or more employees). Our year-on-year results since 2022 are presented in the results section.
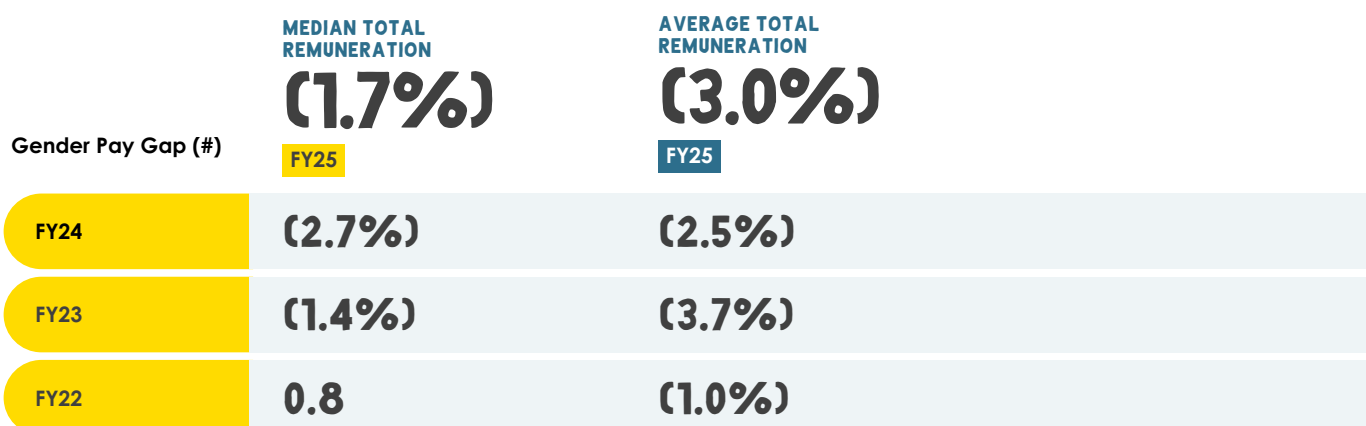
4.2 EQUITY, INCLUSION AND BELONGING CONTINUED

Our results and outlook

This section shows the gender balance across our entire employee population, as well as at leadership, executive and board level. Our current gender balance is in line with our 2030 ambition, of above 40% women and above 40% men across employees as well as our leadership team.

Gender balance across all of our employees	FEMALE 46.1% FY25	MALE 53.2% FY25	NON-BINARY, INTERSEX OR PREFER NOT TO DISCLOSE 0.7% FY25
FY24	47.0%	52.3%	0.7%
FY23	47.4%	51.9%	0.7%
FY22	49.2%	50.5%	0.3%

Gender balance executive team, non-executive directors and senior leaders	FEMALE FY25	MALE FY25
Senior leaders	43.0%	57.0%
Executive team	43.0%	57.0%
Non-executive directors	33.3%	67.7%

Our Gender Pay Gap is calculated by WGEA on an annual basis, for which we submit our remuneration data. The gender pay gap is the difference between the average or median remuneration of men and the average or median remuneration of women, expressed as a percentage of men's remuneration. WGEA considers a pay gap between -5% to +5% as neutral. Our FY25 results show a continuation of our neutral gender pay gap trend, placing us in the 15% of Australian businesses with both a median and average neutral pay gap this year (WGEA benchmark[1]).

Gender Pay Gap (#)	MEDIAN TOTAL REMUNERATION (1.7%) FY25	AVERAGE TOTAL REMUNERATION (3.0%) FY25
FY24	(2.7%)	(2.5%)
FY23	(1.4%)	(3.7%)
FY22	0.8	(1.0%)

1. https://www.wgea.gov.au/publications/employer-gender-pay-gaps-report.

→ **Kentucky Fried Pride**

As an annual tradition, the Pride Team at Collins Foods hosted its Pride Lunch Trivia to support our LGBTQIA+ colleagues and friends in July 2024. To celebrate and raise awareness of LGBTQIA+ issues and themes, and to create a better understanding, we also organised a Kentucky Fried Pride competition for our KFC restaurant team members. Participants answered questions on how to be an effective ally to our LGBTQIA+ colleagues, friends, and customers, with the chance to win exclusive 'Always Original' shirts. With over 1,000 submissions, 100 winners were selected and received their KFC Pride Shirts. Additionally, our team members proudly display their Colonel Pride Pin to showcase their support as allies and to welcome everyone at KFC.

At Taco Bell, teams received a special delivery during Pride Month: a box filled with pride pins, pride hats, flags, and stickers for the team to celebrate Pride Month.

Our team members proudly demonstrate their support by showing off their rainbow colours, creating a safe space for our LGBTQIA+ colleagues and customers. It is the small gestures that can make a significant difference.

BELONGING @Collins | Pride EMBRACING LGBTQIA+

4.3 TALENT & DEVELOPMENT

2030 Ambition

– **>70% of employees feel we offer great development opportunities**
– **Accredited Diploma of Leadership & Management for our restaurant managers**

We are proud to offer thousands of team members the opportunity to develop and advance their careers. We strive to help all team members reach their potential and foster a culture of continuous learning. Our aim is to provide meaningful jobs, remove barriers to development across the entire business, identifying and nurturing talent and ambition, and charting career paths that inspire our team members. Our focus on training and development supports career growth, ensures safety and wellbeing, and equips our people with the skills they need to thrive.

Our focus and key initiatives

Promotions and Career Paths: Providing clear and structured career development paths to help our employees advance is a key aspect of our employee proposition. Many team members join Collins Foods as first-time job seekers that begin their professional career. Through targeted training programs and mentorship, we empower our team members to pursue their professional goals and take on new challenges. We believe everyone should follow a career path that suits their ambition and brings out an individual's potential, and we are especially proud of those that make use of our development opportunities to build a lifelong career at Collins Foods.

your FUTURE

KFC CAREER PATH

Beyond

AREA COACH AND MARKET MANAGER
Developing senior leadership skills to build and mentor management restaurant teams to drive growth in their areas/markets

RESTAURANT GENERAL MANAGER
Taking full responsibility for restaurant operations

TEAM MEMBER
Learning how to do their jobs safely and the importance of customer service and food safety

SHIFT SUPERVISOR
Learning the important skills to manage team and restaurant operations

ASSISTANT RESTAURANT MANAGER
Learning restaurant leadership skills and putting them into practice

Developing Skills to Thrive: Our Restaurant Support Centres develop and deliver structured training programs to guide team members from entry-level roles through to leadership positions. These programs also help us build and maintain a strong bench of talent for future leadership and key positions. We are dedicated to helping our employees develop the skills they need to succeed. Our training initiatives cover a wide range of topics, from technical skills to leadership development. Overall, our programs are geared towards teamwork, decision-making and personal development, which increase self-esteem, confidence and pride. This approach ensures our team members are well equipped for a range of current and future roles, from entry-level to executive positions. It also supports a diverse pipeline of talented people available to be nurtured and empowered for leadership positions, and to drive our future success.

This includes:

– Comprehensive leadership programs for all restaurant leaders

– Blended learning offerings to accommodate work-life balance

– Ongoing professional development for RSC based employees.

As recognition of the value of our training & skills development approach for restaurant leaders, we are currently exploring obtaining a nationally recognised qualification for this, in the form of a Diploma of Leadership and Management, by applying for RPL (Recognition of Prior Learning).

Comprehensive Safety Focus: The safety and wellbeing of our people is a top priority, and this is reflected in our development offering. We offer extensive safety training to ensure that all employees are well-prepared to maintain a safe working environment in both our restaurants and our RSCs. We regularly update our programs to reflect the latest industry standards and best practices.

Building on the maturity of last year's program, we are actively reviewing our current offerings to identify new development opportunities. For example, we conducted a review of the Restaurant General Manager and Area Coach roles to better focus these roles on team support and service delivery; and our global team survey conducted included targeted questions on talent and career progression.

The results showed that currently 54% of our people believe Collins Foods offers great development opportunities. These insights will shape our future skills and career development strategy, helping us deliver on our 2030 ambition.

→ Empowering Local Talent

In addition to our focus on expanding the restaurant network and delivering great food, every new location is a place to learn, grow, and build a career. With every opening, we actively recruit local talent. Through our training programs, every employee is given opportunities to develop valuable skills and build a strong professional network.
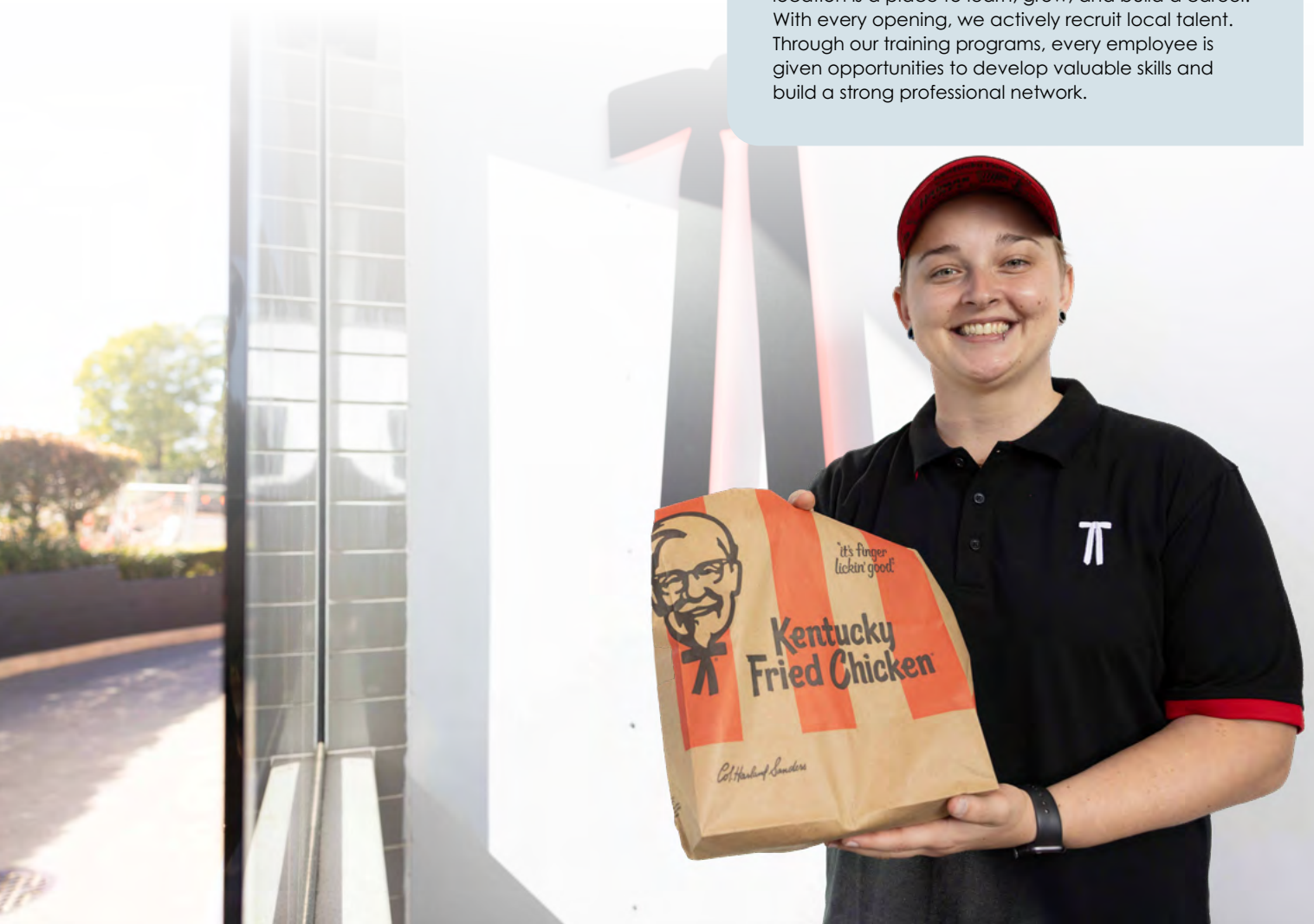
4.3 TALENT & SKILLS DEVELOPMENT CONTINUED

Our results

This year, we employed more than 21,000 team members, hired 11,281 new employees, delivered 737 internal promotions and facilitated a total of 258,902 courses.

TOTAL NUMBER OF PROMOTIONS	PROMOTIONS BY GENDER PROFILE %			
737	FEMALE **343** 57.30%	MALE **251** 42.00%	NON-BINARY/ OTHER **3** 0.50%	PREFER NOT TO ANSWER **1** 0.20%

TRAINING COMPLETION RATE

FY25 Training Completion Rates	Australia	Europe
Food Service & Safety Training Badge Certification	98%	93%
Customer Service Training Badge Certification	96%	98%
Food Safety Supervisor Training Badge Certification	99%	99%
WHS Induction & Training	97%	N/A
Stop and Step Back	76%	N/A
Restaurant Leadership Training	100%	99%

→ **Double interview Krystal Zugno & Alexander Hill**

Name: Krystal Zugno	**Name:** Alexander Hill
Current role: General Manager Australian Operations	**Current role:** Construction project manager
First role: KFC team member	**First role:** KFC team member
Other roles: Various team roles, Restaurant General Manager, Area coach, Market manager, Interim General Manager KFC Australia, General Manager Taco Bell	**Other roles:** Shift supervisor, Assistant restaurant manager, Marketing specialist and Co-ordinator for Taco Bell and KFC
# of years with Collins foods: 24 years	**# of years with Collins foods:** 6 years

At Collins Foods, we believe everyone should follow a career path that suits their ambition. In support of that, we pro-actively empower and invite our team members to seize opportunities and pursue their professional goals, while offering tailored training and mentorship along the way. Empowering isn't just about giving advice: it's about creating connections that shape careers and open up opportunities, as exemplified by the career paths of Alex and Krystal.

The power of mentorship

Krystal: From starting as KFC team member 24 years ago to my current role, I have found Collins Foods an environment that fosters exceptional opportunities for dedicated and driven individuals. The encouragement and guidance I received from a variety of mentors – both formal and informal - throughout the years, has been instrumental on my journey to my current tole: leading Collins Foods Australian KFC operations as General Manager and being part of Collins Foods executive team. Mentors empowered me to embrace opportunities, remain focused, and build confidence in my ability to lead teams and drive cultural excellence. I am committed to paying this forward by supporting others like Alex in their professional growth by acting as mentor myself.

Tailored development plan

Alex's rapid progression from an 18-year-old KFC restaurant team member, to a KFC marketing role in our RSC, to a role in construction is a testament to the impact of Krystal's mentorship.

"It was my first big office job," Alex recalls interviewing for his first RSC role in KFC marketing. "Meeting Krystal in her (then) role as interim General Manager of KFC was daunting, but she made it feel like chatting with a friend."

Krystal remembers it clearly. "That interview lasted 15 minutes, but I knew in two: Alex had energy, drive, and wanted to make a difference. I had no hesitation in hiring Alex immediately."

Krystal: "I was impressed by your clarity on your goals and persistence in achieving them. You worked full-time in Marketing, finishing your degree, and aimed to be a Construction Project Manager. In your Individual Development Plan (IDP) we set up a clear path to help you get there."

Learning by doing

Alex: "One big lesson I've learned from Krystal is to be effectively concise. I'm naturally energetic and that comes through in how I write emails or talk, but you helped me see how important it is to tailor that depending on the audience. Not everyone needs all the details, just the right ones."

Krystal (on Alex): If I had to sum you up in one word it's inquisitive. You dive deep into projects, take the time to understand every angle, and give meaningful insights back to the team.

Alex (on Krystal): For me, it's compassionate. You lead with empathy and always take the time to help others grow.

Alex: "We've had our healthy disagreements, like that Click & Collect trial. I was so sure I could do it in four weeks."

Krystal: "I knew it would take longer, and it did, but I also recognised it as a great opportunity for you to learn through doing. I didn't say "I told you so," but I did smile a little when you realised it."

Alex: "That project taught me a lot. You've always pushed me to elevate my work.

Which contributed to the success of a standout project for both Alex and Krystal a bit later on: the launch of Uber Eats (adding them as a new delivery service). "We met all the deadlines, the launch went off without a hitch, and we tripled our sales expectations. The celebration when we realised it worked was a moment to remember."

Trust the process

Alex: "It took five years to make it to Construction Project Manager, the role I was after. Not long at all in hindsight, although I was impatient at times. But I knew you supported me and your guidance helped me step back, take a breath, and see the bigger picture when I needed to. I wouldn't be where I am without you, Krystal. Your belief in me and the way you encouraged me to chase development opportunities - it made all the difference."

Krystal (on mentoring): "My main approach? Listen. Help gain clarity, offer honest advice, and match their energy. If they give 110%, I'll give 110%. Not everyone's aiming for the same goal, and that's okay, just support them on their path."

Alex: "And for anyone developing their career: be clear, be driven, and trust the process."

4.4 WORKPLACE HEALTH AND SAFETY

2030 Ambition

Comprehensive safety management system embedded across the business

Providing and promoting a safe and healthy workplace for all employees is one of our key priorities - from preventing slips, trips and falls in our restaurants, deescalating customer aggression, to safeguarding mental health and wellbeing.

Our focus and key initiatives

Throughout the year we delivered continuous training to all our team members across a variety safety topics, to ensure best practices stay front of mind. These training sessions cover topics such as chemical and electrical safety, fitness for work, managing heat and hot oil, sexual harassment prevention, emergency management, preventing workplace bullying, harassment and discrimination, security measures and handling violence, coping with hot weather conditions, safe handling of sharps and preventing slips, trips, and falls.

A major focus this year was to better understand the areas where we can further improve our health and safety practices. To support this, we completed several independent safety reviews. The findings are now being used to inform our updated 2025-2030 Safety, Wellbeing and Injury Management Strategy.

Our actions this year focused on:

Safety Leadership and Risk: We launched a hazard identification program to improve hazard awareness at leadership level, to better enable our leaders as safety role models. We strengthened our incident management and reporting culture, and reviewed our Safety Management System against the ISO45001.

Health and Wellbeing: We conducted a safety culture survey and conducted a psychosocial risk assessment which provided valuable insights into workplace stressors. These insights will help enhance our strategy for preventing work-related stress and supporting mental health, including early intervention and non-work-related injury management programs.

Safety Governance and Assurance: We strengthened our safety governance by reviewing and enhancing our assurance and consultation frameworks. This included updates to our WHS committee, groups and charters and formal safety investigation process.

European Operations: We are laying strong foundations for a proactive safety culture and steadily advancing the organisation's safety maturity in Europe. The appointment of a dedicated WHS Manager has driven an uplift in positive safety behaviours such as increased incident reporting. Compliance remains a key priority, with a comprehensive refresh of restaurant level risk inventories and action plans currently underway.

Our results and outlook

Our results show a second consecutive year of increased workplace injuries across our Australian operations as reflected in higher Total Recordable Injury Frequency Rate (TRIFR) and Lost Time Injury Frequency Rate (LTIFR). We anticipated this increase and consider it a positive result of a deliberate effort this year to strengthen our safety reporting culture. We expect and aim for this number to increase further in our European operations in the coming years, as we continue to uplift our European incident reporting practices. While increased reporting reflects stronger awareness, reporting and transparency, we acknowledge the need to improve our performance in this area. We will continue to mature our safety management system in coming years by implementing targeted strategies to reinforce our safety culture, enhance risk management, and support the well-being of our team members.

FY25 health and safety data	Australia	Europe	Group
Total lost time injuries reported	156	10	166
Lost time injury Frequency rate (LTIFR)	16.28	3.46	13.30
Total recordable injury frequency rate (TRIFR)	18.89	15.55	18.11
High Potential Incidents (HPI)	135	n/a[1]	135
Fatalities	0	0	0

Health and safety trend	FY22 (restated)	FY23	FY24	FY25
LTIFR	11.43	10.37	12.03	13.30
TRIFR	18.81	15.84	15.45	18.11

→ R U OK day in the park

R U OK is an Australian charity initiative focused on suicide prevention and public health promotion. Its goal is to initiate meaningful conversations by encouraging and empowering Australians to connect with friends, family members, and colleagues who may be experiencing challenges, by asking, "Are you OK?". R U OK? Day is the national day of action designed to emphasize the importance of maintaining attention on mental health.

Collins Foods joined in with an R U OK? Day picnic in the park, organised by our Safety & Wellbeing Team. We loved seeing everyone enjoying the food, conversation and challenging each other in giant 4-in-a row and Jenga. Moreover, many of our restaurant teams across Australia joined in by wearing their R U OK? badges, decorating their restaurants in yellow and starting conversation around mental health and available support services.

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1. HPIs will be measured in EU from FY26 onwards.

5

THRIVING COMMUNITIES

We aim to make a positive impact on the communities in which we operate as well as those affected throughout our value chain. We do this by taking ownership and showing responsibility around relevant topics such as public health, by striving to be the best neighbour we can be and supporting those in need.

This section outlines our progress towards achieving our ambitions for the following material issues:

– Consumer Health and Safety
– Affected Communities
– Ethical Value Chain

Key figures

Consumer health & safety:
– 380 food safety inspections passed with 95% compliance rate (FY24: 92%)
– 17% salt reduction in Original breading in Europe

Affected communities:
– Over $909k donated to charities

Ethical supply chain:
– 100% of our Tier 1 suppliers onboarded for ethical risk screening

5.1 CUSTOMER HEALTH AND SAFETY

2030 Ambition

– **100% of core suppliers are Global Food Safety Initiative (GFSI) Certified**[1]
– **Increased number of menu items will offer lower-calorie options**[1]

Serving food that tastes great and meets the highest standards of food safety is our primary goal. Increasingly, our focus also includes serving food that people feel good about eating, in line with global trends towards healthier food environments. Across our franchise network, this means providing transparent nutritional information on menu boards and websites and increasingly offering balanced choices and menu options that cater to a range of lifestyles and preferences and support public health efforts.

Our focus and key actions

FOOD SAFETY

We consider maintaining customer trust as our critical food safety mission. We manage this through our Food Safety and Quality Management Plan, our robust food safety culture, and our risk control measures, that are aligned with the Australia and New Zealand Food Standards Code, Food Safety Standards and Safe Food Australia guidelines. We view food safety as both a moral obligation and a public health imperative, with the goal of preventing any customer illness or injury. Our Food Safety and Quality Management Plan is structured across four pillars shown on the right.

Our food safety culture supports this plan with strong leadership, management commitment, empowered team members, accountability at all levels, people that know their obligations and who act appropriately in an environment of continual improvement.

Food safety is critical not only within our own operations, but also across our supply chain. Since 2022, our franchisor aligns with the Global Food Safety Initiative (GFSI), the most widely accepted benchmarking program in the world, which benchmarks food safety standards and provides governance that supports accredited third-party certification systems globally. Through this initiative, we are on our way to 100% GFSI Recognized Certification for all suppliers and distributors.

- **FOOD SAFETY INCIDENT MITIGATION**
- **BEST PRACTICE RESTAURANT FOOD SAFETY COMPLIANCE AND CULTURE**
- **SUPPLIER COMPLIANCE AND PRODUCT QUALITY**
- **EFFECTIVE AND INNOVATIVE PEST MANAGEMENT**

FOOD SAFETY CULTURE FRAMEWORK

- LEADERSHIP
- PERFORMANCE
- KNOWLEDGE
- MANAGEMENT COMMITMENT
- ACCOUNTABILITY
- CONTINUAL IMPROVEMENT

1. 2030 Ambition by our Franchisor Yum! Brands that we align with.

5.1 CUSTOMER HEALTH AND SAFETY CONTINUED

FOOD SAFETY RESULTS

– Currently 99% of our managers are certified food safety supervisors: 2134 in total (up from 1700 last year). They are responsible for leading food safety standards and driving food safety culture across our restaurants

– Notifications of food safety incidents in Australia declined by 5% compared to last year

– Over 380 regulatory inspections were conducted by local Environmental Health Regulators, with compliance improving 3% in FY25: 95% of restaurant inspected received an A or B rating (up from 92% last year)

– Over 1380 food safety supplier inspections were conducted by Yum! Brands and 98% of our core food suppliers are now GFSI certified

FOOD SAFETY INCIDENTS

Food safety incidents	FY24	FY25
Australia	2.36 per 100,000 transactions	2.26 per 100,000 transactions
Europe	0.91 per 100,000 transactions	1.53 per 100,000 transactions

NUTRITION & CHOICE

We are committed to responsible marketing practices and transparency around the food we serve. We display kilojoule information on menu boards and publish nutrition profiles and allergen information online.

We support and where relevant champion initiatives in our franchise network that focus on simplifying ingredients, reducing sodium and removing artificial colours and flavours where we can. In the Netherlands this has resulted in a 17% salt reduction in the Original breading for our chicken this year. Moreover, we align with Yum! Brands 2030 ambition to increasingly offer menu items with lower-calorie alternatives.

In Australia, KFC participated in the 2024 Inside our Quick Services Restaurants Report[1], prepared by Deakin University, which assessed and benchmarked various Quick Service Restaurant (QSR) company policies and practices for supporting healthier food environments and improving population nutrition. Overall, KFC ranked third out of 10 QSR brands assessed, and our score has increased 5 pts since 2018. Meanwhile in Europe, we reaffirmed our commitment to healthier food environments with the publication of our Fastservice Manifesto, which we drafted together with various QSR and hospitality peers and partners.

1. https://www.insideourfoodcompanies.com.au/_files/ugd/2e3337_ca4702e3989147a09c60b93cbc9b62b7.pdf.

→ **Interview with Anita Fraser, Quality Assurance & Food Safety Manager**

Anita's Collins Foods journey began over 30 years ago as a restaurant team member while studying at University. Since then, she has become a valued colleague and mentor to many, with a passion for the industry and a commitment to the highest food safety standards: "I promote a culture in which everyone takes responsibility for food safety, and we serve food that our customers trust."

Life Skills Taught to Young People

"A rewarding part of my role is seeing different generations develop through our restaurant systems. Young people learn essential life skills like interacting with the public, working as a team, time management and - what's very important to me – how to handle food safely." These skills are invaluable and can be carried through into their life and careers. Ensuring that what is taught is relevant to their role is crucial, as it helps them understand and manage risks early on. "From washing hands before shifts to having a clean uniform, these practices instil responsibility and pride in their work," Anita explains.

Professional Insights

"Our goal is to always exceed minimum standards and implement best practice across the board," Anita emphasizes. "For example, in 2023, new food safety legislation mandated a national requirement for every food business to have a certified Food Safety Supervisor. As best practice, we introduced that ALL managers in Collins Foods restaurants must be certified as Food Safety Supervisors and hold a valid Food Safety Supervisor Certificate (FSS). We trained over 800 additional managers in FY25 and now have 1,900 people trained and certified in Australia (2,134 in total globally) leading food safety standards and culture in our restaurants."

Looking Forward

"Innovation excites me, especially technology that improves safety and efficiency," Anita says enthusiastically. "Collins Foods constantly reviews processes to make them more effective for our teams and customers. From new equipment to improved quality control systems to improving product handling methods. I'm proud to work for an organisation that is committed to always doing the right thing, invests in its people and promotes innovative systems and practices," she concludes.

5.1 CUSTOMER HEALTH AND SAFETY CONTINUED

→ **Fastservice Manifesto towards a healthier food environment**

On May 14, 2024, Collins Foods published the Fastservice Manifesto on behalf of the KFC brand in the Netherlands together with six companies from the QSR industry. In this manifesto, KFC, McDonalds, Domino's, Bram Ladage, Kwalitaria and FHC Formulebeheer outline the steps they are taking towards a healthier food environment. A driver of unhealthy diets are food environments dominated by supply and marketing of unhealthy foods. The Manifesto therefore addresses topics such as menu offering – showing an increasing range of products with varied and improved nutritional values, product improvements, phasing out marketing to children, restaurant location policy (not in close proximity of vulnerable groups, such as near schools) and behaviour nudges and communication strategies.

"Creating a healthier environment is a joint responsibility. A responsibility that we as the Dutch fastservice sector, as part of Royal Hospitality the Netherlands (Koninklijke Horeca Nederland - KHN), feel and want to do something with. We see a role for ourselves within the broader playing field of food providers, to make an impact for a healthier environment. habitat and become part of the solution."

With the Manifesto, we aim to show our commitment to this. Collins Foods Head of Marketing in the Netherlands Tamara van Beelen (pictured), presented the Manifesto to Dutch State Secretary of Public Health, Wellbeing and Sport Maarten van Ooijen on 27 May 2024.

Our Netherlands nutrition & choice strategy includes:

Steamed corn as healthy alternative to fries (about 10% of sides chosen)

No child marketing and balanced, small-size children meals

Sugar-free drinks by default

Artificial colour and flavor free sauces

5.2 AFFECTED COMMUNITIES

2030 Ambition

>$1 million generated annually via Collins Foods Giving & community initiatives

With nearly 400 restaurants across Australia, the Netherlands and Germany, we have a broad and ongoing impact on communities through our restaurant locations, community actions, and supply chains that cater to those restaurants. In line with our key values, we believe these communities deserve our wholehearted commitment. We aim to be the best neighbour we can be by investing in community connections, employing and empowering local talent, supporting community initiatives and supporting those in need. This chapter outlines our continuous actions to ensure we make a positive contribution.

Our focus and key actions

Our community strategy focuses on the following components:

Being a good and responsible neighbour: Our standard ways of working are designed to minimise noise, light and litter around our restaurants. This includes daily inspections, regular maintenance of exhaust canopies, reducing outdoor lighting (lux), and smart drive-through traffic management to ensure continuous traffic flow at peak times.

Investing in our communities: We employ and empower talent, and support community initiatives hand-picked by our restaurant teams, such as fundraising events for local sports clubs.

Supporting those in need: We partner with several community organisations, charities and not-for-profits in Australia and Europe to support the communities we call home, both through our Collins Foods Giving program and through community days and volunteering actions.

Established in 2008, Collins Foods Giving raises funds year-round for charity partners and causes we care about. Funds are raised from customers in restaurants, from selling KFC merchandise, and through our Employee Giving Program, recognised by Workplace Giving Australia (WGA). This enables our employees to contribute an automatic weekly donation from their pre-tax salary to any one of 6[1] Australian charity partners . Collins Foods matches employee donations, up to an annual value of $150,000. This year, we donated a total of $909,600 to our partners. Since the start of our giving program in 2008, we have donated close to $8 million.

Our Collins Community Day initiative gives employees one day each year to volunteer with a charity of their choice, helping them connect with our communities and support causes that matter.

Companion Animal Network Australia CAN	Fights for a world that values the extraordinary bond between people and their pets.
ARDOCH REALISING CHILDREN'S POTENTIAL THROUGH EDUCATION	Helps to improve education outcomes for children in disadvantaged communities.
Breast Cancer Network Australia	Providing support, information, treatment and care to Australians affected by breast cancer.
Children's Hospital Foundation	Providing care for sick children and their families and funds for vital research and new equipment in Queensland and New South Wales.
youngcare	Revolutionising the way young people with high care disabilities live.
KFC Youth FOUNDATION	Supporting mental wellbeing for young Australians.

1. Ardoch ceased operations on 18 December 2024.

5.2 AFFECTED COMMUNITIES CONTINUED

→ Giving back to the community - a truly rewarding experience!

Our HR team in the Netherlands dedicated their community day to Leger des Heils. It was a truly memorable day, filled with meaningful connections and impactful moments.

The passion and compassion of the team at Leger des Heils was inspiring. Supporting their mission, even in a small way, served as a powerful reminder to our team of the importance – and impact - of giving back to the community.

→ KFC Youth Foundation

The KFC Youth Foundation is our way of supporting young Aussies beyond our restaurant walls, helping them build the mental wellbeing skills they need now and for the future. With over 90% of our team under 25, it's a cause that's close to our heart. In partnership with Black Dog Institute and ReachOut Australia, the Foundation supports youth mental wellbeing.

In FY25, Collins Foods proudly raised a record-breaking $534,097.23 - our highest total to date. We support the foundation year-round with donation boxes available in participating stores. Alongside this we run two major in-store donation drives each year, dedicated to raising awareness of the Foundation and encouraging customer donations by inviting them to either round up their order or to donate directly.

→ Team Taco Bell serves up food for those in need

Our Taco Bell leadership team dedicated their community day to working with FareShare, a not-for-profit kitchen in Brisbane. The team helped prepare and pack meals made from rescued, donated, and homegrown ingredients to support Australians facing hardship. Unfortunately, the demand for meal relief has never been higher due to the soaring cost of living many Australians face.

Each year Fareshare transforms rescued, donated and homegrown food into millions of meals, which are distributed for free to frontline charities including soup vans, homeless shelters, women's refuges, First Nations organisations and groups providing disaster relief.

5.3 ETHICAL VALUE CHAIN

2030 Ambition

>75% of our core suppliers in our screening platform subject to annual risk assessment

As a restaurant operator our value chain is complex, and we are several steps removed from the farms where animals are raised or animal feed is grown. In addition to challenges in agricultural supply chains around animal welfare and environmental impact, the food industry is considered a high-risk sector for forced labour. We take these challenges very seriously and are committed to working with suppliers who share our values and from whom we can source high-quality ingredients that are grown, raised and harvested with respect for people, animals and the environment.

Our focus and key actions

Our suppliers are split into core suppliers (~58% of our total suppliers), comprising major food, packaging, and distribution suppliers critical for the operation of our restaurants; and non-core suppliers (~42% of our total suppliers), providing non-cost-of-sales goods and services such as construction and maintenance.

Our Franchisor Yum! Brands conducts the sourcing and purchasing negotiations for food, packaging, equipment and other items on our behalf, which means we take a collaborative approach with Yum! Brands and other franchisees in prioritising ethical supply chain practices. This includes a commitment to supporting local suppliers wherever possible: in both Australia as Europe more than 90% of our core supply comes from local suppliers.

From a Collins Foods perspective, we have no appetite for any form of modern slavery or other unethical behaviour in the value chain. We require all suppliers to comply with our Supply Chain Management Code of Conduct. We are dedicated to enhancing visibility into the risks of potential modern slavery in our supply chains and embedding processes within our business to mitigate these risks. In identification of potential risks, we align our assessment with the United Nations Guiding Principles (UNGPs) on the potential for our business to cause, contribute to, or be directly linked to modern slavery.

In support of this, we continued our Sedex membership this year. Sedex enhances supplier risk visibility by assessing labour standards, health and safety, business ethics, and the environment through self-assessment and third-party audits. The risk assessments help us engage and collaborate with suppliers to address risk exposures and enhance transparency through improved disclosure and reporting.

Collaboration sessions were conducted throughout the year to discuss approaches and risks in the QSR industry. Participants included fellow KFC franchisees, our franchisor, and Sedex. We participated in food and beverage ethical sourcing forums to enhance our understanding of modern slavery risks and improve our engagement with suppliers.

As part of our broader corporate governance and risk management processes, we assess the effectiveness of our approach to modern slavery and are dedicated to ongoing improvement. For more detailed information about modern slavery risks in our value chain and the actions taken to mitigate these risks, please refer to our annual modern slavery statements available on our corporate website.

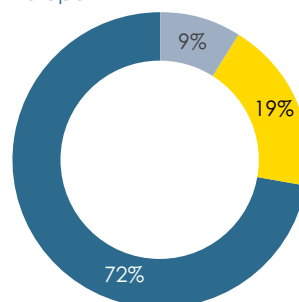## Our results

We onboarded all of our tier 1 suppliers for ethical risk screening this year, the majority via the Sedex platform. The graphs below show the risk screening of our core suppliers based on self-assessments as well as risk scores provided by Sedex based on company profiles.

Core Suppliers
Australia

4%
12%
84%
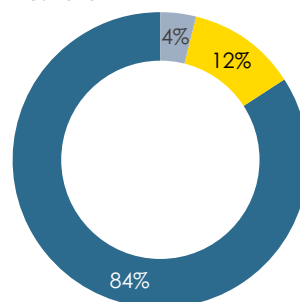
Core Suppliers
Europe

9%
19%
72%

- ● Low
- ● Medium
- ● High

6

GOVERNANCE

CORPORATE GOVERNANCE, ETHICS & INTEGRITY

Collins Foods' board and management are committed to high standards of corporate governance and ethics in our business activities, recognising this not only protects and enhances stakeholder interests but is also critical to our ongoing success. Our governance framework includes relevant internal controls, risk management processes and corporate governance policies and practices – such as our Group Code of Conduct and Supply Chain Code of Conduct - designed to promote responsible management and conduct and ensure business success in the short, medium and long term.

OUR GOVERNANCE STRUCTURE AND OVERSIGHT

We consider embedding sustainability in our corporate governance structure is essential to deliver on our sustainability goals. In FY25, we strengthened our sustainability governance by installing a Sustainability Council (SC), with senior representatives from across our business units and geographic locations. The SC is responsible for driving and championing our sustainability strategy, and validating and reporting key progress, actions and issues to our Executive Team, Audit & Risk Committee and board. With the SC we ensure clear and more embedded accountability and ownership of material sustainability impacts, risks, and opportunities across the business. Oversight of (specific components of) our sustainability agenda is provided by the Audit & Risk Committee (ARC) and People, Culture and Nominations Committee (PCNC), that convene at least every quarter. Names and profiles of our board and executive team members are available on our website.

Government and regulators	Business partners and investors	Shareholders (Investors)	Employees	Community

| Codes of Conduct/ Group Whistle blowers Policy | Legal & compliance and risk policies and procedures | Audit & Risk Committee | Board of directors | People, Culture & Nominations Committee | External and internal audit Independent assurance activity |

- Executive team
- Sustainability team | Group Sustainability council
- Business units and employees

OUR RISK MANAGEMENT

Collins Foods faces risks linked to its strategy, operations, and business environment. Effective risk management is essential to the Group's Corporate Governance framework, helping it achieve its goals and provide value to shareholders. The Group Risk Management Framework is informed by the Group Risk Management Policy and reflects the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations Principle 7 Recognise and Manage Risk and the International Organisation for Standardisation (ISO) standard 31000:2018 Risk Management.

The Group Risk Management Framework at Collins Foods helps identify risks and ensures appropriate controls or mitigation measures are in place. Collins Foods strives to manage risks within the Board's risk appetite and encourages a culture where risk management supports informed decision-making.

Key objectives of the Group Risk Management Framework are:

– Provide the Board and management with confidence that Collins Foods key business risks have been identified and are being effectively managed;

– Provide opportunities to improve cost management by implementing more targeted and effective risk treatment and control processes; and

– Provide efficient allocation of resources and management activity to risk management across the business.

In conducting our double materiality assessment (DMA) this year, we have aligned our sustainability risk scoring with our existing risk framework. After initial reconciliation of sustainability risks derived from the DMA with our existing risk register, we plan to further integrate these in FY26, to ensure material sustainability risks are managed in the same way as our broader organisational risks.

More information about our corporate governance, legal structure, board and board committee mandates, board member profiles and risk management can be found in the Corporate Governance Statement on our website.

ASSURANCE STATEMENT

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Independent Limited Assurance Report on identified Subject Matter Information in Collins Foods Limited's Sustainability Report 2025

To the Board of Directors of Collins Foods Limited

The Board of Directors of Collins Foods Limited engaged us to perform an independent limited assurance engagement in respect of the identified Subject Matter Information listed below in Collins Food Limited's Sustainability Report 2025 for the period 29 April 2024 to 27 April 2025 (the 'Subject Matter Information').

Subject Matter Information and Criteria

The Subject Matter Information and the Criteria are as set out in the table below:

Subject Matter Information	Criteria
Total Group Scope 1 GHG emissions (tonnes CO_2-e) (5,849 tonnes CO_2-e)	The criteria used by Collins Foods Limited to prepare the Subject Matter Information is set out in the 'Basis of Preparation' presented on pages 50 to 53 of Collins Foods Limited's Sustainability Report 2025.
Total Group Location-based Scope 2 GHG emissions (tonnes CO_2-e) (69,321 tonnes CO_2-e)	
Total Group Waste Diversion rate % (22.88%)	

The maintenance and integrity of Collins Foods Limited's website is the responsibility of the Collins Foods Limited management; the work carried out by us does not involve consideration of these matters and, accordingly, we accept no responsibility for any changes that may have occurred to the reported Subject Matter Information or Criteria when presented on Collins Foods Limited's website.

Our assurance conclusion is with respect to the reporting period 29 April 2024 to 27 April 2025 and does not extend to information in respect of earlier periods or to any other information included in, or linked from, the Collins Foods Limited Sustainability Report 2025 including any images, audio files or videos.

Responsibilities of Collins Foods Limited management

Collins Foods Limited management (Management) is responsible for the preparation of the Subject Matter Information in accordance with the Criteria. This responsibility includes:

- determining appropriate reporting topics and selecting or establishing suitable criteria for measuring, evaluating and preparing the underlying Subject Matter Information;
- ensuring that those criteria are relevant and appropriate to Collins Foods Limited and the intended users; and
- designing, implementing and maintaining systems, processes and internal controls relevant to the preparation of the Subject Matter Information, which is free from material misstatement, whether due to fraud or error.

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Our independence and quality control

We have complied with the ethical requirements of the Accounting Professional and Ethical Standard Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* relevant to assurance engagements, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Australian Standard on Quality Management ASQM 1*, Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our responsibilities

Our responsibility is to express a limited assurance conclusion based on the procedures we have performed and the evidence we have obtained.

Our engagement has been conducted in accordance with the Australian Standard on Assurance Engagements (ASAE) 3000 *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* and ASAE 3410 *Assurance Engagements on Greenhouse Gas Statements*. Those standards require that we plan and perform this engagement to obtain limited assurance about whether anything has come to our attention to indicate that the Subject Matter Information has not been prepared, in all material respects, in accordance with the Criteria, for the period 29 April 2024 to 27 April 2025

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we do not express a reasonable assurance opinion.

In carrying out our limited assurance engagement we:

- made inquiries of the persons responsible for the Subject Matter Information;
- obtained an understanding of the process for collecting and reporting the Subject Matter Information;
- performed analytical review procedures over the Subject Matter Information and obtained explanations from management regarding unusual or unexpected variations;
- assessed the appropriateness of the scope 1 and 2 GHG emission factors and methodologies applied in calculating the total scope 1 and 2 GHG emissions, and tested the arithmetical accuracy of the GHG emission calculation;

ASSURANCE STATEMENT CONTINUED

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- reconciled a sample of scope 1 and 2 GHG emissions to relevant underlying records and calculations;
- reconciled a sample of total solid waste, including waste diverted from landfill and incineration, to relevant underlying supporting documentation and calculations;
- assessed the appropriateness of any material estimates made in preparing the Subject Matter Information;
- reviewed the Subject Matter Information to assess whether it has been prepared as described in the Criteria; and
- considered the disclosure and presentation of the Subject Matter Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Inherent limitations

Inherent limitations exist in all assurance engagements due to the selective testing of the information being examined. It is therefore possible that fraud, error or non-compliance may occur and not be detected. A limited assurance engagement is not designed to detect all instances of non-compliance of the Subject Matter Information with the Criteria, as it is limited primarily to making enquiries of the Responsible Party and applying analytical procedures.

Additionally, non-financial data may be subject to more inherent limitations than financial data, given both its nature and the methods used for determining, calculating and estimating such data. The precision of different measurement techniques may also vary. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, evaluation and measurement techniques that can affect comparability between entities and over time. In addition, GHG quantification is subject to inherent uncertainty because of evolving knowledge and information to determine emissions factors and the values needed to combine emissions of different gases

The limited assurance conclusion expressed in this report has been formed on the above basis.

Our limited assurance conclusion

Based on the procedures we have performed, as described under 'Our responsibilities' and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information has not been prepared, in all material respects, in accordance with the Criteria for the period 29 April 2024 to 27 April 2025.

Use and distribution of our report

We were engaged by the board of directors of Collins Foods Limited on behalf of Collins Foods Limited to prepare this independent assurance report having regard to the criteria specified by Collins Foods Limited and set out in this report. This report was prepared solely for the purpose of assisting Collins Foods Limited in its sustainability performance.

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We accept no duty, responsibility or liability to anyone other than Collins Foods Limited in connection with this report or to Collins foods Limited for the consequences of using or relying on it for a purpose other than that referred to above. We make no representation concerning the appropriateness of this report for anyone other than Collins Foods Limited and if anyone other than Collins Foods Limited chooses to use or rely on it they do so at their own risk.

This disclaimer applies to the maximum extent permitted by law and, without limitation, to liability arising in negligence or under statute and even if we consent to anyone other than Collins Foods Limited receiving or using this report.

PricewaterhouseCoopers

Michael Crowe   Brisbane
Partner   24 June 2025

APPENDIX 1. BASIS OF PREPARATION

REPORTING SCOPE AND BOUNDARY

This report summarises our sustainability performance over reporting period 29 April 2024 – 27 April 2025. It outlines our key sustainability challenges and opportunities and describes our strategy, key actions, systems and results. As part of our developing reporting journey, this report has been informed by several reporting standards including the Global Reporting Initiative (GRI) Standards 2021, the Australian Sustainability Reporting Standards (ASRS) 2024, and the European Sustainability Reporting Standards (ESRS) 2024. Any financial figures are in AUD unless otherwise stated.

Disclosures in this report relate to restaurants and other assets operated by Collins Foods Limited and its subsidiaries during the financial year, unless otherwise stated. This includes our Restaurant Support Centres and our restaurants. During FY25, Collins Foods' major assets included 288 KFC and 27 Taco Bell restaurants in Australia, 16 KFC restaurants in Germany, and 62 in the Netherlands. Restaurants opened within the last 30 days of the reporting period are excluded from certain data sets, as they do not have a material impact. Restaurants operated by other franchisees in the Netherlands, where Collins Foods acts as corporate franchisor, are out of scope of this report.

As a result of updating our 2030 Ambition Statement and Sustainability Strategy, past sustainability goals and targets are no longer included.

This report should be read in conjunction with our Modern Slavery Statement, Annual Report, Corporate Governance Statement and Financial Statements available on our website.

DATA QUALITY, VERIFICATION AND EXTERNAL ASSURANCE

We have made every effort to disclose information we feel provides relevant and meaningful insight into our sustainability activities and performance. We are in process of gradually improving our data management and data governance – a process which we anticipate will continue in the coming years as our metrics as well as reporting and assurance requirements evolve. All information provided in this sustainability report is subject to internal review. PwC has provided limited assurance over a selection of metrics in this report, as indicated in the table in the following section. The assurance report is included in the Independent Assurance Report section.

DEFINITIONS AND CALCULATION METHODOLOGIES

This section outlines the definitions and calculation methodologies used for the metrics covered in this report. Calculations and estimates have been used where we could not (fully) obtain primary or actual data.

The metrics in the table are linked to our material topics as selected in our FY25 double materiality assessment. The process and shortlisted topics are outlined in chapter 2 of this report, as well as in Appendix 2.

Definitions and methodology

Material topic: Climate change
We report our carbon footprint in tonnes of CO2-equivalent and in line with the guidelines of the Greenhouse Gas Protocol.

Metric	Definition, data sources and calculation methodology
Scope 1 emissions (tonnes CO2-e) **Limited Assurance provided by PwC**	**Definition:** Direct emissions from our owned and controlled sources, which includes our fleet, natural gas, liquified petroleum gas (LPG) and refrigerant emissions. **Data sources and calculations:** Fleet: Actual data from our service suppliers. Where actual data was unavailable, fleet activity data has been estimated from a known date range and extrapolated for the reporting period. Emissions from electricity consumed for EV vehicles charged at employees homes, are not included in the data. For the Netherlands and Germany we used the 2024 EPA emission factors, provided by our ESG system Watershed. For Australia we used the National Greenhouse Accounts Factors (NGAs) published by the Department of Climate Change, Energy, Environment and Water. Natural gas & LPG: For Australia and the Netherlands periodical meter reading data was used where available. Where this was not available, we used an estimated daily average based on actual consumption from a known date range and extrapolated this for the entire period. Germany: actual data was obtained from the calendar year annual invoice and extrapolated to the reporting period. For the Netherlands and Germany we used the 2024 EPA emission factors, provided by our ESG system Watershed. For Australia we used the National Greenhouse Accounts Factors (NGAs) published by the Department of Climate Change, Energy, Environment and Water. Refrigerants: Includes emissions of HFC-134a, R404A, R410A refrigerants from fridges, freezers, burger benches/cold lines and HVAC units. Other refrigerant assets such as ice machines, crushers and slushie machines are excluded from the calculation. For both Australia and Europe, the annual consumption of refrigerants has been estimated on the basis of data obtained from two of our service providers responsible for a number representative of our Australian stores, and extrapolated across the remainder of our Australian and European stores. Estimates regarding the number of refrigerant assets and type per restaurant in Australia have been made to calculate the refrigerant gas usage per type based on actual top-ups from the invoices. The total estimated amount of refilled refrigerants has been divided by 1,000 and converted into tCO2e using AR6 Global Warming Potential (GWP) values, provided by the IPCC. It is assumed that invoice data is complete and accurate, Australian and European restaurant populations share the same refrigerant factors and types per restaurant.

Definitions and methodology

Location-based Scope 2 emissions (tonnes CO2-e) **Limited Assurance provided by PwC**	**Definition:** Indirect emissions generated by the consumption of purchased electricity, steam, heating and cooling by our restaurants and RSCs and offices. **Data sources and calculations:** Based on the average emissions intensity of grids on which energy consumption occur. Most electricity data both in Australia as in Europe is actual data obtained from energy consumption monitoring systems and/or invoices. For energy in Australia we use estimates provided by Optima technologies. Where invoice data is unavailable, estimates were included using the same method as specified under Natural Gas. We applied the relevant emission factors of the countries where our restaurants are based. For Australia these are the NGAs as referenced under fleet data in Scope 1. For restating the FY24 Netherlands data we have used the 2024 location-based ("grid-mix") Well-to-Wheel emission factors provided by Milieu Centraal, Stimular, SKAO, Connekt and the central government. For FY24 Germany data we have used the CO2 informationsheet published by Federal Funding for Energy and Resource Efficiency in the Economy. For FY25 Netherlands and Germany we have used the location-based IEA 2024 emission factors, provided by our ESG system Watershed. The number of restaurants in Australia excludes 2 new restaurants that opened in April 2025, but include KFC Capalaba that was trading the entire year but closed in April 2025.
Scope 2 FY24 reported data	**Definition:** Indirect emissions from the consumption of purchased electricity by our restaurants in Australia and Europe, excluding the RSCs. Scope 2 emissions are reported net of renewable energy purchases. **Data sources and calculations:** Data sources and calculations: In Australia, where invoice data is unavailable, Scope 2 emissions from the consumption of electricity have been estimated using either a seasonal adjustment based on the same period in prior year, a daily average based on actual consumption from a known date range, extrapolated for the period where data is unavailable or, where no data is available, created an estimate based on a restaurant in the same state with similar sales. In Europe (Netherlands and Germany), most electricity usage data is obtained from energy consumption monitoring system. When no live data was available, the invoice data was used. If no actual data was available, an estimate was created based on a restaurant in the same area with similar sales. For the Netherlands we used the 2024 market-based grey power Tank-to-Wheel emission factors provided by Milieu Centraal, Stimular, SKAO, Connekt and the central government. For FY24 Germany data the CO2 information sheet published by Federal Funding for Energy and Resource Efficiency in the Economy has been used.
Scope 3 emissions (tonnes CO2-e)	**Definition:** All other indirect emissions not included in Scope 2 that occur in our upstream or downstream value chain. **Data sources and calculations:** To date we have not measured Scope 3 data, but provided estimates based on scope 3 data reported by Yum! Brands[1] and industry benchmarks[2].
Average emissions per ORE (tonnes CO2-e)	**Definition:** Average Scope 1 and 2 emissions per operating restaurant equivalent (ORE). **Calculation:** Total scope 1 and 2 emissions divided by the total number of ORE during the reporting period. ORE is calculated as the number of operating days of all restaurants divided by the number of days in the reporting period, and is considered a more representative measure of consumption than "average emissions per restaurant operating at year end", as new restaurants opened later in the year will otherwise skew the data.
Total energy consumed (GJ)	**Definition:** Total energy consumed which includes electricity use in our restaurants, RSCs and offices, including from our solar panels, as well as energy derived from fuel and natural gas. **Calculation:** Total energy calculated by our ESG system Watershed based on total amount fuel, natural gas and electricity used in MWh, multiplied by 3.6 to convert to Gigajoules.
Average energy consumed per ORE (GJ)	**Definition:** Average energy consumed per operating restaurant equivalent (ORE). **Calculation:** Total energy consumed in Gigajoules divided by the total number of ORE during the reporting period.
Carbon intensity per million ($)	**Definition:** Relative emissions per million AUD $. **Calculation:** total scope 1 and location-based scope 2 emissions in tonnes CO2-e / $M revenue.

1. Yum! Brands 2023 Global Citizenship & Sustainability Report.

2. Global Investor Engagement on Meat Sourcing Phase 3: Engaging QSRs on Climate and Water Risks to Protein Supply Chains, 2022.

APPENDIX 1. BASIS OF PREPARATION CONTINUED

Definitions and methodology

Material topic: Waste & resource use	
Metric	**Definition, data sources and calculation methodology**
Total Solid Waste (tonnes) **Waste Diversion (tonnes)** **Waste Diversion Rate (%)** Limited Assurance provided by PwC	**Definition:** Total solid waste is all solid waste collected from our restaurants, including general waste (which goes to landfill or incineration) and recycled waste, but excluding liquid waste (cooking oil and grease traps). Waste diverted means all waste diverted from landfill (Australia) or incineration (Europe) by means of recycling or recovery. It includes recycled paper & cardboard, commingled recycling, (packaged) organics and food recovery. The waste diversion rate is the percentage of total solid waste that gets diverted. **Data sources and calculations:** Includes a combination of actual and estimated weights data provided by our waste collection providers. Reported data excludes food court restaurants and restaurants serviced by the Sunshine Coast Council in Australia and European restaurants where waste disposal is controlled by landlord and local municipality, as Collins Foods does not have responsibility for, or data relating to waste collection services for these restaurants.
Grease traps and cooking oil (Lt)	**Definition:** Liquid waste in form of used cooking oil from our cookers and fryers, and grease collected from our grease traps. **Data sources and calculations:** mostly actual data provided by our waste collection providers, which is used to extrapolate to the total number or restaurants in our operations where actual data was not available.
Food waste %	**Definition:** The delta between food items we purchase versus items we have sold, calculated as a % of total sales. This also includes items unaccounted for ('missing'), which we include in this percentage of items 'wasted'. **Data sources and calculations:** We calculate the % based on data from our systems in which we record our sales, our purchasing (invoiced amounts by suppliers) and inventory data.
Food recovery (KG)	**Definition:** Cooked food from our restaurants that is collected by charity partners for donation. **Data sources and calculations:** actual data from our charity partners in KG. Our partner in the Netherlands reports in crates instead of KG, which is why a range of KG is provided in the call out box that reports this number. The KG amount of food recovered in Europe used in calculation our diversion % is estimated at the middle of the range provided.

Material topics: Working conditions, Equity, Inclusion & Belonging, Talent & development, Workplace Health & Safety	
Data sources and calculations: all people data except Gender pay gap is actual data from our internal systems like our HR, Payroll and incident reporting system.	
Metric	**Definition, data sources and calculation methodology**
Full time employee	**Definition:** Employees with a full-time contract which equals 38 hours each week in Australia and 40 hours each week in Europe.
Part time employee	**Definition:** Employees with a part-time contract with a set amount of guaranteed hours each week.
Non guaranteed hours employee	**Definition:** Employees without a guarantee of a minimum or fixed number of working hours per week or month.
Turnover rate (%)	**Definition:** The percentage of employees out of the total who left the company within the reporting period.
Senior leaders profile %	**Definition:** Senior leaders includes our Market Managers, (Group) Heads of, Group financial Controller, Chief People Officer EU, Chief Development officer EU, Operations Director EU, Finance Director EU. The % calculates the % female or male from the total.
Gender pay gap (GPG) – Median total remuneration (%)	**Definition:** the difference between the median woman's and median man's average earnings, expressed as a percentage of the median man's earnings. **Calculation:** GPG = 100% x (Median male total remuneration - Median female total remuneration) / Median male total remuneration.
Gender pay gap (GPG) – Average total remuneration (%)	**Definition:** the difference between women's and men's average earnings, expressed as a percentage of men's average earnings. **Calculation:** GPG = 100% x (Average male total remuneration - Average female total remuneration) / Average male total remuneration.

Definitions and methodology

Training sessions delivered	The total number of training modules completed by staff, either online or in person, across our entire training curriculum and all our locations.
Training completion rate	The % of trainings modules completed out of the total started within a certain category.
Lost Time Injury and Lost Time Injury Frequency Rate (LTIFR)	**Definition:** A lost-time injury is an injury that requires one full shift away from work and is lodged as a lost time workers compensation claim, but does not include journey claims.
	Calculation: LTIFR = (Number of Lost-Time Injuries/total hours worked) x 1,000,000.
Total Recordable Injuries & Total Recordable Frequency Rate (TRIFR)	**Definition:** A recordable injury is an injury requiring professional medical treatment.
	Calculation: TRIFR = (Number of Recordable Injuries/total hours worked) x1,000,000.
High Potential Incident (HPI)	**Definition:** a 'near miss' incident: an event that, while not causing harm, could have resulted in serious injury, illness, or damage if circumstances had been different.

Material topic: Customer Health & Safety	
Metric	**Definition, data sources and calculation methodology**
Food safety incidents	**Definition:** The number of food-borne illness and foreign object notifications per 100,000 transactions.
	Data sources and calculations: Number derived from actual complaints data from customers logged via our complaints system as provided by our franchisor.
Certified Food Safety Supervisors (FSS) trained	**Definition:** Number of managers and % of total managers that hold a Food Safety Supervisor Certification, in line with government food safety legislations.
	Data sources and calculations: Actual data from our HR systems.
Regulatory food safety inspections & compliance rate (%)	**Definition:** Food safety inspections conducted by local Environmental Health Regulators.
	Data sources and calculations: As inspection scoring systems vary across jurisdictions and over time, we review and classify inspection results in our internal system using the following 4-point scale:
	A: 5 star / clean bill of health
	B: Minor housekeeping / some maintenance needed
	C: Food safety, pest or major housekeeping or maintenance breach
	D: PIN, license suspension, closure
	We calculate our inspection compliance rate (%) as the % of restaurant receiving an A or B rating in the inspection.
GFSI certification	**Definition:** Global Food Safety Initiative (GFSI) certification is a process that ensures businesses adhere to globally recognized food safety standards. GFSI doesn't issue certifications itself, but benchmarks and recognizes other (e.g. local) food safety certification programs that meet its requirements. Companies that wish to obtain GFSI certification must first select a GFSI-recognized certification program, then implement a food safety management system, and finally undergo an audit to demonstrate compliance.
	Data sources and calculations: Actual data from our a system provided by our franchisor Yum! Brands which is integrated with GFSI system to ensure it shows up-to-date certification data.

FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements and information as defined by applicable securities laws. These statements may relate to our sustainability strategy, short- and long-term sustainability goals and targets, strategic priorities, commitments, and future plans.

Forward-looking statements involve uncertainties, and factors that could cause actual outcomes to differ materially from those expressed or implied. These factors include, but are not limited to: climate change impacts, compliance costs related to environmental laws, technological advancements or limitations, changes in laws and government regulations, market conditions and sales performance, operational disruptions, natural disasters, and adverse weather events, legal and regulatory matters affecting operations or workforce, broader economic, political, and social developments.

APPENDIX 2. MATERIALITY & STAKEHOLDER ENGAGEMENT

MATERIALITY ASSESSMENT

We use the materiality principle to determine which sustainability topics to include in our sustainability strategy and reporting. To sharpen our focus and ensure timely alignment with upcoming regulatory requirements, we updated our materiality approach this year to a Double Materiality Analysis (DMA) in line with CSRD requirements. This requires assessment of both the company's impact on people and planet across various sustainability topics (inside-out), as well as the (potential) financial impact on the company as a result of sustainability risks and opportunities.

As part of this process we reassessed market and industry trends, defined and scored specific Impacts, Risks and Opportunities (IROs) for each topic and mapped these against our value chain, in consultation with relevant stakeholders. We used the ESRS (CSRD) impact assessment criteria across scope, scale, likelihood and irremediability for IRO scoring, and aligned this with our existing risk management scoring methodology. The table below shows the shortlist of topics addressed in this report.

Material topic	Value chain relevance	Impact materiality score		Financial materiality score	
		Positive	Negative	Risk	Opportunity
Climate change: Emissions from our RSC and restaurants (energy, fuel, refrigerants), and in our supply chain (farms, production facilities, transport & logistics, delivery, commute)	US, OO, DS		Very high (red)	High (red)	High (green)
Waste & resource use: Composition of our materials (packaging & utensils, furniture, equipment, building mat.), waste & recycling, food waste & recovery	US, OO, DS		High (red)	Moderate (red)	Very high (green)
Biodiversity: Nature impacts in our value chain (i.e. deforestation, soil degradation) associated with soy (chicken feed), beef & coffee farming; risk of diseases (e.g. avian flu)	US		High (red)	High (red)	
Animal welfare: On farms and hatcheries in our supply chain	US		High (red)	Moderate (red)	
Working conditions: Our working conditions (incl. wages, rest breaks, rostering), family fund and prevention of child labour	OO	Very high (green)		High (red)	High (green)
Talent & development: Employee training & coaching, skills development and career progression	OO	Moderate (green)		Moderate (red)	Very high (green)
Equality, inclusion and belonging (EIB): Incl. beyond gender diversity, pride, culture	OO	Very high (green)		Minimal (red)	High (green)
Workplace Health & Safety (WHS): Incl. incidents, customer aggression, mental & psychological health, bullying and harassment, safety culture.	OO		High (red)	High (red)	
Consumer health & safety: Food safety, consumer & public health, nutrition & choice, responsible marketing	DS		Very high (red)	High (red)	High (green)
Affected communities: Our impact on communities close to restaurants and in our supply chain (incl. employment, vulnerable groups, waste and noise, giving & volunteering	US, OO, DS	Minimal (green)	Moderate (red)	Moderate (red)	
Ethical value chain: Workers in our value chain, labour conditions and human rights, e.g. on farms, transportation.	US, DS		Moderate (red)	Moderate (red)	
Business conduct: Incl. our corporate culture & integrity, business practices, cyber risk management, transparency	US, OO, DS	Moderate (green)		Moderate (red)	

Legend

Value chain relevance:
– US: Topic is material in our **upstream** value chain
– OO: Topic is material in our **own operations**
– DS: Topic is material in our **downstream** value chain

Impact materiality score: The (potential) magnitiude and likelihood of our impact on people and planet

Financial materiality: The (potential) magnitiude and likelihood of financial impact of sustainability risk and opportunities on our business

🔴 Very high (potential) negative impact or major risk
🔴 High (potential) negative impact or significant risk
🔴 Moderate (potential) negative impact or moderate risk
🔴 Minimal (potential) negative impact or minor risk
🟢 Very high (potential) positive impact or major opportunity
🟢 High (potential) positive impact or significant opportunity
🟢 Moderate (potential) positive impact or moderate opportunity
🟢 Minimal (potential) positive impact or minor opportunity

APPENDIX 2. MATERIALITY & STAKEHOLDER ENGAGEMENT CONTINUED

STAKEHOLDER ENGAGEMENT

The table below outlines our engagement with our key stakeholder groups as introduced in chapter 2 of this report. We aim to maintain an ongoing and constructive dialogue with these groups, across our geographical locations. Examples of these engagements are highlighted in the following table.

Stakeholder Group	Definition	Topics we address	How we engage
Team members	Our employees who work in our restaurants and RSCs	Working conditions, talent & development, EIB, workplace health & safety, consumer health & safety, employee engagement, workplace giving and community days, waste management, expectations on our climate strategy	Internal communications and town halls, development pathways, engagement surveys
Customers	Customers who enjoy our food in restaurants, use drive-throughs, or order online	Food safety, nutrition & choice, plant-based options, service satisfactions, sustainable restaurants, waste & recycling	Direct engagement, engagement surveys, feedback, satisfaction and complaints data, online
Shareholders	The owners of our company	Sustainability risks, opportunities and our resilience, sustainability ratings	AGM, investor meetings and roadshows, results announcements
Franchise partners	Our franchisor Yum! Brands, Inc. and other Yum! Brands franchisees	Greenhouse gas emissions, ethical sourcing, energy efficiency, packaging, food safety, menu offering and nutrition & choice, talent & development, EIB	Direct engagement, internal communications, council meetings, engagement activities
Suppliers	Our direct and indirect suppliers and partners	Ethical sourcing, human rights and modern slavery, scope 3 emissions, waste management, climate and biodiversity supply chain resilience	Direct engagement through targeted interviews and meetings, site visits, Sedex supplier screening program
Affected communities	Communities where we operate our restaurants and offices, who benefit from our giving and other programs, or are impacted by our value chain	Local economic empowerment, community needs	Local support, fundraising and donation programs, direct engagements, community partners
Society and the planet	Represented by NGOs, not-for-profits and experts on material topics we impact	Biodiversity and nature impacts, animal welfare, climate change, waste and resource use, EIB	Consultations and direct engagements
Lenders	Banks that provide loan capital to support our business growth	Sustainability risks, opportunities and our resilience, industry collaboration and innovation	Direct engagement, meetings and interviews
Governments & regulators	Official representatives in the markets where we operate	Legislation and public policy, transition to green energy, licenses and permits, public health	Panel discussions, request for information, direct engagement, through collaborative initiatives with industry-peers

APPENDIX 3. GLOSSARY

Indicator / term	Definition
ASX	Australian Securities Exchange
ASRS	Australian Sustainability Reporting Standards
BCC	Better Chicken Commitment
CDP	Carbon Disclosure Project
COC	Code of Conduct, outlining the standards of responsibility and ethical conduct expected of directors and employees, and where relevant and to the extent possible, consultants, secondees and contractors
CSRD	Corporate Sustainability Reporting Directive
EIB	Equity, Inclusion and Belonging
ESG	Environmental, Social and Governance
ESRS	European Sustainability Reporting Standards
GHG EMISSIONS	Greenhouse gas (GHG) emissions, reported in tonnes of CO2-equivalent.
GPG	Gender Pay Gap (GPG). A measure derived from WGEA reporting that measures the difference between average earnings of women and men in the workforce
GRI	Global Reporting Initiative
GSFI	Global Food Safety Initiative certification is a process that ensures businesses adhere to globally recognized food safety standards
IPCC	Intergovernmental Panel on Climate Change, a body of the United Nations tasked to provide scientific information to use for climate policies
ISSB	International Sustainability Standards Board
KFC	Kentucky Fried Chicken
LTIFR	Lost Time Injury Frequency Rate calculated using the formula: (number of Lost-Time Injuries/total hours worked) x 1,000,000
NGER	National Greenhouse and Energy Reporting
MWH	Megawatt Hours
ORE	Operating Restaurant Equivalent (ORE) Number of operating days of all restaurants divided by number of days in reporting period
OSH	Ownership Share Plan
PERIOD 13	The thirteenth four-week accounting period in the reporting year
QSR	Quick Service Restaurant (QSR) offering food items delivered through quick service
RSC	Restaurant Support Centres (RSC) located in Australia, the Netherlands and Germany
SUPPLIER CoC	The Supply Chain Management Code of Conduct that outlines the rules and standards of conduct that apply to third parties in Collins Foods' food production and supply chain
SASB	Sustainability Accounting Standards Board TBI Taco Bell International
TBI	Taco Bell International
TCFD	Taskforce on Climate-Related Financial Disclosures
TNFD	Task Force on Nature-Related Financial Disclosures
TRIFR	Total Recordable Injury Frequency Rate (TRIFR) calculated using the formula: (number of Recordable Injuries/total hours worked) x1,000,000
UNGPs	United Nations Guiding Principles on Business and Human Rights: the global standard for preventing and addressing human rights abuses related to business activity
UN SDGS	United Nations Sustainability Development Goals
VOC	Volatile organic compound
WGA	Workplace Giving Australia
WGEA	Workplace Gender and Equality Agency (WGEA), an Australian Government statutory agency created by the Workplace Gender Equality Act 2012 charged with improving gender equality in Australian workplaces
WHS	Workplace Health and Safety

APPENDIX 4. POLICIES, PROCEDURES & RESOURCES

Further information on how we manage our material topics addressed in this Collins Foods' Sustainability Report is available from the following sources.

Policy	URL
Collins Foods Ltd	
Corporate Governance Statement	https://www.collinsfoods.com/investors/corporate-governance
Workplace Gender Equality Report	
Diversity and Inclusion Policy	
Group Code of Conduct	
Group Communications Policy	
Group Continuous Disclosure Policy	
Group Disclosure Guidelines	
Group Risk Management Policy	
Group Securities Trading Policy	
Remuneration Policy	
Tax Transparency Reports	
Modern Slavery Statement	
Supply chain management Code of Conduct	https://www.collinsfoods.com/suppliers
Yum! Brands	
Global Animal Welfare policy	https://www.yum.com/wps/portal/yumbrands/ Yumbrands/ impact/esg-library
Nutrition Strategy & Policy	
Sustainable Packaging Policy	
Supplier Code of Conduct	
KFC	
KFC Western Europe Soy Report	https://brand-uk.assets.kfc.co.uk/drupal/production/2023-11/ KFC-Soy-Full-Report-2023.pdf
KFC Australia Modern Slavery Statement	https://www.kfc.com.au/social-impact