



# MTY SUSTAINABILITY REPORT UPDATE

2024



A young child with light brown hair, wearing an orange and yellow long-sleeved shirt, is pouring syrup from a glass bottle onto a waffle on a white plate. The waffle is golden brown and has some syrup already on it. In the foreground, there is a small white bowl filled with sliced bananas. The background is slightly blurred, showing a window and a person's arm.

# **CREATING A MORE SUSTAINABLE MTY FOR OUR FUTURE**

# TABLE OF CONTENTS

## INTRODUCTION

- 5 A Letter From our Director of Sustainability
- 6 MTY Global Footprint
- 7 About MTY
- 8 Our Purpose, Vision, and Values
- 9 MTY Brands
- 10 MTY RISE Committee

## FOOD

- 13 Our Food Pillar: Elevating Standards Through Responsible Sourcing
- 14 Animal Welfare
- 16 Hygiene & Food Safety
- 17 Recipe Development & Nutrition
- 18 Food Goals—2021 to 2025

## PLANET

- 20 Our Planet Pillar: Committing to a Low-Carbon Future Through Purposeful Actions
- 22 Energy & Emissions
- 23 Portrait of our Baseline Year GHG Emissions
- 26 Waste Management
- 28 Planet Goals—2021 To 2025

## PEOPLE

- 30 Our People Pillar: Empowering our People & Communities Through Growth and Innovation
- 31 Culture & Career Development
- 33 Community Support
- 34 MTY Supplier Code of Conduct
- 35 Cybersecurity & Data Protection
- 36 People Goals—2021 to 2025

## FORWARD-LOOKING STATEMENT








BARRIO QUEEN

# ABOUT THIS REPORT

Sustainability is important to MTY Food Group Inc. ("MTY," "we" or the "Company") and we are proud to publish this 2024 Sustainability Report Update ("Report"), which outlines the efforts we have made towards accomplishing our sustainability goals throughout our fiscal year ending November 30, 2024.

To better understand the status of our efforts, we use the following progress icons for each of our goals throughout this Report:

EARLY STAGES 
 IN PROGRESS / ON TRACK 
 GOAL ACCOMPLISHED! 
 IN CONTINUUM 
 BEHIND SCHEDULE 

Data underlying this Report was gathered from our corporate operations, Company-owned restaurants, and the brands that have been part of MTY for the entire 2024 fiscal year. The information in this Report covers initiatives taken during this period, spanning December 1, 2023, to November 30, 2024.

We understand sustainability is a work in progress. It is a journey that we take very seriously, and a great deal of thought is put into setting meaningful goals, tracking the progress of our goals, and determining Key Performance Indicators ("KPIs") to help measure our progress. We also understand that as our sustainability landscape evolves, adjustments will be necessary along the way.

This Report was informed by the Sustainability Accounting Standards Board's ("SASB") standards for Restaurants and standards for Processed Foods, the Global Reporting Initiative's ("GRI") reporting standards, and the Greenhouse Gas ("GHG") Protocol guidelines. SASB and GRI provide complementary sustainability standards which address the needs of our various internal and external stakeholders. We selected disclosure topics that are the most relevant to our business objectives. The GHG Protocol guidelines were chosen to support our greenhouse gas emissions reporting initiatives. The United Nations ("UN") Sustainable Development Goals ("SDGs") is a global call to action to end poverty, protect the planet and improve the lives and prospects for all. The SDGs' agenda for sustainable development was developed in 2015 by the UN and contains 17 goals. We support this initiative and aim to align with its goals relating to our impact areas.

MTY is responsible for the preparation and integrity of this Report.<sup>2</sup> All subject matter experts who contributed to the Report, as well as Company leadership, have reviewed and approved the report's content and data. This Report was not externally assured.

Thank you for taking the time to read this Report.

We welcome any questions or feedback about this report. Please contact us via [sustainability@mtygroup.com](mailto:sustainability@mtygroup.com).

<sup>1</sup> Throughout this Report, references to Company activities may include activities performed by subsidiaries of MTY Food Group Inc.

<sup>2</sup> Certain information in this Report has been provided by third parties, including our independent suppliers. In those cases, we have relied on such third parties for ensuring the accuracy and completeness of any provided information.



# A LETTER FROM OUR DIRECTOR OF SUSTAINABILITY

I'm pleased to share our 2024 Sustainability Report Update. While this edition offers a high-level overview, it highlights the meaningful progress we've made and the tangible impacts of our environmental, social, and governance ("ESG") initiatives across the organization.

This year, we reached a significant milestone with the release of our first Greenhouse Gas ("GHG") Inventory Report—a foundational step that supports the development of a formal environmental policy in the year ahead. The climate-related disruptions we experienced in 2024—including floods, wildfires, and extreme heat—further emphasized the urgency of building climate resilience across our operations and supply chain.

We also advanced our environmental stewardship by:

- Deepening our focus on biodiversity, recognizing its role in sustainable food systems;
- Making more informed packaging decisions to support circularity while fulfilling our obligations under Extended Producer Responsibility ("EPR") regulations.

On the social front, we published our first Modern Slavery Act Annual Report, outlining the steps we've taken to identify and mitigate the risks of modern

slavery and child labor throughout our operations and supply chain.

In addition:

- We joined Food Allergy Canada's Foodservice Industry Roundtable to support the development of voluntary allergen management guidelines;
- We became a member of the Animal Agriculture Alliance, enhancing our understanding of animal welfare and informing the development of our own practices. In line with this commitment, we proudly published our first formal Animal Welfare Policy—a key step toward setting clear expectations and driving continuous improvement across our supply chain.

Governance continues to anchor our ESG ambitions. This year, we began aligning with the SASB Standards for the Food Processing Sector at our manufacturing facilities, enhancing the comparability and relevance of our ESG data. We also monitored emerging environmental and social due diligence policies to ensure our governance remains agile and forward-looking. Just as important, stakeholder engagement remains central to our strategy—helping align our priorities with the needs of employees, franchisees, suppliers, and guests.

Looking ahead, we remain committed to advancing our sustainability agenda with focus and transparency. Whether by reducing our environmental footprint, upholding human rights, or supporting safe and inclusive dining, our work is grounded in a shared belief: food has the power to connect, nourish, and inspire.

As one of North America's leading restaurant franchisors, we understand our role in advancing climate action, fostering community well-being, and operating with care. Together with our stakeholders, we will continue building a more sustainable MTY.

Sincerely,



**Patricia Briere**

Director of Sustainability



# MTY GLOBAL FOOTPRINT



**\$5,636 M**

2024 SYSTEM SALES<sup>1</sup>



**7546**

DEDICATED EMPLOYEES<sup>2</sup>



**2**

MANUFACTURING PLANTS



**45**

YEARS OF HISTORY



**204.4  
MILLION+**

CUSTOMER TRANSACTIONS  
IN NORTH AMERICA



**90**

BRANDS



**40+**

COUNTRIES



**7,079**

LOCATIONS WORLDWIDE

6,827 Franchised locations

252 Corporate locations

**Headquarters:** St-Laurent, Québec, Canada

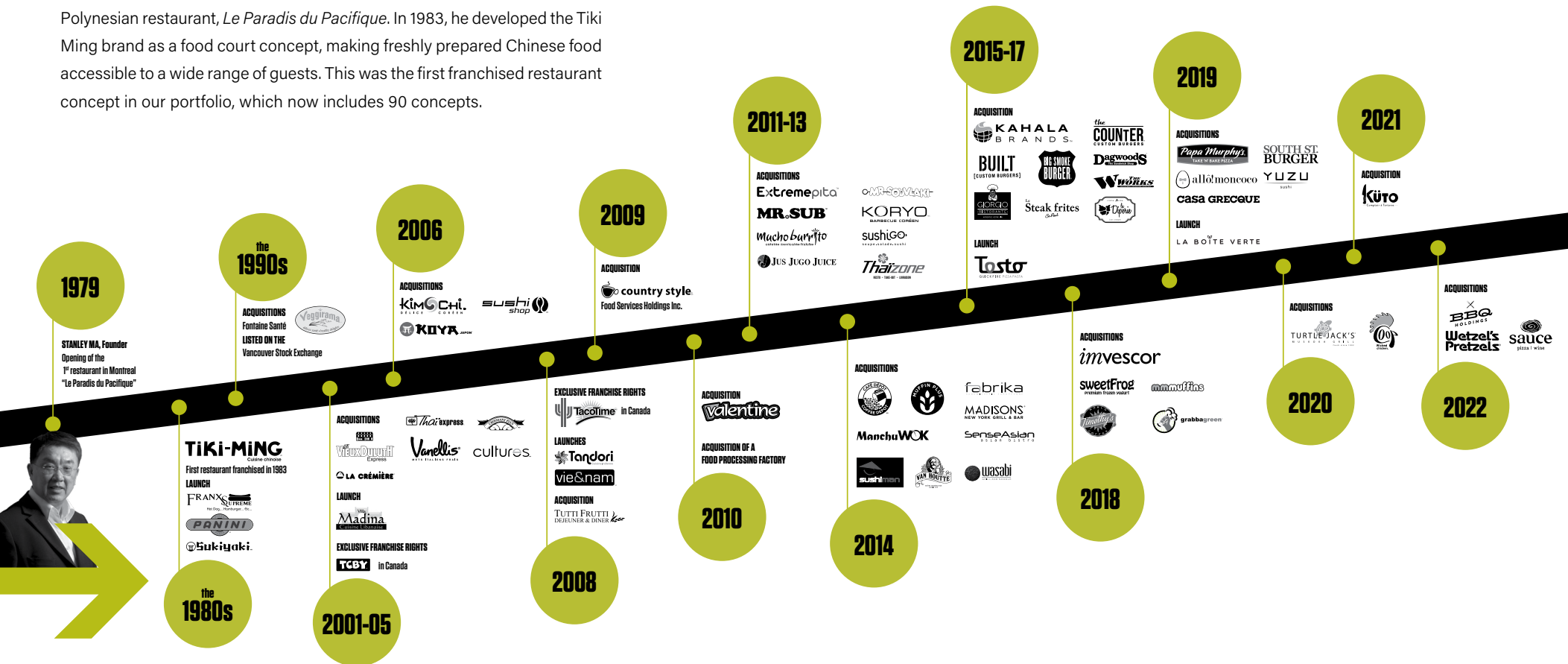
<sup>1</sup> CAD. For more information on system sales, Click [here](#) to download the 2024 Annual Report.

<sup>2</sup> Head Office, manufacturing plant, distribution center & corporate store employees as of November 30, 2024.

# ABOUT MTY

## HOW IT STARTED & WHO WE ARE

In 1979, Stanley Ma, founder of MTY, opened his first full-service Chinese and Polynesian restaurant, *Le Paradis du Pacifique*. In 1983, he developed the Tiki Ming brand as a food court concept, making freshly prepared Chinese food accessible to a wide range of guests. This was the first franchised restaurant concept in our portfolio, which now includes 90 concepts.



# OUR PURPOSE, VISION, AND VALUES

## “LET’S ROLL”

*Stanley Ma*

### OUR PURPOSE

Our Founder Stanley Ma's famous statement has been woven into our purpose, reflecting our continued efforts to increase our reach and to attain new heights year after year.

## CREATING A MORE SUSTAINABLE MTY FOR OUR FUTURE

### OUR VISION

We act consciously to aid in the sustainable transformation of the food industry. With a deep understanding that the health of our planet, our society, and our economy are intricately linked, we take a holistic approach to sustainability.

**EXCELLENCE.**

**DEDICATION.**

**INNOVATION.**

### OUR VALUES

Our Company was built on these values, and it can be felt throughout our team members, our brands, and our franchisees.

# MTY BRANDS



# MTY RISE COMMITTEE

The Board of Directors is responsible for the governance of MTY and has ultimate oversight and accountability for the successful implementation of the key goals established as part of MTY's ESG framework. However, specific corporate governance of our ESG journey and its guiding Pillars falls under the responsibility of the MTY Rise committee. The MTY Rise committee supports the Board of Directors in the creation of goals, metrics and targets the Company includes in its long-term sustainability plan and monitors progress towards achieving these goals.

The Chair of the MTY Rise committee presents updates and critical concerns to the Board of Directors and senior executives as needed.

“

Creating a more  
sustainable MTY  
for our future.

”



The MTY Rise committee is in place to collect, build and report on ESG related information from all stakeholders. The team's responsibilities include:

- Coordinating and monitoring achievement of the Company's defined ESG targets in relation to the United Nations Sustainable Development Goals, Global Reporting Initiative standards, and applicable Sustainability Accounting Standards Board standards;
- Proposing objectives, opportunities and goals in relation to sustainability and climate change issues;
- Presenting priorities and developing educational content to advance the collective knowledge, skills and experience of internal stakeholders; and
- Preparing annual sustainability reports with updates on the materiality analysis to align reporting standards with the identified relevant issues.

# MTY RISE

## SUB-COMMITTEES

MTY RISE's efforts are divided between sub-committees, with each playing specific roles and collectively working towards achieving MTY's sustainability goals:



### ENVIRONMENTAL SUB-COMMITTEE

Responsible for overseeing the creation and implementation of our environmental objectives across our operations with the goal of reducing our environment footprint.



### SUPPLY CHAIN SUB-COMMITTEE

Provides governance to ensure food safety, product quality standards and our policies are upheld consistently across our operations.

Responsible for aligning our best practices with respect to health and safety.

Oversees efforts and initiatives to ensure supplier compliance with recognized animal care standards or codes of practice, and monitors animal welfare best practices.



### DIVERSITY & COMMUNITY SUB-COMMITTEE

Sets initiatives to build on a positive workplace environment, fostering career development and employee retention.

Collects data on employee demographics and sets initiatives to support diversity, equity and inclusion.

Creates channels to support the communities in which we operate.



### STRATEGY & GOVERNANCE SUB-COMMITTEE

Oversees the overall strategy of MTY's sustainability journey and monitors the progress for each of its three Pillars.

Oversees the management of our key cybersecurity programs and risks and the measures to protect the confidentiality, integrity and availability of our data.

# FOOD



- 13 Our Food Pillar: Elevating Standards Through Responsible Sourcing
- 14 Animal Welfare
- 16 Hygiene & Food Safety
- 17 Recipe Development & Nutrition
- 18 Food Goals—2021 to 2025

# OUR FOOD PILLAR: ELEVATING STANDARDS THROUGH RESPONSIBLE SOURCING



MTY brings together a diverse range of cuisines and innovative concepts serving delicious, convenient, and high-quality food to our guests.

Our responsible sourcing approach is a key pillar of our broader ESG strategy, prioritizing ingredients that are chosen with integrity, respectful of human rights, and align with our commitments, including those related to animal welfare. We carefully select our sourcing partners to ensure the ingredients used across our brands uphold our food safety and quality standards and support our core values. Effective supply chain management plays a crucial role in delivering fresh, consistent products to our franchisees while maintaining accessible menu options at competitive prices for our guests.

We invite you to review the actions we took in 2024 towards achieving our Food Pillar's goals and our

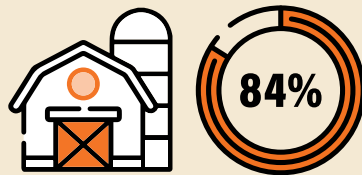
efforts to align with the following UN Sustainable Development Goals:



## 1. ANIMAL WELFARE

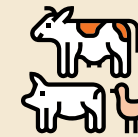
In 2024, as part of our responsible sourcing policy and broader ESG initiatives, we undertook a significant commitment to develop and implement a comprehensive Animal Welfare Program and related governance framework. This milestone reflects months of dedicated work by a cross-functional team, supported by external industry experts, to establish a robust and credible approach to animal welfare across our supply chain.

At MTY, we recognize the intrinsic value of animal life and are committed to promoting the humane, ethical treatment of all animals. Our policy is grounded in internationally recognized standards, including the Five Freedoms and the more progressive Five Domains models, which address both physical well-being and the emotional experiences of animals.



As a result of our implementation efforts, **84% of our suppliers have confirmed they have an animal welfare policy aligned with our requirements**, representing a **6% increase compared to our 2023 baseline**. This tangible progress underscores our commitment to continuous improvement, transparency, and responsible sourcing.

We view this commitment as a key component of our long-term sustainability strategy, supporting supply chain resilience, risk mitigation, and stakeholder trust. For further details on **MTY Animal Welfare Program**, please visit our website [here](#).



MORE THAN

**92%**

**OF ANIMAL PROTEIN PURCHASED BY  
OUR RESTAURANTS WAS FROM VENDORS WITH  
ANIMAL WELFARE POLICIES ALIGNED  
WITH THE MTY ANIMAL WELFARE PROGRAM**



## WE ARE PROUD TO REPORT THAT:

### EGG SOURCING PROGRESS

PROGRESS TOWARD MORE

HUMANE EGG SOURCING

Reflecting our commitment to animal welfare and responsible sourcing

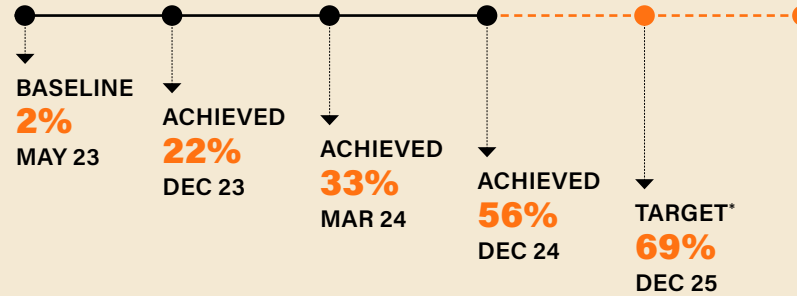


100% of our contracted suppliers are aligned with our Animal Welfare Program.

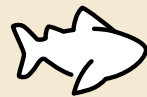


56% of our contracted eggs came from laying hens raised in a cage-free or enriched colony environment.

### LAYING HENS WELFARE PROGRESS SYSTEM-WIDE



We remain committed to transitioning away from conventional eggs and sourcing from suppliers that meet or exceed Canadian and U.S. animal care standards.

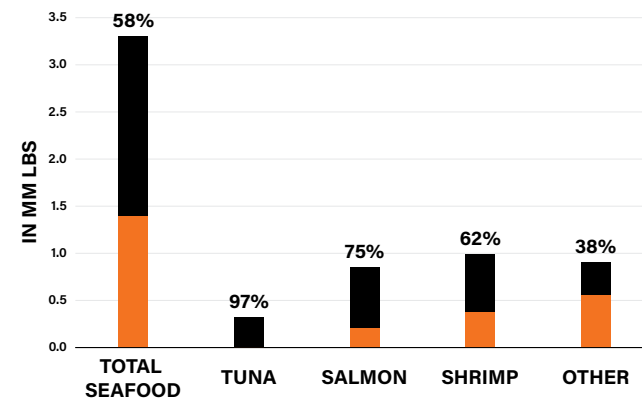


ALMOST

**1.9 MM LBS**

OF OUR CONTRACTED SEAFOOD IS CERTIFIED BY A THIRD-PARTY, SUCH AS BEST AQUACULTURE PRACTICES ("BAP") OR MARINE STEWARDSHIP COUNCIL ("MSC")

### 2024 SEAFOOD IN OUR RESTAURANTS



■ % of 3<sup>rd</sup>-Party Certified Seafood

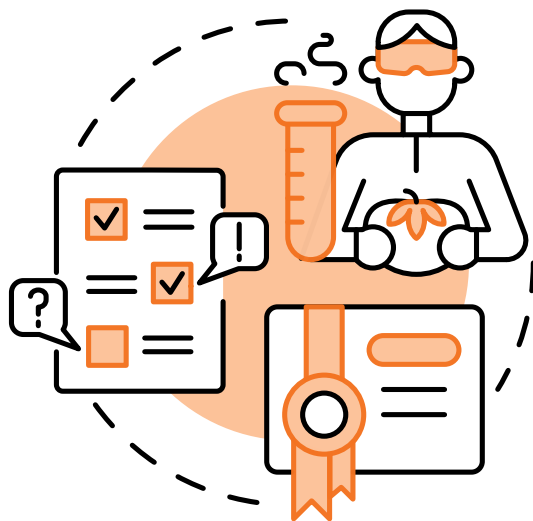
\*Estimate based on current landscape

## 2. HYGIENE & FOOD SAFETY

Food safety is a fundamental priority and directly impacts the trust and well-being of our guests. From our suppliers to our restaurant operations, we uphold rigorous safety standards and protocols to ensure every ingredient is safe to serve to our guests.

Across our supply chain, we partner with suppliers that demonstrate best-in-class food safety practices and strictly adhere to all applicable laws, rules, and regulations. On an annual basis, our suppliers are audited to ensure they meet our compliance requirements, such as food safety programs, certifications, product traceability and recalls programs, as well as corporate social and environmental responsibility.

Through dedicated food safety training programs, we provide our franchisees and their teams with the knowledge and tools necessary to maintain high food safety standards in their operations.



### A FEW STATISTICS ABOUT OUR FOOD SAFETY MEASURES:



**AN AVERAGE  
OF 4.6 INTERNAL  
AND THIRD-PARTY  
INSPECTIONS  
PER RESTAURANT<sup>1</sup>  
OCCURRED  
IN 2024.**



**THIRD-PARTY  
PEST CONTROL  
INSPECTIONS  
OCCURRED A  
MINIMUM OF ONCE  
A MONTH, PER  
RESTAURANT.**



**WE SUCCESSFULLY APPLIED OUR PRODUCT  
RECALL PROTOCOL FOR 11 RECALLS  
IN CANADA & 8 IN THE US, ALL INITIATED  
BY OUR VENDORS.**

<sup>1</sup> Of brands who participated in the survey.

### 3. RECIPE DEVELOPMENT & NUTRITION

With over 90 brands across multiple market segments, we take pride in offering diverse menu options that cater to a wide range of tastes and dietary preferences. Whether it's plant-based meals, kid-friendly choices, or indulgent favorites, our goal is to provide variety, transparency, and nutrition-conscious offerings. We believe ingredient transparency, accurate nutritional information, and allergen awareness helps guests make informed dietary choices.



Whether a customer buys our delicious ready-to-cook meals in a retail store or visits one of our concepts, they have easy access to nutritional and allergen information, ensuring informed and confident dietary choices.



In 2024, we joined Food Allergy Canada's Foodservice Industry Council. By sharing insights from our diverse concepts, we actively contribute to the development of national guidelines for best practices in allergen management within the foodservice sector.



Guests can enjoy a plant-based menu option<sup>1</sup> in all MTY applicable brands.







#### KID'S MENU

As part of our commitment to future generations, we strive to create healthier menu options for children, recognizing our role in promoting balanced nutrition. 98% of our brands who have kid's menus offer at least one menu item that adheres to MTY's Food Guidelines for Kids' Menus.

<sup>1</sup> MTY defines a plant-based menu offering as one consisting largely or solely of vegetables, grains, or other foods derived from plants, rather than animal products.

# FOOD GOALS—2021 TO 2025

<p>GOAL ACCOMPLISHED</p> 	<ul style="list-style-type: none"> <li>• Provided a plant-based menu item option in 85% of our applicable brands.</li> <li>• Measured the percentage of sustainably sourced coffee by 2024.</li> <li>• Measured the percentage of our ingredients made with RSPO-certified palm oil.</li> <li>• Had at least 80% of our palm-oil containing ingredients be RSPO-certified by 2025.</li> </ul>	<p>IN CONTINUUM</p> 	<ul style="list-style-type: none"> <li>• Continue tracking vendor food safety certifications, through a recognized GFSI certified third-party audit.</li> <li>• Contract with protein, dairy and egg suppliers who focus their internal priorities and policies on improving animal welfare.</li> <li>• Report animal welfare objectives and progress, at least annually.</li> <li>• Continue to transition to enriched colony or cage-free and/or UEP Certified eggs, as the available supply meets MTY's requirements or as required by applicable law.</li> <li>• Prioritize coffee from sustainable sources.</li> <li>• Publish or make accessible to guests the nutritional values &amp; allergen cards of our core menu item for our top 50 brands.<sup>1</sup></li> <li>• All applicable brands provide at least one plant-based menu item starting in 2024.</li> </ul>
<p>IN PROGRESS / ON TRACK</p> 	<ul style="list-style-type: none"> <li>• All Tier 1 vendors have a certified third-party audit verifying food safety programs, including HACCP by 2025.</li> <li>• Measure the percentage of our current vendors with animal welfare policies, including those aligned with the Five Freedoms of Animal Welfare.</li> <li>• Ensure 100% of our applicable brands will have a sustainably sourced coffee offering.</li> <li>• All our contracted protein vendors will have either signed the MTY Supplier Code of Conduct or a mutually agreed upon equivalent by 2025, or will have their own similar compliant code in place.</li> <li>• By the end of 2025, to maintain a vendor relationship with MTY, our palm oil suppliers will be required to be aligned with the commitments outlined in our MTY Supplier Code of Conduct and to have a Sustainable Sourcing Palm Oil Policy in place.</li> </ul>	<p>BEHIND SCHEDULE</p> 	<ul style="list-style-type: none"> <li>• Publish or make accessible to guests the nutritional values &amp; allergen cards of our core menu item for all our brands by 2024.</li> <li>• Have 100% of our brands who have kid's menus offer at least one menu item that adheres to the MTY Food Guideline for Kid's menus by 2024.<sup>2</sup></li> </ul>

<sup>1</sup> Top 50 brands are evaluated annually and may change. MTY complies with all applicable laws and remains committed to making accessible the nutritional values and allergens cards of our core menu items to our guests.

<sup>2</sup> With upcoming planned menu changes, we anticipate 100% of our brands who have kid's menus will have at least one adherent menu item by the end of 2025.



# PLANET

- 20** Our Planet Pillar: Committing to a Low-Carbon Future Through Purposeful Actions
- 22** Energy & Emissions
- 23** Portrait of our Baseline Year GHG Emissions
- 26** Waste Management
- 28** Planet Goals—2021 To 2025

# OUR PLANET PILLAR: COMMITTING TO A LOW-CARBON FUTURE THROUGH PURPOSEFUL ACTIONS



Over the past years, the focus of our *Planet Pillar* has been on building a comprehensive understanding of our environmental impact. We've assessed the energy we consume, the emissions we emit and the waste we generate from our corporate operations identifying opportunities to improve processes and reduce our footprint.

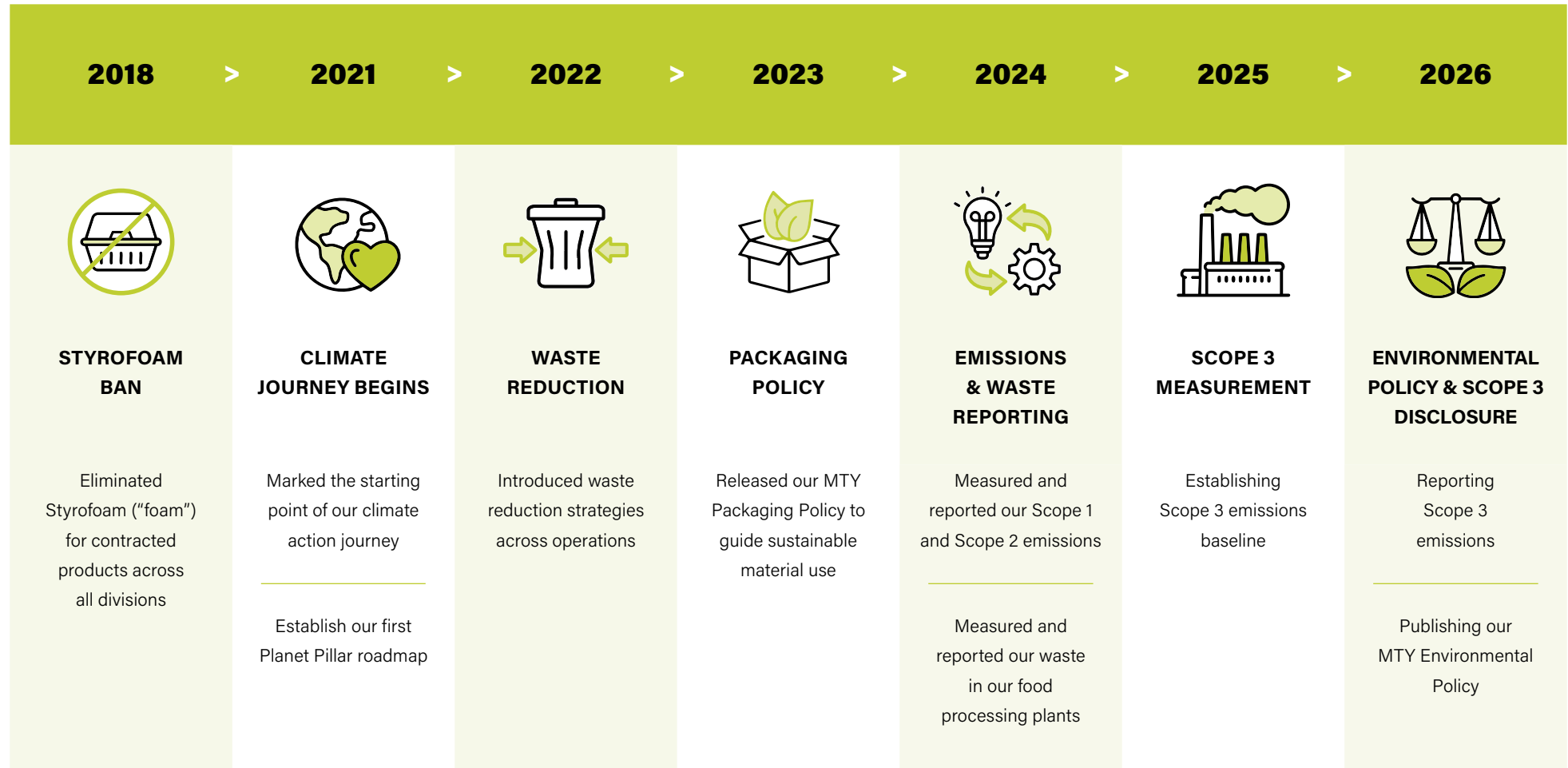
These foundational efforts aligned with leading global frameworks including the GRI standards (*GRI 302: Energy*, *GRI 305: Emissions*, *GRI 306: Waste*), and the SASB guidelines for Restaurants and Processed Food through which we aim to enhance transparency, measure our progress, and engage stakeholders on climate-related risks and opportunities.

In 2025, we will continue deepening our impact assessment by evaluating our value chain and Scope 3 emissions. This will enable us to build a complete emissions baseline, supporting the development of science-aligned targets and meaningful

decarbonization pathways, aligned with our continuous efforts in contributing to the following UN SDGs:



## MILESTONES



# ENERGY & EMISSIONS

We prepare our GHG emissions statement following our fiscal year period and in accordance with the World Resources Institute and World Business Council for sustainable Development's Greenhouse Gas Protocol standards and guidance (collectively, the "GHG Protocol").

Where complete data was not available, we based our estimates and methodologies on a selection of best practices identified in the EPA Inventory Guidance, GHG Protocol, and by our consulting firm, as well on available internal information and various other assumptions that it believes to be reasonable.

As we continue to enhance existing methodology and data quality, we expect the baseline and annual progress figures to adjust accordingly.



## EMISSIONS STATEMENT

	FY2023 BASELINE	FY2024
IN TONNES OF CARBON DIOXIDE EQUIVALENT (CO <sub>2</sub> E)		
SCOPE 1 EMISSIONS	<b>18,520.57</b>	<b>16,945.67</b>
SCOPE 2 EMISSIONS	<b>17,312.29</b>	<b>16,695.50</b>
TOTAL SCOPE 1 AND SCOPE 2 EMISSIONS (LOCATION-BASED METHOD)	<b>35,832.86</b>	<b>33,641.18</b>
OFFSET OF REMOVAL-BASED CARBON CREDITS <sup>1</sup>	<b>0</b>	<b>0</b>

These figures have been gathered based on third-party guidance around leveraging the latest methodology and most comprehensive data available.

<sup>1</sup> MTY Food Group Inc. did not buy carbon credits during the 2023FY and 2024FY.

# PORTRAIT OF OUR BASELINE YEAR GHG EMISSIONS

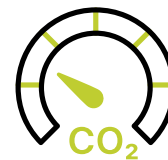
We have chosen 2023 as the base year for reporting our Scope 1 and 2 emissions.

Our Scope 1 emissions include the direct emissions from our leased office spaces, manufacturing facilities, owned distribution center, vehicle fleet, and corporately owned restaurants. This represents the energy we consume to operate our equipment, the consumption of industrial gas in our manufacturing processes, leaks or potential leaks of refrigerants from the equipment we own, and the fuel we use to run our fleet.

Scope 2 emissions include the indirect emissions from the generation of acquired and consumed electricity occurring at sources outside of our boundary and needed in our leased office spaces, our manufacturing facilities, our owned distribution center and our corporately owned restaurants for our day-to-day activities.

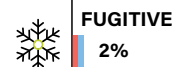
In 2023, MTY owned and/or operated:

- 7 offices in Canada and 4 offices in United States;
- 51 corporate restaurants in Canada and 192 in the United States, some of which were franchised or closed during the fiscal year. On November 30<sup>th</sup>, 2023, we had 219 corporate locations in operation;
- 2 manufacturing facilities in Québec, Canada;
- 1 distribution center in Québec, Canada;
- A fleet of 38 vehicles in Canada and 92 vehicles in United States, including corporate-owned food trucks.



**35,833**  
METRIC TONNES (t) OF CO<sub>2</sub>E

## SCOPE 1 & 2 GHG EMISSIONS - SOURCE & COUNTRY DISTRIBUTION

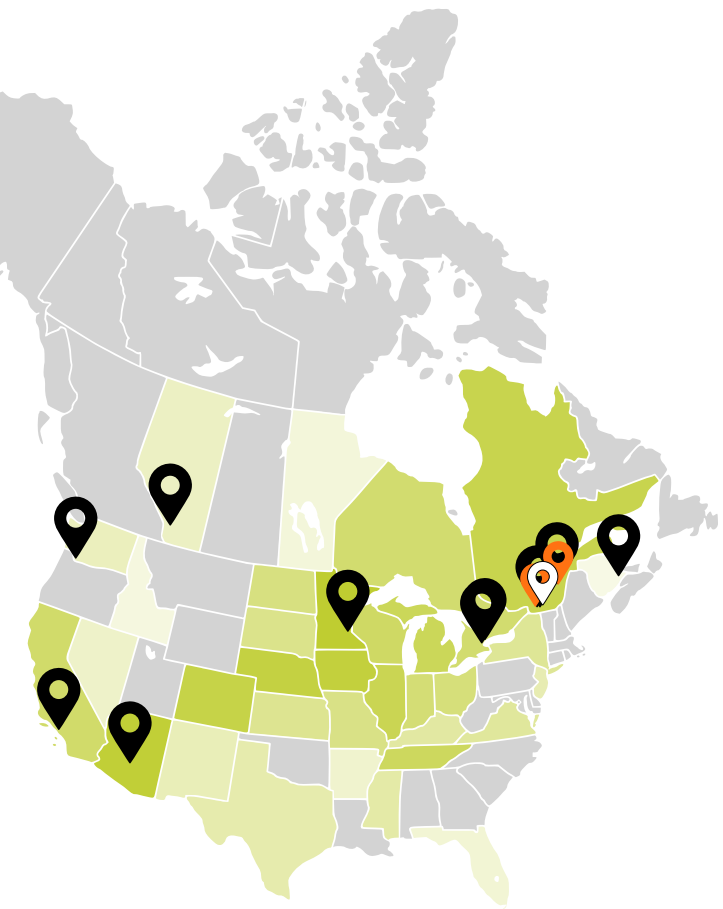


**SCOPE 1**  
18,521  
t CO<sub>2</sub>E

**SCOPE 2**  
17,312  
t CO<sub>2</sub>E

Canada

United States



**GHG EMISSION  
INTENSITY**

**TOTAL**  
11.40 5878.20



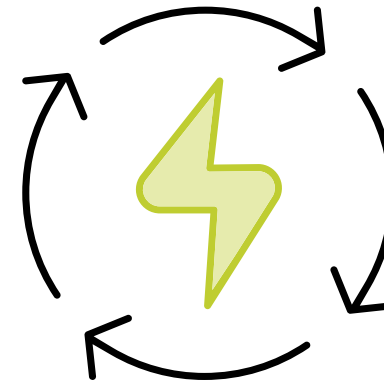
## GLOBAL ENERGY CONSUMPTION

Understanding our energy consumption profile is essential to identifying opportunities to reduce our environmental impact and improve operational efficiency. As energy is a fundamental resource required to operate our business, we undertook an assessment of our energy intensity per square foot and analyzed the various types of energy sources used across our corporate operations.

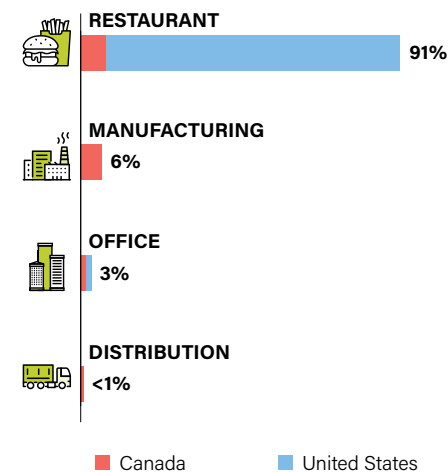
Geographic location significantly influences the type of energy use due to differences in regional infrastructure and energy grids. To gain deeper operational insights, we conducted a comprehensive survey across our locations to identify the types of equipment in use, the energy sources they rely on, and potential areas for improvement. This evaluation supports informed decision-making for restaurant design, renovation, and equipment upgrades at the end of their service life.

The results of this survey establish our initial energy baseline and will serve as a foundation for future energy efficiency measures and emissions reduction strategies. Our approach aligns with GRI 302: Energy and integrates key disclosure elements from the SASB Standards for Restaurants<sup>1</sup> and Processed Foods<sup>2</sup>.

A TOTAL OF  
**496,308 GJ**  
 OF ENERGY WAS CONSUMED  
 BY OUR OPERATIONS



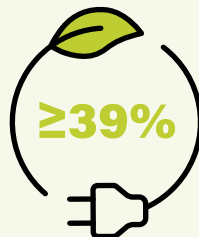
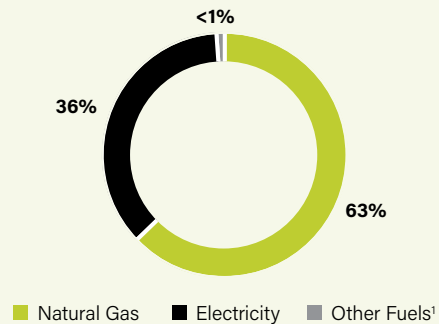
## ENERGY IN FOCUS: VISUALIZING CONSUMPTION ACROSS OUR OPERATIONS



<sup>1</sup> FB-RN-130a.1 (1) 453,935 GJ energy consumed by our entity-owned restaurants, (2) 35% grid electricity, (3) 11.4% renewable energy.

<sup>2</sup> FB-PF-130a.1 (1) 27,900 GJ energy consumed by our manufacturing facilities, (2) 54% grid electricity, (3) 50.4% renewable energy.

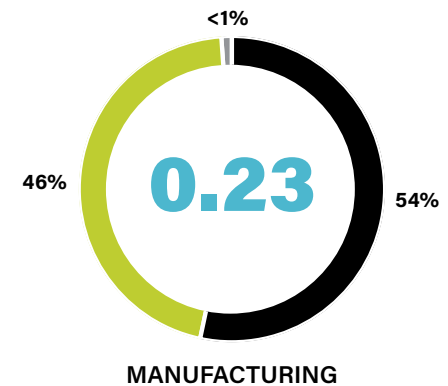
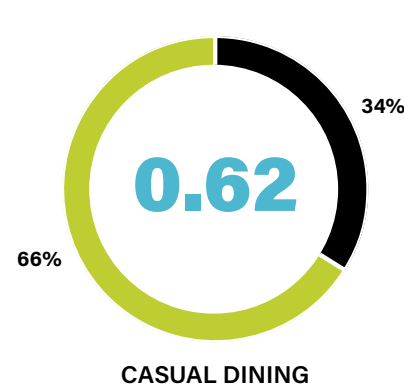
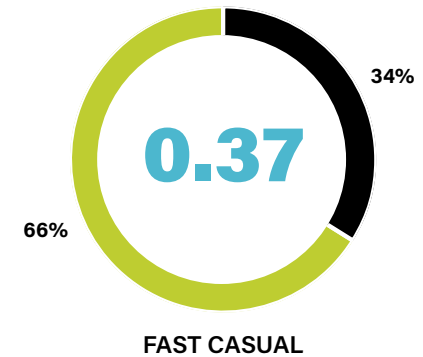
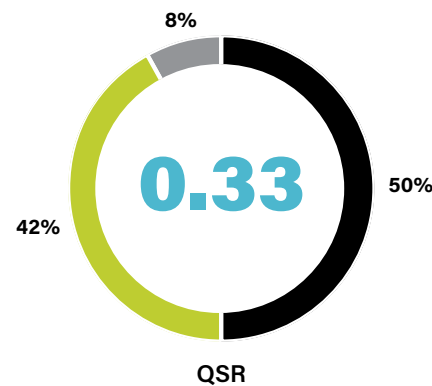
### OUR ENERGY MIX: BREAKDOWN BY TYPE AND RENEWABLE SHARE



### OF OUR CONSUMED ELECTRICITY ORIGINATED FROM RENEWABLE RESOURCES.<sup>2</sup>

Tracking energy intensity and energy type by operation gives us a clearer view of where efficiency gains are most needed. These insights help us compare performance across facility types, identify high-consumption activities, and guide targeted energy reduction efforts—all while supporting our broader emissions reduction strategy.

### TRACKING OUR ENERGY INTENSITY TO INFORM FUTURE REDUCTION EFFORTS



### ENERGY INTENSITY GJ/SQ.FT

BY ENERGY TYPE: ■ Natural Gas ■ Electricity ■ Other Fuels

<sup>1</sup> Other fuels are diesel accounting for 0.12%; and propane accounting for 0.27%.

<sup>2</sup> Calculated using Canada Energy Regulator Fig.2 Electricity Generation by Fuel Type (2021) and EPA Power Profiler; our estimate of consumed electricity originating from renewable resources is ≥79% in Canada and ≥30% in United States.

# WASTE MANAGEMENT

**WASTE  
MANAGEMENT  
IS A MTY  
TEAMS' EFFORT**



**STRATEGY &  
GOALS**

**SET-UP DATA  
REQUIREMENTS  
& MEASURE KPIS**

**DATA  
COLLECTION**

**INITIATIVE  
IMPLEMENTATION**

In 2024, one of our goals was to measure and benchmark the waste generated from our corporately owned restaurants, office locations and manufacturing plants.

Our manufacturing plants were prioritized given the control we have over their operation and the volume of products we dispose of. We have made, and continue to make, meaningful progress to optimize our operations and reduce waste, when possible, from changing pack

size for our ingredients, to buying in bulk when possible, and implementing an oil recycling program, food waste prevention program, cardboard recycling program, and food bank program.

In 2024, one of our facilities successfully diverted more than 13,500 kg from the landfill through our food waste prevention and recovery programs, creating additional

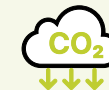
**TRANSFORMING WASTE INTO  
IMPACT: CLIMATE BENEFITS FROM  
FOOD WASTE DIVERSION IN OUR  
FOOD PROCESSING FACILITIES**



**DIVERT OVER**

**13.5**

**METRIC TONNES OF FOOD  
WASTE FROM LANDFILL**



**CREATING A  
NET BENEFIT OF**

**9.87**

**METRIC TONNES OF  
CO<sub>2</sub>E AVOIDED<sup>1</sup>**

<sup>1</sup> ReFED - Impact Calculator

Our cardboard recycling program, implemented across our manufacturing facilities, has enabled us to divert over 82.5 tonnes of waste from landfills. According to the US EPA<sup>1</sup>, this is equivalent to preserving nearly 1,530 trees.

**RECYCLING WITH PURPOSE:  
THE IMPACT OF CARDBOARD  
RECOVERY IN OUR FOOD  
PROCESSING FACILITIES**



DIVERT OVER

**82.5**

METRIC TONNES OF WASTE  
FROM LANDFILLS



PRESERVING NEARLY



**1,530**  
TREES

Our restaurants are also making significant progress towards reducing waste and recycling, reusing, and composting various materials when possible. In 2024, we advanced a MTY guideline project to support our creative teams in placing messaging on our branded packaging to promote and communicate “how to dispose” best practices to our guests.

Across our brands, we have implemented a number of different waste management initiatives. While these initiatives may differ from brand to brand, their objectives are the same—to reduce waste. For instance, one of our casual dining brands transitioned from disposable paper plates for children to durable, reusable plates that are both engaging and visually appealing. This initiative not only elevated the guest experience, but also helped reduce our franchisees’ direct costs and reduced waste by over 1,700 kg of paper annually.

Our goal is to support each of our brand in determining what will have the greatest impact in their segment and market and give them resources to achieve their specific goals.

As we continue our sustainability journey, we will continue to integrate and promote best waste management practices in our operations, contributing to environmental protection while meeting local and national regulations, to support our effort to reduce our planet footprint.

**FROM DISPOSABLE TO DURABLE**

BY ELIMINATING

**1.7**

METRIC TONNES OF  
CARDBOARD AT THE SOURCE,  
WE REDUCED OUR EMISSIONS BY



**10.43 t**





OF CO<sub>2</sub>E ANNUALLY<sup>2</sup>



<sup>1</sup> [Communicating the Benefits of Recycling | Tools for Local Government Recycling Programs | US EPA](#)

<sup>2</sup> According to US EPA, WARM Tool – Version 16: [Versions of the Waste Reduction Model | US EPA](#)

# PLANET GOALS—2021 TO 2025

<p>GOAL ACCOMPLISHED</p> 	<ul style="list-style-type: none"> <li>Created a database to quantify materiality and waste.</li> <li>Evaluated a chopsticks circular economy program in a distinct market.</li> <li>Reduced the use of disposable menu placemats at our brands' restaurants by 50% by 2024.</li> <li>Evaluated and performed a pilot project in specific markets for reusable packaging solutions to reduce the consumption of single-use and disposable items in 2023.</li> <li>Replaced hard-to-recycle plastics with alternative packaging such as renewable or recyclable products for use in our Canadian MTY operations by the end of 2023.<sup>1</sup></li> <li>Internally published our MTY Packaging Policy.</li> <li>Depleted the inventory of hard-to-recycle plastics at our Canadian restaurants.</li> <li>Replaced polystyrene (PS) packaging with recyclable or renewable material in our Canadian and US order guides.<sup>2</sup></li> <li>Calculated our Scope 1 and Scope 2 emissions for 2023 and 2024 (results will be published starting in our 2025 report).</li> </ul>	<p>IN CONTINUUM</p> 	<ul style="list-style-type: none"> <li>Develop a strategy on waste management, and to measure our generated waste across our entire organization.</li> <li>Measure and benchmark the waste generated from our corporately owned restaurants, office locations and manufacturing plants.</li> <li>Evaluate different carbon neutral strategies to offset our placemat consumption.</li> </ul>
<p>IN PROGRESS / ON TRACK</p> 	<ul style="list-style-type: none"> <li>Understand our own emissions, to identify tools to measure and report, and to set goals and establish our roadmap.</li> <li>Establish an MTY guideline to support our creative teams on communicating how to dispose of branded packaging items.</li> <li>Ensure 100% of our contracted paper-based packaging is FSC Certified, SFI Certified or contains post-consumer recycled content by 2025.</li> <li>Measure and report our Scope 3 emissions by 2030.</li> <li>Integrate a waste management system in new store construction and renovated stores, when possible and where applicable.</li> </ul>	<p>BEHIND SCHEDULE</p> 	<ul style="list-style-type: none"> <li>Identify our largest environmental impacts along our value chain as part of our 2023 report.<sup>3</sup></li> <li>Review and ensure, by the end of 2024, all MTY-branded packaging effectively communicates the proper manner in which such items should be disposed.<sup>4</sup></li> </ul>

<sup>1</sup> Where required by law.

<sup>2</sup> This goal excludes any inventory purchased as a result of supply chain challenges and/or related quality issues, out of our control.

<sup>3</sup> MTY is currently working with a consulting firm to identify our largest environmental impact along our value chain related to greenhouse gas emissions.

<sup>4</sup> With the evolving landscape of Extended Producer Responsibility (EPR) requirements, and the revised recycling targets established by provincial legislation, we are in the process finalizing our guideline for certain packaging categories, thus affecting our 2024 goal. We also estimate that given the actual inventories of some items, our goal should be reached by the end of 2026.



# PEOPLE

MUCHO BURRITO

- 30 Our People Pillar: Empowering our People & Communities Through Growth and Innovation
- 31 Culture & Career Development
- 33 Community Support
- 34 MTY Supplier Code of Conduct
- 35 Cybersecurity & Data Protection
- 36 People Goals—2021 to 2025

# OUR PEOPLE PILLAR: EMPOWERING OUR PEOPLE & COMMUNITIES THROUGH GROWTH AND INNOVATION

Our purpose is visible through the actions of every team member, from restaurant employees to the Board of Directors.

A team of 7,546<sup>1</sup> dedicated employees across our offices in Canada and the U.S., our corporate locations, our distribution center and our manufacturing plants, all working together to support our brands and strengthen our communities.

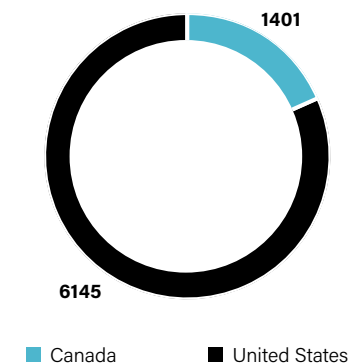
We know that MTY thrives when our employees thrive. We aim to create a community of team members who feel comfortable sharing ideas, collaborating, and innovating together. Our ongoing goal is to provide an environment where employees feel they belong and can grow. Employee retention is not just a matter of numbers for us at MTY—we know each employee brings unique skills and perspective, and that's what brings MTY meaning.

Our focus within our People pillar includes:

- Culture & Career Development;
- Talent Retention, Acquisition & Turnover;
- Diversity, Equity, and Inclusion;
- Employee Benefits;
- Franchisee Support;
- MTY Supplier Code of Conduct;
- Supporting our Communities;
- Cybersecurity & Data Protection.



TOTAL NUMBER OF EMPLOYEES<sup>1</sup>



<sup>1</sup> As of November 30<sup>th</sup>, 2024.

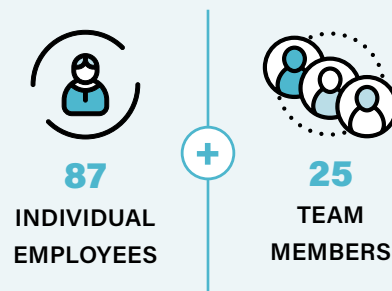
## 1. CULTURE & CAREER DEVELOPMENT



Inspired by employee suggestions from our Annual Engagement Survey, we successfully launched a pilot initiative called **MTY Shuffle** at one of our head offices. This program fosters cross-departmental and inter-office connections by pairing colleagues for one-on-one meetings—strengthening our sense of community, enhancing collaboration, and supporting professional development. We look forward to expanding **MTY Shuffle** to other business units in 2025.



### THE MTY EXCELLENCE AWARDS RECEIVED



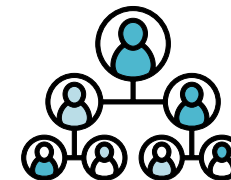
### WERE RECOGNIZED FOR THEIR EFFORTS



**23**

### REGIONAL TOWN HALLS & STAND UP'S

Our offices hosted various social events to promote our culture, offer team building opportunities, show appreciation, boost energy and have some fun!



**176**

### EMPLOYEES PARTICIPATED IN THE MANAGER PROGRAM.

**46%**

MORE THAN LAST YEAR!

## INVESTING IN GROWTH: EMPOWERING OUR PEOPLE THROUGH CONTINUED EDUCATION



CONTRIBUTED MORE THAN  
**\$714,000**  
IN CONTINUED EDUCATION AND  
TRAINING FOR OUR EMPLOYEES



A MINIMUM OF  
**107,000**  
HOURS OF TRAINING<sup>2</sup>  
FOR FRANCHISEES



ABOUT  
**27,350**  
USERS ACCESSED  
MTY'S ONLINE  
LEARNING PLATFORMS<sup>1</sup>



ON AVERAGE, A NEW  
FRANCHISEE RECEIVED  
**65**  
HOURS OF TRAINING<sup>3</sup>



**208**  
PARTICIPANTS  
GRADUATED FROM MTYU<sup>4</sup>

+



**130**  
PARTICIPANTS GRADUATED  
FROM KTEC ONLINE IN 2024

<sup>1</sup> MTY offer a one-stop online learning resource center where franchisees can access just-in-time e-learning, videos, and communications relevant to their brand.

<sup>2</sup> Of brands who participate in the survey.

<sup>3</sup> Each brand has their own training program unique to their business. Average is based on the answers provided by the brands who participated in the survey.

<sup>4</sup> MTY University ("MTYU") and KTec Online are both virtual classroom training curriculums that complements in-store practical, hands-on training.

## 2. COMMUNITY SUPPORT

Dedication, innovation, and excellence drive us every day. The following displays some of the ways we bring these values into our local communities.



On January 1<sup>st</sup>, 2024, to increase our community support, we launched the MTY foundation. Our foundation is committed to nourishing communities across Canada. We believe that access to nutritious food is a fundamental human right, and we are committed to addressing food insecurities, hunger, and malnutrition through innovative solutions and strategic partnerships. With a focus on environmental stewardship and social responsibility, we aim to create a future where everyone has access to wholesome food, and where communities thrive in harmony with the planet. To learn more, visit our website: [Foundation MTY | Nourish. Empower. Commit.](https://www.fondationmty.com)



DONATED MORE THAN  
**\$1,600,000<sup>1</sup>**  
IN SPONSORSHIPS THROUGH  
LOCAL COMMUNITY  
FUNDRAISERS



LOGGED

**1,022**

HOURS OF VOLUNTEER  
WORK FROM OUR  
HEAD OFFICE STAFF



PARTICIPATED IN

**554**

COMMUNITY EVENTS



DONATED

**5,338**

MEALS

<sup>1</sup> Combined, documented fundraising efforts (excluding food donations). Amount reported is in Canadian funds, using an exchange rate calculator of 1 USD = 1.4033 CAD.

### 3. MTY SUPPLIER CODE OF CONDUCT

In 2021, MTY Group first published the MTY Supplier Code of Conduct ("Code", or "CoC") with the intention to communicate our core values and to ensure that our suppliers' values are aligned with ours. Since then, the number of suppliers who adhere to our values has grown, and as we continue to refine our monitoring process, we have made adjustments to our CoC. The most up to date version is available on our website:

[Sustainability | MTY Group](#)

MTY has deep rooted values that run through the actions, decisions and approach of each team member within the internal organizations:

- We are devoted to an excellent guest experience;
- We are dedicated to our people;
- We are committed to strong business ethics;
- We operate on a profitable business model;
- We are dedicated to reducing our environmental impact;
- We strive to continuously innovate.

As these values are of utmost importance, we strive to ensure our suppliers' values are aligned with ours.

#### THE PURPOSE OF OUR COC IS TO ENSURE MTY'S SUPPLIERS UNDERTAKE TO:

- Act with integrity;
- Comply with labor practices;
- Abide by health and safety regulations;

- Meet the standards and promote the principles outlined in our Code of Conduct;
- Comply with the 3 pillars of sustainability of Food, Planet and People, in line with MTY's own commitments to them.

#### THE GOALS OF OUR COC ARE:

- To work towards sourcing sustainable products for our brands;
- To ensure suppliers are assessed and undertake to comply with our most recent Code;
- To ensure our suppliers hold their supply chain, including their subcontractors and affiliates, to the same standards.

#### OUR COC IS MADE UP OF THREE SECTIONS:

##### • Business Integrity

This section addresses issues such as ensuring our suppliers represent to MTY they are in compliance with anti-bribery laws, and whistleblower protection, accurate bookkeeping, confidentiality and grievance management requirements.

##### • Human Rights

This section discusses freedom of association, freedom from discrimination, harassment, or abuse, fair wages and benefits, employment status, a commitment from suppliers that they do not employ unlawful underage labor or allow any form of forced

labor or human trafficking, and assurances of proper working hours and sufficient rest days.

##### • Workplace Environment

This section helps to ensure our suppliers offer safe and healthy working conditions for their employees and that they have a plan for the reduction of their environmental impact.

TO DATE:



**of our Tier-1 vendors have signed a CoC with MTY**

MTY takes supplier allegations very seriously. We track incidents and address as applicable all allegations with our suppliers. Any allegations can be reported to [ethics@mtygroup.com](mailto:ethics@mtygroup.com).

## 4. CYBERSECURITY & DATA PROTECTION

Supporting our people and communities includes a strong commitment to protecting the personal and sensitive information of all. The Company is continuously advancing its cybersecurity culture, aiming to enhance both resilience and proactivity in the face of emerging digital threats. Our enterprise-wide cybersecurity strategy is designed to uphold the confidentiality, integrity, and availability of information through a centralized program that serves all business divisions. Below are key highlights from 2024FY.

### PROTECTING DATA, ENABLING TRUST – CYBERSECURITY MILESTONES



#### SECURITY ENHANCEMENTS

- Implemented a new **Cloud Security Posture Management (“CSPM”)** solution;
- Transitioned from **periodic to real-time vulnerability scanning**.



#### EMAIL THREAT PROTECTION

Security systems protected nearly

**20 MILLION**

**email communications from threats**



#### STRATEGIC TEAM GROWTH

Created specialized roles focused on:

Attack Surface Management

Third-Party Risk Management






#### CYBERSECURITY AWARENESS & TRAINING

- Celebrated **Cybersecurity Awareness Month** with a company-wide campaign;
- Delivered **monthly security awareness courses**;
  - Conducted **quarterly phishing simulations**;
- Provided **targeted training for high-risk users**.

Through these initiatives, we continue to foster a proactive and resilient cyber culture that supports our people, protects our data, and strengthens stakeholder trust.

# PEOPLE GOALS—2021 TO 2025

<p>GOAL ACCOMPLISHED</p> 	<ul style="list-style-type: none"> <li>• Evaluated our current DEI practices and efforts, identified and explored opportunities for improvement, and engaged with a third-party firm to set a DEI strategy.</li> <li>• Established a philanthropy program allowing team members to donate to MTY approved charitable organizations.</li> <li>• Introduced a manager training program.</li> <li>• Formed a compensation committee.</li> <li>• Provided recommendations on MTY's approach towards our diversity, equity, and inclusion efforts.</li> <li>• Completed MTY DEI strategy.</li> <li>• Established a formal security metrics program (based on the security capabilities delivered in 2022).</li> </ul>	<p>IN CONTINUUM</p> 	<ul style="list-style-type: none"> <li>• Track vendors who signed our MTY Supplier Code of Conduct.</li> <li>• Continue to report on the demographic breakdown of our head office employees.</li> <li>• Continue to report on the average hours of training for Diversity, Equity and Inclusion, and Cybersecurity and Data Protection per year per employee.</li> <li>• Sign up and to participate in local charity events.</li> <li>• Set up a means for employees to ask for paid time off for volunteering purposes.</li> <li>• Measure and report on MTY's community support and employee volunteering activities.</li> </ul>
<p>IN PROGRESS / ON TRACK</p> 	<ul style="list-style-type: none"> <li>• Aim to ensure the MTY Supplier Code of Conduct or a mutually agreed upon equivalent is in place for all active tier 1 MTY suppliers.</li> </ul>		

# FORWARD-LOOKING STATEMENT

This Report contains certain statements relating to our food, planet and people goals, as well as other statements of our expectations and plans, which are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical or current facts, including statements regarding our plans, initiatives, projections, goals, commitments, or expectations are forward-looking. We use words such as “anticipate”, “intend”, “aim”, “believe”, “commit”, “plan”, “estimate”, “strive”, “target”, “seek”, “project”, “expect”, “may”, “will” or similar expressions to identify forward-looking statements. Forward-looking statements reflect management’s current expectations and are based on information available to us at the time the statements were made, and we assume no obligation to update these forward-looking statements. These statements inherently involve risks and uncertainties, and actual results could differ materially due to various factors, including evolving sustainability strategies, expectations not being realized, evolving government regulations, or other changes in circumstances. The statements and commitments made throughout this Report may not be applicable for brand acquisitions made by MTY after this report is published or for brands who were not part of MTY for a minimum of twelve months.

Thank you for reading our 2024 Sustainability Update Report and for accompanying us on this journey. We remain dedicated to sustainability at MTY and welcome any feedback you may have about the efforts we have made and the targets we have set.

Thank you for your continued trust in us and for supporting our goal to create a more sustainable MTY for our future.

**- MTY RISE Team**

**“LET’S ROLL”**

*S. Furlong*