

The Wendy's Company Reports on 2017 Corporate Social Responsibility Progress

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Wendy's System Raises More Than \$16 Million for Signature Cause, the Dave Thomas Foundation for Adoption, a 32 percent increase since 2015 **Updates Standards Related to Antibiotic use in Beef and Pork; Completes Journey to All Chicken Raised Without Medically Important Antibiotics** **Recruits 19 Franchise Organizations to Join Energy Reduction Challenge** **Launches WeCare, Employee Disaster Assistance Fund**

DUBLIN, Ohio, Dec. 15, 2017 /PRNewswire/ -- Today, The Wendy's Company released its annual update on the strides made to further Wendy's® Corporate Social Responsibility (CSR) initiatives related to its Food, Family and Community strategy.

• **FOOD**

○ **ANNOUNCES PROGRESS ON ANTIBIOTICS COMMITMENTS.**

Since Wendy's founding in 1969, the Company has recognized that the humane treatment of animals is an important part of its quality-centric commitment and, simply, the right thing to do. The animals that provide food to Wendy's today are well cared for by Wendy's suppliers. Wendy's updated its animal antibiotic policies and announced a goal of eliminating the routine use of medically important antibiotics while protecting the need for targeted, therapeutic use of an antibiotic in the limited cases where a sick animal needs to be treated individually, or in the unlikely case that animals have been exposed to an illness and treatment with an antibiotic is necessary to prevent a disease outbreak. Here are specific updates related to each species:

- **Chicken:** Wendy's has completed the process of eliminating all antibiotics important to human medicine from chicken production. All chicken served in Wendy's restaurants meets this requirement and will be process verified by the U.S. Department of Agriculture (USDA) to ensure compliance going forward.
- **Beef:** Wendy's only sources fed cattle, which are animals raised specifically for high-quality beef grades such as USDA Prime, Choice and Select. This higher specification, part of Wendy's heritage of high-quality and "fresh, never frozen*" beef, means the animals are younger and healthier, and likely require less medical treatment than older animals. With a commitment to quantify the antibiotic use within its beef supply chain and to reduce it meaningfully over time, Wendy's in 2017 engaged with a consortium of like-minded beef producers, thus, beginning in 2018, Wendy's will source about 15 percent of its beef from this progressive group of producers that have each committed to a 20 percent reduction of the only medically important antibiotic routinely fed to their cattle. Importantly, these producers will ensure that the antibiotic use in their cattle can be tracked and reduced. Wendy's is committed to increasing the amount of beef purchased from these producers and those following similar management practices.
- **Pork:** Wendy's only uses "market hogs," which are pigs raised specifically for pork production. These animals tend to be younger and healthier, and likely require less medical treatment than older animals. In addition, 100 percent of Wendy's supply chain is also part of the Pork Quality Assurance Plus program and operates under the federal Veterinary Feed Directive, which requires veterinary oversight of antibiotic use. As a next step, Wendy's is working with suppliers who are like-minded in their approach to this issue and with an eye toward progressively decreasing the use of antibiotics. In the future, Wendy's plans on working with pork producers to quantify the reductions in antibiotic use, and is committed to reporting on this progress.
- **EXPANDS SUPPLIER CODE OF CONDUCT.**
In 2017, Wendy's expanded its [Supplier Code of Conduct](#) to include all U.S. and Canadian contracts managed

by Quality Supply Chain Cooperative (QSCC), the sole authorized purchasing organization for Wendy's company and Wendy's North American franchised restaurants; and to other suppliers that provide a significant stream of goods or services to The Wendy's Company on an annual basis, beyond those suppliers managed by QSCC. The Code is centered on five areas, including: Food Safety and Food Ingredients, Farm Animal Health and Well-Being, Human Rights and Labor Practices, Environmentally Sustainable Business Practices, and Business Ethics and Integrity.

The Code's provisions were also expanded to include additional assurances and requirements related to human rights and labor practices, and The Wendy's Company now requires third-party reviews related to the human rights and labor practices for certain suppliers of hand-harvested, whole, fresh produce.

For the second year in a row, Wendy's achieved 100 percent acknowledgement of the Code by designated suppliers. The Company also continues to make progress on developing a plan to expand the scope and application of the Code to the international supply community.

○ **INVESTS IN CHICKEN QUALITY.**

Consumer concerns related to the toughness and texture of chicken breasts have been reported across the restaurant and retail industries. Given Wendy's long-time commitment to quality, Wendy's announced in February 2017 a partnership with its suppliers to make a system-wide [\\$30 million investment](#) and purchase chickens that are 20 percent smaller than conventional — far surpassing the standards of other restaurant brands.

This change significantly and immediately improved the tenderness and juiciness of Wendy's chicken – which included the fourth quarter launch of [Wendy's new Chicken Tenders](#) which come served with a Side of S'Awesome™ dipping sauce.

○ **ANNOUNCES PROGRESS WITH THE U.S. ROUNDTABLE FOR SUSTAINABLE BEEF.**

In 2017, Wendy's has actively participated as a member of the U.S. Roundtable for Sustainable Beef (USRSB), which released its [USRSB Sustainability Metrics](#) in November. These metrics are the latest tool helping those who raise, buy and sell beef to understand ways to balance and improve their environmental impact, social responsibility and bottom line. Further, consumers want to know more about their food and the USRSB has brought together the beef value chain – from producer to retailer – to create a framework for continuous improvement on issues involving the sustainable production of beef.

○ **FURTHERS PROGRESS ON CAGE-FREE EGG COMMITMENT.**

Wendy's continues progress in the journey towards 100 percent cage-free whole egg purchasing for restaurants serving breakfast. The Company also continues to evaluate best practices related to poultry housing for both laying hens and broiler chickens through regular engagement with its Animal Welfare council and leading suppliers.

○ **CONTINUES PROGRESS AND REPORTING ON PALM OIL USAGE.**

For the second year in a row, Wendy's has participated in the Roundtable for Sustainable Palm Oil's (RSPO's) Annual Communication of Progress (ACOP) and continues to make progress against its [commitment](#) of sourcing Certified Sustainable Palm Oil for its North American products. The Company is an RSPO member, has mapped its supply chain for Palm Oil used as an ingredient in North American operations, and educated suppliers about the requirement of sourcing certified sustainable palm oil.

Wendy's will again participate in RSPO's ACOP in 2018, and is also actively working with its international locations to source Certified Sustainable Palm Oil for cooking.

- **FAMILY**

- **ROLLS OUT BONDING LEAVE.**

Understanding the first few weeks of a newborn or adopted child is highly critical to the child's development, Wendy's added paid bonding leave to the Company benefits program. Bonding leave strives to encourage both parents to spend quality time with a newborn or adopted child. Wendy's will continue to support bonding leave and evaluate other progressive policies that encourage a meaningful work-life balance.

- **LAUNCHES WECARE EMPLOYEE ASSISTANCE FUND**

Wendy's People Helping Wendy's People is the mission of the Company's new program, [WeCare](#), an assistance fund that is designed to provide short-term financial assistance to Company and franchise employees within the Wendy's system who are experiencing financial need due to federally- or state-declared natural disasters. WeCare is funded by the Wendy's Foundation, the Company's philanthropic foundation, along with donations from Company employees and franchisees. Eligible applicants must be full-time or part-time employees of Wendy's International, LLC or any Wendy's franchise organization at the time of the event. Grants will be made available starting January 1, 2018, for state or federally-declared natural disasters.

- **SUPPORTS CONTINUED EDUCATION FOR EMPLOYEES.**

Last year, Wendy's partnered with GetSchooled, a not-for-profit organization whose mission is to empower and engage learners with the tools they need to succeed. Wendy's and GetSchooled have developed a platform, www.wendys.com/learn, which provides Company and franchise employees and their families with free access to academic advisors and coaches to assist with starting or going back to school, planning for college and finding financial resources.

Over the last year, the site had nearly 6,000 visits from users across the Wendy's system. Wendy's has also worked with Rosetta Stone to make virtual English as a Second Language (ESL) resources available in Company restaurants and participating franchise restaurants. This program helps Company and participating franchise employees improve their English speaking, reading and writing abilities.

- **DEVELOPS AND EXPANDS EMPLOYEE NETWORKS.**

Women of Wendy's (WOW) began in 2014 to develop female leadership within The Wendy's Company. Since then, Wendy's has expanded its employee networks, with the goal of promoting a safe, inclusive and supportive workplace environment. Wendy's supports its young professionals, the LGBT community and military personnel and families through WenGen, WeQual and the Wendy's Military Support Network (WMSN). New in 2017, Wendy's launched a Cultural Diversity group, which aims to serve as an authentic community for company employees to showcase themselves in ways that reflect their unique backgrounds. The Company will continue to partner with these networks to support employee connection, personal and professional development and community engagement.

- **PARTICIPATES IN THE CORPORATE EQUALITY INDEX.**

The Human Rights Campaign Foundation's Corporate Equality Index is an annual survey designed to review company policies related to workplace equality for the LGBTQ community. In 2018, the Company achieved a score of 80, which is a 160 percent increase since its initial participation in 2006. Some reasons for the increase include:

- Improved Equal Employment Opportunity policy, which includes sexual orientation and gender identity.
- Having equivalent medical benefits for employees with different-sex spouses and same-sex partners or spouses
- Having an LGBTQ employee network, WeQual
- Participating in LGBTQ public engagement efforts, which include Pride events and a partnership with

the [Kaleidoscope Youth Center](#).

- **COMMUNITY**

- **CONTINUES THE WORK TO FIND A HOME FOR EVERY CHILD...ALL 130,000 WHO ARE WAITING...IN THE NORTH AMERICAN FOSTER CARE SYSTEM.**

Since 1992, [Wendy's signature charitable cause](#) has been foster care adoption, and Wendy's has taken on the responsibility to raise funds and awareness for the children who do not have a place to call home or people to call Mom and Dad. This year, Wendy's worked especially hard to rally its customers around the cause through multiple national programs:

- National Adoption Night
- Snap Cups for Adoption
- Halloween Coupon Books
- Frosty® Key Tags
- Restaurant Donation Canisters

Through these successful programs, and other initiatives supported by the Company and its franchisees, Wendy's raised more than \$16 million for the Foundation and has increased its cause-marketing fundraising by 32 percent since 2015.

In September, Wendy's was honored to be chosen as the [Enduring Impact – Gold Winner](#) by the International Franchising Association for the long-time support of the Dave Thomas Foundation for Adoption and children in foster care.

Despite these efforts, thousands of children in foster care are waiting to find a loving home. Until every child has a forever family, Wendy's will remain a leading voice by raising funds and awareness for foster care adoption.

- **AWARDS \$150,000 IN COLLEGE SCHOLARSHIPS TO OUTSTANDING HIGH SCHOOL SCHOLAR-ATHLETES.**

Started by Dave Thomas in 1994, Wendy's High School Heisman® has recognized nearly 700,000 male and female high school seniors across the country who excel in athletics, academics and community leadership. Scholarships are granted to the 100 male and female state winners, eight national finalists and two national winners. On December 9, 2017, Wendy's celebrated 10 incredible National Finalists and named its male and female National Winners. Soleil Gaylord from Telluride High School in Telluride, Colo., and Jackson Destine from Atlantic Community High School in Delray Beach, Fla., won the top honors. Tune in to watch the annual Wendy's High School Heisman ceremony on Thursday, December 21, at 7:30 p.m., on ESPN2. To learn more about these 10 student-athletes, or to get notified when the 2018-2019 application is open, please visit www.wendysheisman.com.

- **CELEBRATES EMPLOYEE VOLUNTEERISM WITH THE COMMUNITY AMBASSADOR GRANT PROGRAM.**

Wendy's recognizes its extraordinary employees who live one of its founder's most important values: Give Something Back. Now in its eighth year, the Community Ambassador Grant Program recognizes employees who are going "above and beyond" by volunteering their time and energies to better their communities and actively support charitable efforts that help others in need. Employees nominate organizations they support with their time, talent and treasure for a \$2,500 Ambassador Grant. One employee from this group, Wendy's Restaurant Manager Matthew Esteves from Swansea, Mass., was recognized as the Ambassador of the Year and his organization – Fall River National Little League – received an additional \$10,000 grant.

- **CONTINUES TO REAP ENVIRONMENTAL AND FINANCIAL BENEFITS FROM ENERGY SAVINGS EFFORTS.**

Wendy's has made many commitments to reduce energy consumption over the past several years. Last year,

Wendy's joined the EPA's ENERGY STAR® program as an ENERGY STAR partner; and in December 2015, Wendy's joined the U.S. Department of Energy (DOE) Better Buildings Challenge, setting a public goal to reduce the amount of energy use in company-owned and operated restaurants by 20 percent by 2025. In July, [Wendy's blogged](#) about its 2016 results, reporting a 12 percent reduction in energy per transaction – well on the way to its stated reduction goal. Wendy's spent nearly \$1 million less in energy at Company restaurants in 2016 as compared to the 2012 baseline.

The passion Wendy's exhibits for energy conservation continues in the form of recruiting more franchise organizations to join the DOE's Better Buildings Challenge. Currently, the Challenge includes [19 participating](#) Wendy's franchise organizations, which represent a total footprint of 4.9 million square feet.

Wendy's Corporate Social Responsibility-focused materials are available and easily accessible through the blog, The Square Deal, and at www.wendys.com; both were redesigned in 2017. Presented in a streamlined layout, and driven by customer interest and research, Wendy's CSR priorities are easily accessed through top-level navigation under the heading of "What We Value."

**Fresh beef available in the contiguous United States, Canada and Alaska.*

The Wendy's High School Heisman is a trademark of Quality Is Our Recipe, LLC. The Heisman name is a registered trademark of the Heisman Trophy Trust, used with permission.

About Wendy's

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 29 countries and U.S. territories. For more information, visit www.wendys.com.

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