

## The Wendy's Company Enhances and Expands Supplier Code of Conduct

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### Code Expanded to Additional Suppliers in the United States and Canada, and Highlights Social Responsibility Requirements for Conducting Business within the Wendy's Family

DUBLIN, Ohio, March 1, 2017 /PRNewswire/ -- The Wendy's Company today [announced the expansion](#) of its [Supplier Code of Conduct](#) which now includes all U.S. and Canadian contracts managed by Quality Supply Chain Cooperative (QSCC) and suppliers that provide a significant stream of goods or services to The Wendy's Company on an annual basis. The Code also includes new requirements for certain suppliers of whole, fresh produce, and identifies future aspirations to encourage continuous improvement in a meaningful way.



"Since its founding in 1969 by Dave Thomas, Wendy's® has operated under a core set of values and is proud of long-standing, collaborative relationships with some of the food industry's leading suppliers," said Todd Penegor, President & CEO of The Wendy's Company. "We expect all of our suppliers to comply with the law and use best practices in all aspects of their operations, and to conduct business in a way that is consistent with the values of Wendy's and our franchisees. Further, it's important to us to reaffirm our past commitments and aspire to even greater accomplishments in the areas of environmental and social responsibility."

The Code focuses on topics important to the Wendy's brand and its customers, including:

- Food Safety and Food Ingredients
- Farm Animal Health and Well-Being
- Human Rights and Labor Practices
- Environmentally Sustainable Business Practices
- Business Ethics and Integrity

The Company will now add approximately 100 additional suppliers to be covered by the Code, including all U.S. and Canadian contracts managed by QSCC, and suppliers that provide a significant stream of goods or services to The Wendy's Company on an annual basis.

The Code will also require third party reviews related to the human rights and labor practices of certain produce suppliers. The decision to add third party reviews was due in part to the nature of agricultural work, its workforce, and an evaluation of various risk factors.

The Code's provisions apply to all suppliers. However certain sections may be inapplicable to certain suppliers. For example, Food Safety and Food Ingredients is relevant only to those suppliers that provide food, paper or packaging services to Wendy's, and Farm Animal Health and Well-Being is relevant only to meat and protein suppliers that are included within the scope of the Wendy's animal welfare program.

"At Wendy's, we are committed to setting clear goals in the areas of social responsibility and communicating our progress against these goals," said Liliana Esposito, Chief Communications Officer for The Wendy's Company. "We will continue to promote and encourage our suppliers and partners to employ responsible business practices and work to bring greater transparency so that consumers can continue to trust Wendy's and the values upon which this company was built."

Wendy's has been a leader and innovator in the quick-service restaurant industry across the corporate social responsibility spectrum. In the past few years the Company has reported progress on the following items:

- **RAISES THE BAR ON CHICKEN QUALITY.** In February 2017, Wendy's announced a \$30 million investment in [chicken quality](#). This includes partnering with its suppliers to use 20 percent smaller birds—surpassing the standards of other restaurant brands. The changes will be implemented across the entire U.S. supply of Wendy's premium chicken breasts through the second quarter of 2017 and all suppliers are already raising birds to the new specification.
- **STRENGTHENS ANTIBIOTICS POLICY.** Building on a multi-year effort to encourage the responsible use of antibiotics in its supply chain, Wendy's made a commitment to [remove antibiotics important to human medicine](#) from its chicken supply by the end of 2017, while remaining committed to the necessary treatment of sick animals. The Company is on target to announce specific additional commitments related to antibiotics for pork and beef in 2017.
- **JOINS THE U.S. ROUNDTABLE FOR SUSTAINABLE BEEF.** With a commitment to serve only fresh, never frozen,\* [100 percent North American beef](#), Wendy's has long partnered with innovators and leaders throughout the beef industry to advance responsible practices in animal production, health and welfare. In December 2016, Wendy's joined the U.S. Roundtable for Sustainable Beef to continue to serve as a thought leader with an active voice in discussions about the environmental, social and economic sustainability of the U.S. beef industry.
- **LAUNCHES THE SQUARE DEAL™ BLOG.** In March 2016, Wendy's created a space dedicated to giving customers [The Square Deal](#) – Wendy's views on food, quality, animal welfare, foster care adoption, and doing their best to make Dave proud. Several posts a month are included on the blog with an opportunity for the public to share feedback and suggest future topics of discussion.
- **FURTHERS PROGRESS ON CAGE-FREE EGG COMMITMENT.** In January 2016, Wendy's announced plans to switch to a [100 percent cage-free](#) housing environment for eggs by 2020 and is currently evaluating other evolving best practices for poultry housing.
- **EMERGES AS ENERGY CONSERVATION CHAMPION.** Wendy's joined the U.S. Department of Energy (DOE) [Better Buildings Challenge](#) in December 2015, setting a public goal to improve energy efficiency by reducing the amount of energy use per transaction in Company owned and operated restaurants by 20 percent by 2025. By the end of 2015, Wendy's reduced its energy use by 6 percent against a 2012 baseline. Wendy's also became the first restaurant company to encourage individual franchisees to join the Better Buildings Challenge. To date, 15 franchisees representing more than 1,000 Wendy's restaurants are part of the Challenge. The Company also created the Wendy's Energy Challenge from the DOE's model to track and celebrate energy conservation of franchisees outside of the U.S.
- **ISSUES INITIAL REPORTING ON PALM OIL USAGE.** In August 2015, Wendy's became a member of the Roundtable for Sustainable Palm Oil (RSPO) and in 2016 reported its domestic Palm Oil use to the RSPO and the World Wildlife Fund. The Company has set a goal to use only certified sustainable palm oil in its North American food products by 2022. The Company is on track to announce their plan by the end of 2017 for sourcing certified sustainable [palm oil](#) in international operations.

Wendy's Supplier Code of Conduct is accessible under the Responsibility tab in [Supply Chain Practices](#) section of its website.

"We recognize the important role that continuous improvement plays in advancing our supply chain," said Esposito. "The relationship between Wendy's and our Suppliers is a journey based on mutual trust and transparency, and we strongly support and celebrate the work of our suppliers who find improvements in their policies, practices and processes."

Wendy's established its Supplier Code of Conduct in 2015 to aggregate and outline key priorities, and encourage supplier responsibility across critical areas of the supply chain. The Code — developed with input from Wendy's supplier community and through benchmarking with industry experts and Non-Governmental Organizations — took effect in 2016 and initially applied only to U.S. suppliers of food, paper and packaging. With the recent enhancements outlined earlier, the Code now represents the vast majority of The Wendy's Company and QSCC managed annual spending. Wendy's has been committed to reviewing its Code of Conduct regularly and will ask suppliers to reaffirm their acknowledgement of the Code annually.

*\*Fresh beef available in the contiguous U.S., Canada, and Alaska*

### **About The Wendy's Company**

The Wendy's Company (NASDAQ: WEN) is the world's third largest quick-service hamburger restaurant chain. The Wendy's system includes more than 6,500 restaurants in 30 countries and U.S. territories. For more information, visit [www.aboutwendys.com](http://www.aboutwendys.com).

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