



MTY SUSTAINABILITY REPORT

2023

A woman with dark skin and hair pulled back is standing in front of a wall made of blue, yellow, and orange mosaic tiles. She is wearing a white off-the-shoulder crop top with a floral pattern and a corset-style front, and blue jeans. She is holding two yellow bags of Wetzel's Pretzels, one in each hand. The bags have blue and yellow graphics and the text 'Wetzel's Pretzels' and 'MADE IN MIAMI'. A pair of sunglasses is hanging from the top of the bag in her right hand. The scene is brightly lit, suggesting outdoor daylight.

CREATING A MORE SUSTAINABLE MTY FOR OUR FUTURE

TABLE OF CONTENTS

INTRODUCTION

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

FOOD

- 13 Supply Chain Priorities & Oversight
- 14 Food Safety
 - 15 Supplier Intervention & Food Storage
 - 16 Education & Training
 - 17 Hygiene & Food Safety Certifications & Programs
 - 18 Audits
 - 19 Product Recall & Communication Plan
 - 19 Handling Complaints
- 20 Recipe Development & Nutritional Content
- 21 Sourcing Approach
 - 22 Animal Welfare
 - 24 Eggs
 - 27 Coffee
 - 28 Palm Oil
- 29 Food Goals—2021 to 2025

PLANET

- 31 Our Environmental Priorities & Oversight
- 32 Energy & Emissions
- 33 Waste Management
 - 35 Packaging
- 37 Planet Goals—2021 to 2025

PEOPLE

- 39 Our Board of Directors
- 41 Our Senior Executive Team
- 42 MTY RISE Team
- 44 Stakeholder Engagement
- 45 Management Approach & Policies
- 46 MTY Supplier Code of Conduct
- 47 Our People Priorities
- 48 Culture & Career Development
- 50 Talent Retention, Acquisition & Turnover
- 51 Employee Benefits
- 52 Diversity, Equity & Inclusion
- 53 Workforce Diversity
- 55 Franchisee Support
- 56 Supporting our Communities
- 58 Cybersecurity & Data Protection
- 62 People Goals—2021 to 2025

FORWARD-LOOKING STATEMENT

APPENDIX

- 66 Workplace Metrics
- 68 SASB & GRI Index

ABOUT THIS REPORT

Sustainability is important to MTY Food Group Inc. (MTY, we or the Company¹) and we are proud to publish this 2023 Sustainability Report, which outlines the efforts we have made towards accomplishing our sustainability goals throughout our fiscal year ending November 30, 2023.

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 2023 fiscal year. The information in this report covers initiatives taken during this period, spanning December 1, 2022, to November 30, 2023.²

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, with an understanding that we will track the progress of our goals and determine Key Performance Indicators (KPIs) that will enable us to measure this progress. We also accept that as our sustainability landscape evolves, adjustments will be made along the way.

This report was informed by the Sustainability Accounting Standards Board (SASB) for Restaurants and Global Reporting Initiative's (GRI) reporting standards. SASB and GRI provide complementary standards in sustainability 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 United Nations 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 the goals relating to our impact areas.

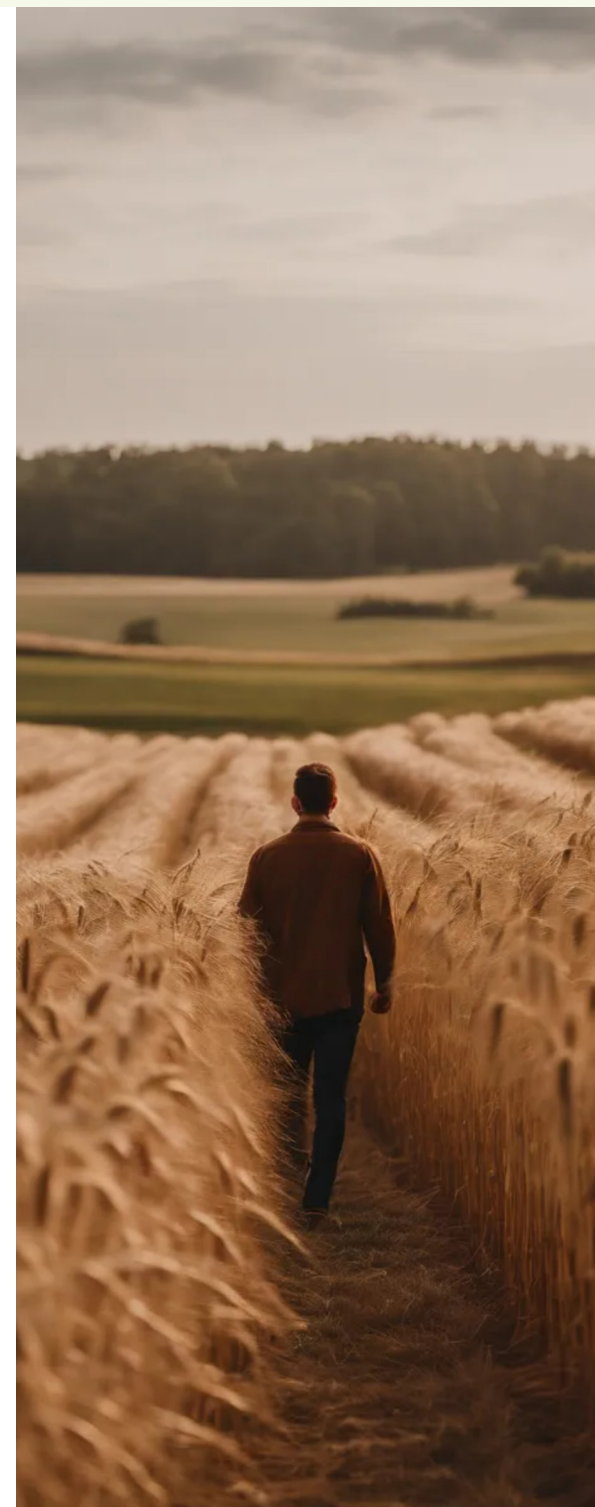
MTY is responsible for the preparation and integrity of the content of this report.³ All subject matter experts who contributed to the report, as well as Company leadership, have reviewed and approved the report's content and data. This report was not externally assured.

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.

¹ Throughout this report, references to MTY, we or the Company may include activities performed by subsidiaries of MTY Food Group, Inc.

² Our acquisition of the Wetzel's Pretzels brand closed on December 8, 2022.

³ Certain information in this report has been provided by third parties, including our independent suppliers. In those cases, we have to a certain extent relied on such third parties for accuracy and completeness.



A LETTER FROM OUR CEO

2023 was a year of integration with our recent acquisitions, consolidating our sustainability approach and goals into a shared foundation from which we can grow together in 2025-2030. Fiscal 2023 marks the 3rd anniversary of MTY's initial sustainability report, which remains a key reference document in the everyday management of MTY. Food, Planet and People are the three pillars at the center of our strategy, guiding us as we build on the wins of the past two years and look forward to more ambitious plans in the future.

WHY

At MTY, we understand we can make an impact through our corporate footprint, as the health of our planet, our society and our economy are linked. While I am proud of the progress we made in 2023, being a good corporate citizen is a perpetual journey. With that in mind, we are adjusting some of our existing objectives and priorities, and adding new commitments aimed at

balancing the needs of our many stakeholders. The MTY Rise team is in place to guide our ESG journey; however, we know it takes dedication from the collective group—from all roles and brands—to move our goals forward.

FOOD

This report contains more information on our sourcing strategies, and specifically as it relates to animal welfare, eggs, coffee and palm oil. While we have certainly not arrived at our destination on any of these topics, we are happy to now have a foundation from which to measure our progress and a strategy, so that we may continue to improve our performance when it comes to sourcing core products in an increasingly responsible way.

PLANET

The report also contains information about our continuing efforts to establish baseline scope measurements for greenhouse gas emissions.

In the short term, we aim at developing and communicating our global sourcing strategy and vision, and at improving our supplier qualification process as it relates to our sustainable development goals. In an organization that is as diverse and dynamic as MTY, data collection can be a challenge. To address that concern, we will be deploying new tools to make our data more abundant and timely. This will become the basis to prepare our 2025-2030 roadmap.

These short-term priorities will then translate into medium term deliverables, such as measuring and reporting our Scope 1, 2 and 3 greenhouse gas emissions.

PEOPLE

During 2023, our brands and our franchisees all continued to support the communities in which our restaurants operate through financial and food donations. The MTY Foundation is now adding to that community involvement as we strive to have a positive impact in our immediate environment. Over 90,000 meals, 13,000 kg of food and \$1.6 million were donated during 2023.

I am confident that the strength and passion of our team members, franchise owners and suppliers can bring MTY to the next level. I encourage you to read on to learn more about MTY's sustainability commitments and progress in the following report.

Sincerely,



Eric Lefebvre, CPA, MBA

Chief Executive Officer

MTY GLOBAL FOOTPRINT



**\$5,641
MILLION**

SYSTEM SALES¹



7590

DEDICATED EMPLOYEES²



2

MANUFACTURING PLANTS



44

YEARS OF HISTORY



**202.9
MILLION+**

CUSTOMER TRANSACTIONS
IN NORTH AMERICA



90

BRANDS



40+

COUNTRIES



7,100+

LOCATIONS WORLDWIDE

6,897 Franchised locations

219 Corporate locations

Headquarters: St-Laurent, Québec, Canada

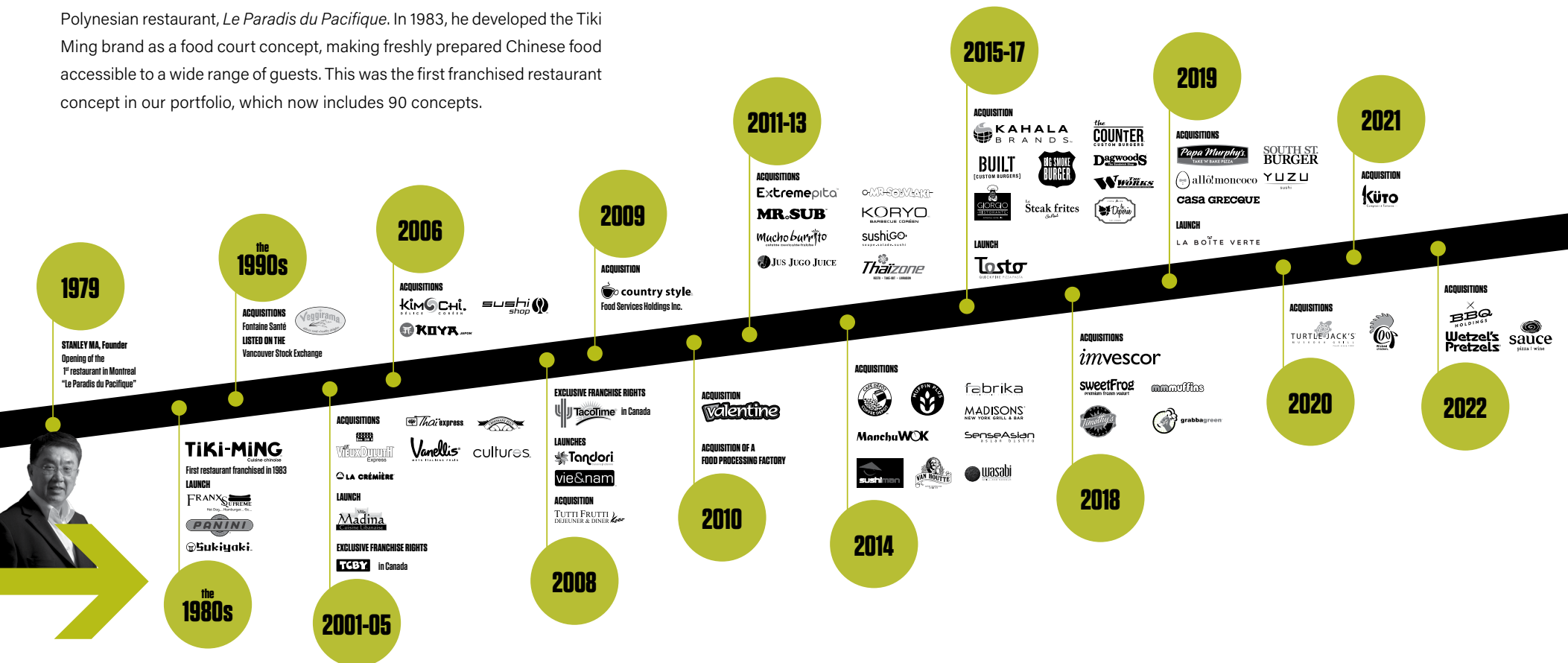
¹ CAD. For more information on system sales, see the 2023 Annual Report, available here: https://mtygroup.com/en/financial_reports/2023-year/

² Head office, manufacturing plant & corporate store employees as of November 30, 2023.

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



A LETTER FROM OUR DIRECTOR OF SUSTAINABILITY

I am thrilled to share with you our latest Environmental, Social, and Governance (ESG) report, highlighting our ongoing commitment to sustainability and responsible business practices. As the Director of Sustainability, I am proud to lead our efforts in integrating sustainability into every facet of our operations, ensuring that we create long-term value for all stakeholders while minimizing our environmental footprint and fostering social equity.

In this report, you will find comprehensive information on our ESG performance over the past year, including key achievements, challenges, and our strategy for continuous improvement. Here are some of the highlights:

1. **Environmental Stewardship:** We focused on better understanding our greenhouse gas emissions this year and are measuring our Scope 1 and 2 emissions. Also, our initiatives in sustainable sourcing, and eco-friendly packaging have made strides in mitigating our environmental impact.
2. **Social Responsibility:** Our commitment to social responsibility extends beyond compliance to proactive engagement with our communities. Through initiatives such as employee volunteer programs, diversity and inclusion efforts, and community partnerships, we are working to create positive social change and enhance the well-being of all stakeholders.

3. **Governance Excellence:** Strong governance forms the foundation of our sustainability efforts, ensuring transparency, accountability, and ethical decision-making. Our Board of Directors has formed a compensation, nomination and governance committee and we have reinforced our commitment to integrity and ethical business conduct, including through the streamlining of our MTY Supplier Code of Conduct used across all MTY divisions.

4. **Stakeholder Engagement:** Meaningful engagement with our stakeholders is essential to our sustainability journey. We actively seek input from employees, customers, investors, and other stakeholders to understand their concerns, priorities, and expectations, informing our sustainability strategy and initiatives.

5. **Performance Metrics:** We have developed tools to track our progress towards sustainability goals. In the upcoming year, we will continue to refine these tools to establish performance metrics and targets. By regularly measuring and reporting on our ESG performance, we hold ourselves accountable and demonstrate our commitment to transparency and continuous improvement.

6. **Future Outlook:** Looking ahead, we are committed to advancing our sustainability agenda, setting ambitious targets, and embracing innovation to address emerging challenges and opportunities.

Our vision is to drive positive impact and create a more sustainable MTY for our future.

I invite you to explore our ESG report in detail and engage with us on our sustainability journey. Your feedback, insights, and collaboration are invaluable as we work together to build a more sustainable future.

Thank you for your continued support and partnership in advancing sustainability across our organization and beyond.

Sincerely,



Patricia Briere

Director of Sustainability



MATERIALITY ASSESSMENT

In preparing this report, we reference historical work done by a third-party ESG consulting firm to assess MTY's business and identify our most material ESG topics. As part of that foundational work, members of our Board of Directors, our Management Team and our financial stakeholders were interviewed.

Through a different initiative also executed in 2021 with another third-party group, we conducted a materiality assessment of our franchisees and our internal stakeholders, including our operations teams, our human resources department, our accounting team, and our procurement departments.

Following the assessments, the following six ESG topics were identified as the most material to our Company:

- People & Culture;
- Governance;
- Cybersecurity & Data Protection;
- Food Security & Supply Chain Management;
- Food Safety & Product Quality;
- Environmental Impact.

”

This report covers why each topic is important to MTY, the approach we take to manage the risk and/or opportunity, and the metrics and targets we use to measure performance and set goals.

”

A close-up photograph of a hand squeezing a lime over a bowl of Thai fried rice. The rice is golden brown and topped with green onions and red chili. The background is a warm orange-red color with a subtle pattern.

FOOD

- 13 Supply Chain Priorities & Oversight
- 14 Food Safety
 - 15 Supplier Intervention & Food Storage
 - 16 Education & Training
 - 17 Hygiene & Food Safety Certifications & Programs
 - 18 Audits
 - 19 Product Recall & Communication Plan
 - 19 Handling Complaints
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SUPPLY CHAIN PRIORITIES & OVERSIGHT



Our MTY Procurement teams, who ultimately report to the CEO, oversee our supplier and distributor relationships, including contract negotiations, distribution logistics, pricing analytics and the supply chain relationship between procurement and our brands.

These teams manage thousands of products via several hundred suppliers to meet our brands' needs. Our Procurement teams are responsible for ensuring we are bringing in the right products from the right suppliers. More importantly, they help prevent the wrong products and the wrong suppliers from entering into our system.

We approach product sourcing holistically, balancing our environmental, social, and financial responsibilities. We look for suppliers who share in our values and in our drive to constantly elevate our guests' dining experience.

We engage suppliers who are aligned with the commitments in our MTY Supplier Code of Conduct (CoC), which requires compliance with applicable laws, prohibits the use of forced and unlawful child labor and the violation of standards of working hours and conditions, and provides guidelines for human rights and for the humane treatment of workers.

Food safety is crucial to us, and we have stringent training programs and audit measures in place as a result. We also maintain a responsibility to source from sustainable, ethical suppliers to ensure we manage our consumption of global resources as sustainably and efficiently as possible. As such, we aim to source from suppliers who place a strong emphasis on issues such as product quality, sustainable environmental practices, animal welfare, and fair pricing.

Our intention is to align our efforts with the following SDG goals:



FOOD SAFETY

MTY's priority is to ensure that the food served to our guests is not only delicious, but safe and properly managed in compliance with all applicable laws and regulations.

HYGIENE & FOOD SAFETY TEAMS

MTY has qualified hygiene and food safety teams dedicated to developing programs for our restaurants that go beyond government standards. These teams, directly or through third-party specialists, support and train both our operations teams and our franchisees, and conduct store visits to help ensure adherence to our health and safety programs.

MTY owns two food manufacturing plants, and we hold them to high standards via our Quality Control & Food Safety Committees dedicated to this purpose. Our largest food processing plant, which produces many of our Canadian brands' menu ingredients, holds the Safe Quality Food (SQF) Program certification, and thus provides assurance of quality, food safety and credibility to our brands.

MTY has implemented the following measures to ensure ingredients and meals are handled and prepared safely from procurement up until delivery to our guests:

1. Supplier Intervention & Food Storage;
2. Education & Training;
3. Hygiene & Food Safety Certifications and Programs;
4. Audits;
5. Product Recall & Communication Plan;
6. Handling Complaints.



1. SUPPLIER INTERVENTION & FOOD STORAGE

The first step to food safety is to have processes in place to mitigate risks before the ingredients arrive at our brands' restaurants.

As such, vendors are assessed based on a set of criteria critical to becoming an approved MTY supplier, including compliance with health and safety regulations and plant certifications such as the Global Food Safety Initiative (GFSI) scheme, Hazard Analysis of Critical Control Points (HACCP) and the Good Manufacturing Practices (GMP) programs.

Approved strategic suppliers are expected to sign our MTY Manufacturer Supply Agreement (MSA), holding them accountable for deliverables which include product quality, assurance of supply and other key business terms to keep a successful collaboration.

Key business terms include the parties agreeing to confidentiality, intellectual property (IP) protections, and indemnification clauses, as well as other pertinent representations and warranties. Additional language grants us the right to audit our suppliers to ensure their bookkeeping complies with accepted accounting standards, as well as the right to conduct on-site inspections of their premises, products and ingredients to ensure conformity.

All suppliers are expected to sign a Non-Disclosure Agreement (NDA), thereby protecting confidentiality and privacy in the exchange of information.

Once a supplier's product is chosen for one of our brands, the supplier must complete a form used to track and manage every stock keeping unit (SKU) purchased.

This form includes information such as country of origin, nutritional content, allergens, storage parameters, and best-before dates, to ensure they align with MTY's product requirements and ease of product traceability.

This supplier product form allows the store owners and employees to manage food products to keep items fresh until they are used in recipes, or for resale.

Although food safety risks are inherent in the restaurant business, they are not the only concerns of importance for us. As such, we are also developing specific supplier qualification programs and strengthening our audit protocols for the following categories of contracted suppliers:

- Tier 1 vendors. Vendors qualify when they reach at least 1 million Canadian dollars in sales in the most recent fiscal year.
- Vendors supplying products with a higher risk for potential for foodborne illness.
- Vendors who supply proprietary items for our brands.
- Vendors who supply products addressed in our ESG commitments.
- Vendors in a sector at considerable risk of forced or unlawful child labor as identified by the appropriate oversight body.

A priority is placed on the complete assessment for each supplier.



2. EDUCATION & TRAINING

A fundamental component to food safety is proper and adequate education and training.

OPERATIONS MANUAL

Training and reference material are always available to franchisees, along with consistent communication about any updates on supply chain and food-related matters.

Our operations teams work with franchisees to educate them and to ensure the safe practice of storing and handling food. Franchisees are taught and trained on how to correctly clean and sanitize workstations, equipment and utensils, safely store foods at correct temperatures, label food items, keep a safe work environment, and protect the health and safety of all guests.

HIGHER LEARNING

Our restaurant managers, operations teams, franchisees, and their employees have access to MTY-run learning platforms. These training tools are accessible in the form of one-stop online learning resource centers, virtual classroom training curriculum, training videos and capsules.

HYGIENE & FOOD SAFETY MANUAL

MTY-prepared hygiene and food safety manuals and other materials are available to our franchisees, their staff, and our operations teams. The standards created by us are generally more stringent than those set by government regulation. These standards include:

- Temperature Logs;
- Cleaning & Sanitizing Registers;
- Dating Systems;
- Cross Contamination Prevention Procedures.



3. HYGIENE & FOOD SAFETY CERTIFICATIONS & PROGRAMS

Our franchisees are required to meet the legislative requirements for food and safety training programs across all brands. To complement this and the education and training tools we have in place, we have the following certifications and programs:

CLEANING & SANITATION PROGRAMS

Our Procurement teams, our operations teams and our cleaning chemical suppliers collaborate to customize cleaning and sanitation programs to fit the needs of each of our brands. These programs include:

- A line-up of cleaning and sanitation chemicals chosen according to the types of food being handled at the restaurant and the category of restaurant (quick-service, fast casual or casual dining);
- Customized wall charts depicting the dilution, frequency and usage of each product;
- Technical and Safety Data Sheets for each product;
- The equipment needed to properly use and store the products, including quaternary test strips to ensure the accurate concentration of our sanitation products; and
- On-site training and equipment maintenance by our cleaning chemical vendors.

PEST CONTROL PROGRAMS

We love restaurant guests, but not the pesky ones! Therefore, we work with pest control companies to help keep our brands' restaurants pest-free.

Our pest-control programs include regular third-party store visits, with detailed reports accessible through an online portal. The online portal also shows activity alerts, corrective measures, and follow-up visits.

We follow up with our franchisees and the pest control companies to maintain a pest-free restaurant environment.

For restaurant locations where on-premises pest control is the responsibility of the building's landlord, landlords have put similar processes in place to protect our brands' restaurant environment.



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

4. AUDITS

HYGIENE & FOOD SAFETY AUDITS

Food is the foundation of our business and serving good food, under strict food and safety guidelines, is a priority for us. From our vendors to our restaurants, we have policies in place to ensure food safety is practiced and respected throughout the supply chain. Food safety at our restaurants is audited regularly through scheduled and non-scheduled visits by various teams and through multiple channels throughout the year such as:

- MTY Health & Safety team;
- MTY operations teams;
- Municipal health and safety governing boards;
- Third-party professional food safety and hygiene inspections; and
- Third-party pest control contracts.

OUR BRANDS' RESTAURANTS & MANUFACTURING PLANTS

Hygiene & food safety audits are required annually, at a minimum, at each of our brands' restaurants to ensure food is appropriately handled and stored and kitchens are sanitary. These audits are established and executed based on standards determined by our Health and Safety team, in conjunction with those of any governing bodies' food safety industry standards.

Brands that require an independent hygiene and food safety inspection program are typically audited by a

third-party company 1 to 3 times a year. MTY and the third-party audit companies collaborate to determine the criteria and inspection points that will occur at the stores. In instances where an imminent health hazard has been identified at a store, or if a store fails an audit, follow-up visits occur to validate all issues have been rectified, and temporary or permanent store closures will occur as necessary.

Municipal health and safety governing boards also perform regular audits at our restaurants and our manufacturing plants to audit hygiene and food safety practices.

AN AVERAGE OF

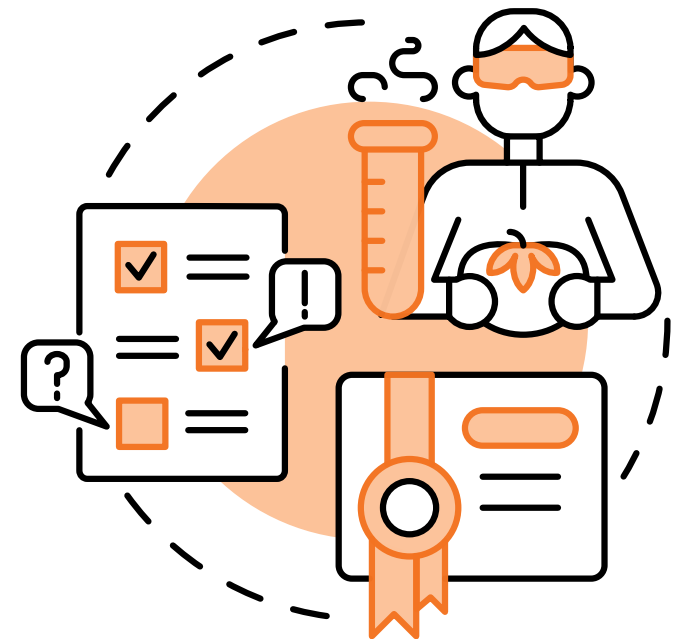
4.3

INTERNAL AND THIRD-PARTY
INSPECTIONS BY RESTAURANT¹
OCCURRED IN 2023.

OUR SUPPLIERS

When necessary, our suppliers are audited to verify they have the necessary standards and policies in place and to ensure the food is aligned with the proper specifications, ensuring a high level of food safety. An audit questionnaire is prepared by MTY, and inspections

are conducted either by an independent auditor or by a member of our internal food safety teams.



¹ Brands who participated in the survey.

5. PRODUCT RECALL & COMMUNICATION PLAN

Despite the measures we have put in place, we know product recalls can occur. In these instances, we quickly apply stringent product recall protocols to mitigate any potential impact of the recalls on us, our franchisees, and our guests.

REAL LIFE MTY SITUATION

SATURDAY 2023

10:00 AM

Based on a notification of a potential product risk, MTY decided to execute a product Stop Sell to over 1,000 of our locations.

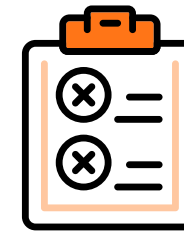
12:00 PM

100% of the locations notified confirmed receipt and stopped selling the product.

16.3 metric tons of product isolated from circulation and destroyed.

2 HR
response
time*

Mistakes happen, even to the best of us. It is how we manage these mistakes that count. Therefore, MTY believes in the importance of having a clear and concise Product Recall and Communication Plan. This plan allows us to react quickly and efficiently when a recall is initiated, whether the recall is voluntary or involuntary, and whether it is initiated by governmental health bodies, our suppliers or ourselves. This plan allows us to ensure the recall is communicated to each of our affected stakeholders, with a clear plan to remedy the situation.



WE SUCCESSFULLY APPLIED OUR PRODUCT RECALL PROTOCOL FOR 6 VOLUNTARY RECALLS, RECALLING A MINIMUM OF 21.46 METRIC TONS OF FOOD IN CANADA AND IN THE US.

6. HANDLING COMPLAINTS

We have processes in place to allow our franchisees and our operations team members to communicate any product complaints to our Procurement teams. These complaints are tracked and documented and are escalated to our suppliers or distributors to take corrective action. When necessary, we involve our food safety team and the supplier's Quality Assurance team.

Our guests are also able to provide feedback through our websites, our social media platforms, and in our brands' restaurants.

*Industry standard expected response time is 4 hours.

RECIPE DEVELOPMENT & NUTRITIONAL CONTENT

STRATEGY

Our menus and recipes are carefully curated to satisfy our visitors' cravings, and we plan to provide at least one plant-based¹ menu option in 100% of our applicable brands. We understand that the provided nutritional facts and ingredient list may play a role in our guests' dining choices. We therefore aim to be transparent with our ingredients, which will also result in improved product traceability and improved recall response.

In 2021, we set a goal to make the nutritional information, ingredient lists, and allergen cards of our core menu items accessible to our guests by the end of 2024.

To support healthy eating from a young age, in 2022 MTY developed a guideline for kids' menus at our restaurants in accordance with *Health Canada's Dietary Guidelines* and the *Dietary Guidelines for Americans*. We committed to offer at least one meal option aligned with these guidelines in each of our brands with a kids' menu.

POLICY

MTY strives to provide each guest with food options regardless of dietary restrictions. Recipes are developed to cater to various diets, preferences, and allergens. Options are clearly labelled to be easily identifiable

by guests. Our unique recipes are developed by each brand using the expertise of our chefs and research and development (R&D) teams, keeping ahead of market trends and in tune with our guests' expectations. Many MTY brands hire third-party audit firms to conduct audits on new recipes or products to ensure alignment with product or recipe specifications.

PROGRESS

On track to meet our 2024 commitments.

Whether you are craving our burgers or need a post workout boost with one of our fresh smoothies, we have you covered. At MTY, we want our customers to have the information they want to make dining choices that support their lifestyle.

79% of MTY brands made their nutritional facts accessible to their guests.

84% of MTY brands made their allergen cards accessible to their guests.

95% of our brands with a kids' menu have at least one meal option aligned with MTY's kids' menu guidelines.



¹ 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.

SOURCING APPROACH

MTY's commitment to sourcing products and ingredients is guided by our values and our promise to create a more sustainable MTY for our future. Integrity is embedded throughout our entire sourcing strategy, including through relationships with our suppliers, treatment of their workers, quality of our products, food safety, handling of animals, and impact on the environment. This approach has awarded us with strong business allies and the ability for our brands to grow sustainably, even throughout sometimes challenging, larger economic landscapes.

1. ANIMAL WELFARE

At MTY, we care about the welfare of animals. We believe we can have a positive impact on the world through our strategic sourcing approach and working with key suppliers who share the same values on promoting the humane treatment of animals.

OUR VALUES

Our values and our expectations of the suppliers in our supply chain reflect the globally recognized Five Freedoms of Animal Welfare, as developed by the Farm Animal Welfare Committee of the UK:

THE FIVE FREEDOMS OF ANIMAL WELFARE

1. **Freedom from hunger or thirst** by ready access to fresh water and a diet to maintain full health and vigor.
2. **Freedom from discomfort** by providing an appropriate environment including shelter and a comfortable resting area.
3. **Freedom from pain, injury or disease** by prevention or rapid diagnosis and treatment.
4. **Freedom to express (most) normal behavior** by providing sufficient space, proper facilities and company of the animal's own kind.
5. **Freedom from fear and distress** by ensuring conditions and treatment which avoid mental suffering.



OUR ADVISORS

Industry experts, science-based evidence, veterinarians, reputable animal care councils and legislation are in place to establish animal welfare codes and best practices for the humane treatment of animals regarding their handling, housing, and transportation conditions, to establish standards for processing facilities, and to provide guidance on when to use antibiotics and/or hormones in production.

MTY has engaged with these types of animal welfare advisory resources:

- to monitor advancement on industry best practices; and
- to provide guidance on our Animal Welfare goals, commitments, and roadmaps.

OUR STANDARDS

Collaboration with our vendors enables us to increase our supply chain visibility, allowing us to make more informed procurement decisions. Our suppliers must comply with all applicable laws of the jurisdictions in which they operate. We also expect our suppliers to

comply with regulatory requirements and industry best practices for animal care and traceability within their respective processing or manufacturing areas, as well as adhere to policies in line with the MTY Supplier Code of Conduct.

MTY takes animal cruelty very seriously. All allegations are addressed with our suppliers, with the expectation that, if confirmed, all necessary corrective measures are taken with priority. MTY does not tolerate animal cruelty; we commit to discontinue business with suppliers who do not rectify confirmed allegations. Any allegations can be reported to ethics@mtygroup.com.

OUR COMMITMENTS AND ROADMAPS

Criteria for all species and product categories:

1. We prioritize contracting with protein vendors who have or who are working towards an Animal Welfare policy aligned with the Five Freedoms of Animal Welfare.
2. All our contracted protein vendors will have either signed the MTY Supplier Code of Conduct (CoC) or a mutually agreed upon equivalent by 2025.

PERCENTAGE (%) OF OUR TIER-1 PROTEIN VENDORS

To date:



have confirmed they have an animal welfare policy aligned with MTY requirements.



have signed the MTY CoC.

OUR ENGAGEMENT TO TRANSPARENCY

MTY will report animal welfare objectives and progress, at least annually.

2. EGGS

OUR RESEARCH

Through in-depth research, farm visits, and discussions with numerous animal welfare and egg farmer organizations, MTY conducted a study to better understand hen housing systems, science-based data, egg certifications, egg boards, professional associations codes of practice and suppliers' animal welfare policies.



MTY team farm visit.

From left:

Katherine Ma, VP Procurement & Sustainability¹

Sylvia Alloune, Senior Manager, Procurement

Patricia Briere, Director of Sustainability




¹ Katherine Ma left the Company in April 2024.



CANADIAN AND U.S. EGG STANDARDS

Canada's Egg Quality Assurance (EQA) and the US' United Egg Producer (UEP) certifications ensure not only best in class food safety and quality standards, but also follow the Five Freedoms of Animal Welfare, and strive to foster hens' natural behaviors.

HOUSING SYSTEMS

	CONVENTIONAL	ENRICHED COLONY	FREE RUN (CANADA) CAGE-FREE (US)
Access to litter, protection from predators	✓	✓	✓
Have access to fresh food and water	✓	✓	✓
Housed inside climate-controlled barns	✓	✓	✓
No access to outdoors (Canada)	✓	✓	✓
Allowed to exhibit natural behaviours and include enrichments such as scratch areas, perches and nests	✗	✓	✓
Roam vertically and horizontally indoors	✗	Roam horizontally indoors	✓
Eggs collection method	By conveyor belt	By conveyor belt	By hand
Test results (taste, yield, texture, operational handling)	No difference	No difference	No difference
Nutritional value	No difference	No difference	No difference
Housing size	 67-86 in ² / hen	 116 in ² / hen	 144 in ² / hen

SCIENTISTS SAY...

Enriched colony housing systems are better housing systems than conventional cage systems, since they allow pullets and laying hens' natural behaviors without compromising egg production or food safety standards.

"Hens can experience stress in all housing types and no single housing system ranks high on all welfare parameters."

Likewise, no single breed of laying hen is perfectly adapted to all types of housing systems.

Management of each system has a profound effect on the welfare of the birds in that system; thus, even a housing system that is considered to be superior relative to hen welfare can have a negative effect on welfare if poorly managed.

The right combination of housing design, breed, rearing conditions, and management is essential to optimize hen welfare and productivity."

FINDINGS

MTY has expanded its approved sourcing criteria to allow for two additional types of hen housing systems: cage-free (US)/free run (Canada) and enriched colony.

¹ Poultry Science, Volume 90, Issue 1, 1 January 2011, pages 278-294; Science Direct: [Hen welfare in different housing systems - ScienceDirect](#)

STRATEGY

MTY leans on industry experts, science-based evidence, veterinarians, and legislation to provide animal welfare codes of practice, including for pullets and laying hens.

POLICY

In addition to following our Supplier Food Safety and Animal Welfare criteria for all species, MTY will continue to transition to enriched colony and/or cage-free, and/or UEP Certified eggs, as the available supply meets MTY's requirements or as required by applicable law.

In Canada, MTY is contracting with suppliers associated with farmers who:

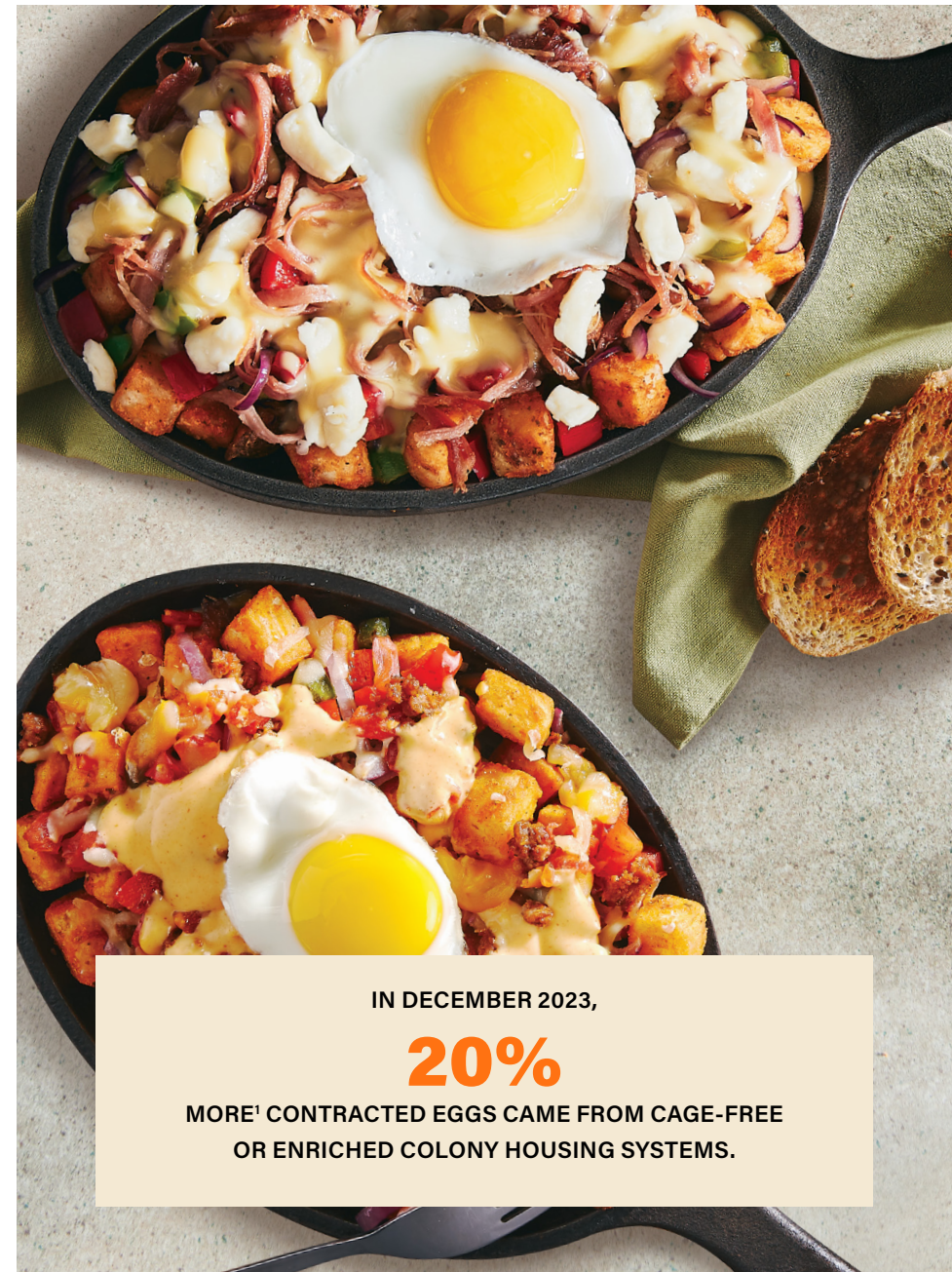
- follow the National Farm Animal Care Council (NFACC) "Code of Practice for the Care and Handling of Pullets and Laying Hens" requirements; and
- hold a valid Egg Quality Assurance (EQA) certification, providing assurance that our eggs are produced according to strict food safety and animal welfare standards.

PROGRESS

We remain committed to transitioning away from conventional eggs and will continue to explore additional options in line with our animal welfare policy.

Our strong collaborations with our suppliers have enabled us to also source eggs from enriched colony and cage-free housing systems, in line with our animal welfare policy. We are therefore proud of the progress we have achieved, and of our continuous efforts to source eggs from farmers who meet or exceed the standards and guidelines of the animal care programs in the US and Canada.

¹ Compared to our baseline of May 2023



IN DECEMBER 2023,

20%

**MORE¹ CONTRACTED EGGS CAME FROM CAGE-FREE
OR ENRICHED COLONY HOUSING SYSTEMS.**

3. COFFEE

STRATEGY

In 2022, we committed to prioritize coffee from sustainable sources and that by 2025, all our applicable brands would have at least one sustainable coffee offering.

At MTY, we take pride in where our products come from and are conscious of the impact we can have on the environment and the communities we touch. We are committed to sourcing high coffee quality from suppliers who support farmers, workers' rights, and local communities, while following best farming practices to protect ecosystems and wildlife.

“

Coffee is one of the world's most popular beverages today.¹

”

POLICY

We define “coffee from a sustainable source” as one whereby our contracted vendors abide by the commitments outlined in our MTY Supplier Code of Conduct and have a sustainable coffee sourcing policy outlining standards for farmers and for the environment.

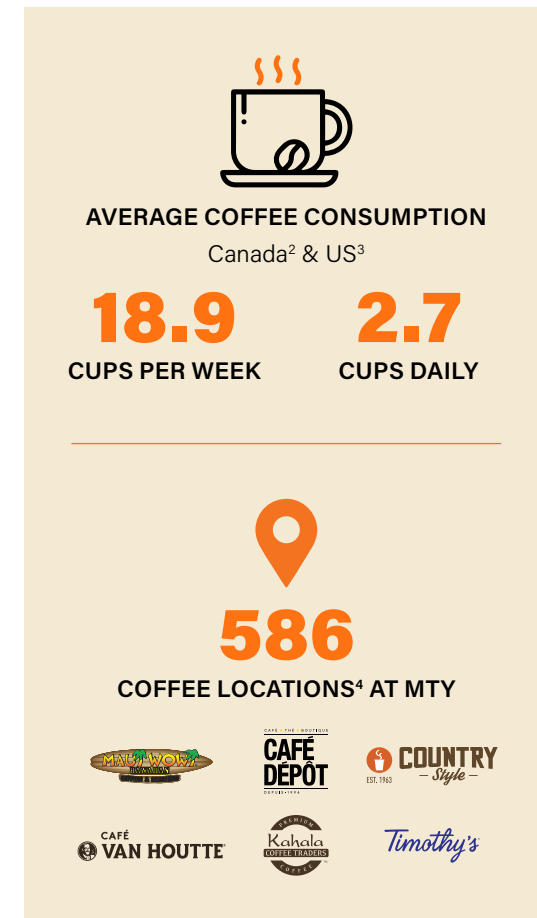
The supplier must also provide a proof of at least one of the following:

- Certification or documented compliance with third-party sustainability standards
 - Examples of recognized sustainability standards or certifications include, but are not limited to: Rainforest Alliance, Fairtrade, Smithsonian Bird Friendly, etc.
- Third-party organic certification;
- Traceability evidence from roaster to producer; or
- Inclusion in a credible and publicly documented coffee improvement project, detailing a work plan that includes goals, timelines and reporting of milestones on farm practices and human rights.

PROGRESS

In 2023, MTY contracted for approximately 392 metric tons of coffee beans, grounds, and pods (such as K-Cups) from selected suppliers.

At the end of the fiscal year, **24%** of our purchased coffee complied with our definition of coffee from a sustainable source and **50%** of which was certified by a recognized third-party.



¹ [Coffee market worldwide - statistics & facts | Statista](#)

² [Coffee Consumption Statistics in Canada for 2024 | Made in CA](#) as of April 2023

³ [Americans drinking record amount of coffee](#) (foodbeverageinsider.com)

⁴ As of November 2023.

4. PALM OIL

STRATEGY

We are committed to contributing towards a sustainable palm oil industry through our supply chain contracts. This commitment is fuel by our understanding of the potential impacts of palm oil production on deforestation, human rights violations, biodiversity loss and the degradation of natural ecosystems.

In 2022, we set a goal of using a Roundtable for Sustainable Palm Oil (RSPO) certified palm oil in at least 80% of our ingredients containing palm oil¹ by 2025.

In 2023, we reviewed and updated our strategy with increased goals on sustainable agriculture as stated in the Policy section below.

POLICY

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.

All palm oil directly sourced by MTY will either:

- Be sourced from a vendor with a RSPO certification;
- Have a sustainable certification or be in assessment for a certification;
- Have No Deforestation, No Peat, No Exploitation (NDPE) policy / commitments;
- Have traceability to the mill; or
- Be a supplier who can verify/assess sustainable crops.

PROGRESS






99% of the oils used for cooking, marinades and dressings in our restaurants are canola, olive or soybean-based, which do not contain palm oil. Less than 1% of our purchases are oils, shortenings and margarines containing a blend of palm oil.

100% of our palm oil volume is from a RSPO-certified source, achieving our 2025 goal 2 years ahead of schedule.



¹ Ingredients containing palm oil refer to crude palm oil, shortening and margarine.

FOOD GOALS—2021 TO 2025

<p>GOAL ACCOMPLISHED</p> 	<ul style="list-style-type: none"> • Provided a plant-based¹ menu item option in 85% of our applicable brands. • Measured the percentage of sustainably sourced coffee by 2024. • Measured the percentage of our ingredients made with RSPO-certified palm oil. • Had at least 80% of our palm-oil containing ingredients be RSPO-certified by 2025. 	<p>IN CONTINUUM</p> 	<ul style="list-style-type: none"> • To continue tracking vendor food safety certifications, through a recognized GFSI certified third-party audit. • To contract with protein, dairy and egg suppliers who focus their internal priorities and policies on improving animal welfare. • To report animal welfare objectives and progress, at least annually. • To 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. • To prioritize coffee from sustainable sources.
<p>IN PROGRESS / ON TRACK</p> 	<ul style="list-style-type: none"> • All Tier 1 vendors have a certified third-party audit verifying food safety programs, including HACCP by 2025. • To publish or make accessible to guests the nutritional values & allergen cards of our core menu item for all our brands by 2024. • To have 100% of our brands who have kid's menus offer at least one menu item that adheres to the MTY guideline by 2024. • To measure the percentage of our current vendors with animal welfare policies, including those aligned with the Five Freedoms of Animal Welfare. • To ensure 100% of our applicable brands will have a sustainably sourced coffee offering. 	<p>BEHIND SCHEDULE</p> 	<ul style="list-style-type: none"> • To publish or make accessible to guests the nutritional values & allergen cards of our core menu items for our top 50 brands by 2023.²
		<p>NEW GOALS</p> 	<ul style="list-style-type: none"> • All applicable brands will provide at least one plant-based menu item by 2024. • All our contracted protein vendors will have either signed the MTY Supplier Code of Conduct or a mutually agreed upon equivalent by 2025. • 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.

¹ 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.

² Top 50 brands are evaluated annually and may change. In 2023, many brands from our latest acquisitions reached MTY Top 50 brands. MTY remains committed to making accessible the nutritional values and allergens cards of our core menu items to our guests.



PLANET

- 31** Our Environmental Priorities & Oversight
- 32** Energy & Emissions
- 33** Waste Management
- 35** Packaging
- 37** Planet Goals—2021 to 2025

OUR ENVIRONMENTAL PRIORITIES & OVERSIGHT

MTY is committed to running our brands' restaurants in an environmentally responsible manner and we are continually evaluating the regulatory landscape for our operations and looking for opportunities to improve. Changing regulatory requirements are identified, assessed, and managed through our internal regulatory update and verification program. MTY reviews, approves, and implements policy and procedural changes through established management reviews.

Our 2023 areas of focus were related to better understanding our waste management and emissions through the calculation of our Scopes 1 and 2 greenhouse gas (GHG) emissions.

MTY favors suppliers who are aligned with the MTY Supplier Code of Conduct and encourages its suppliers to minimize the environmental impacts of their facilities, including on biodiversity, waste reduction, recovery and management, water use and disposal, and greenhouse gas emissions.

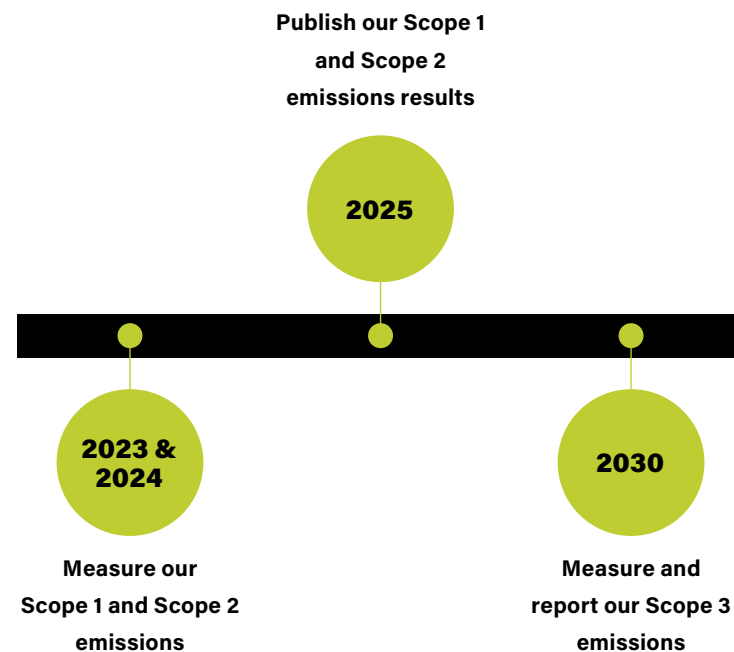
Our intention is to align our efforts with the following SDG goals:



ENERGY & EMISSIONS

An in-depth education on sustainability and our emissions is the foundation needed to establish a blueprint to reduce our carbon footprint. The necessary efforts are being allocated to this step through research and via participation in webinars and meetings. 2023 was selected as our baseline year as it was the first fully operational year post-COVID and it included recently acquired BBQ Holdings, Sauce Pizza & Wine, and Wetzel's Pretzels.

MILESTONES



PROGRESS

In 2023, MTY selected a third-party industry consultant to assist in the evaluation of our GHG emissions. Throughout the year, efforts were made to better understand our emissions and to identify the methodology and tools needed to measure and report on our Scope 1 and 2 GHG emissions.



WASTE MANAGEMENT

We strive to keep our waste out of the landfills and are consistently implementing various strategies around this goal. From product sourcing to post consumption at the restaurant and for take-out, waste management is part of our selection criteria throughout the entire supply chain cycle. A few examples of our progress include: selecting pre-cut fruits and vegetables and ready-to-cook solutions for our restaurants when applicable; enforcing an “Upon Request” strategy in Canada and where required in the US; reducing our disposable menu placemat consumption by creating digital solutions; ensuring our new packaging is 100% recyclable and/or contains recycled content; and promoting the use of reusable dishes in our concepts where applicable.

As we are always looking to do better, we understand that improving our waste management practices will not only help in reducing GHG emissions, but will potentially bring cost savings to our franchisees when sourcing products with longer usage lifespans that reduce the expense of disposal, when possible.

In 2024, our goal is to measure and benchmark the waste generated from our corporately owned restaurants, office locations and manufacturing plants. In addition, we are developing an MTY guideline to support our creative teams for placing messaging on our branded packaging items that promotes and communicates “how to dispose” best practices to our guests.

2025 AND BEYOND

To integrate a waste management system in new store construction and renovated stores, when possible and where applicable.

PROGRESS

In 2023, the MTY RISE Environmental sub-committee¹ hosted two (2) informative sessions with our Canada

and US operations teams to raise awareness of the importance of good waste management practices within our operations. Following these sessions, a comprehensive survey was sent to our brands to better understand our current practices and to identify the tools we need to measure our waste.

In 2024, we will refine our data collection templates and continue to expand our surveys.

WASTE MANAGEMENT IS A MTY TEAMS' EFFORT



STRATEGY &
GOALS

SET-UP DATA
REQUIREMENTS
& MEASURE KPIS

















DATA
COLLECTION

INITIATIVE
IMPLEMENTATION

¹ Learn more about MTY RISE Environmental sub-committee on page 43.

INITIATIVES

OUR FOCUS IS ON THE FOLLOWING INITIATIVES:

	Prevention - Reducing at the source	Recovery - Donation / Second life	Diversion from landfill & Recycling
RISE Committee	 Implementing an "Upon Request" Strategy.		 Diverting packaging waste by providing "End of Life" Guidelines through proper labelling graphics.
Operations Team	 Reducing the amount of food that goes unsold (reviewing menu, pack size).  Implementing digital solution for disposable menu placemats.	 Donating surplus food to applicable/ acceptable charities.  Collecting used chopsticks and giving them a second life / circular economy, where applicable.	 Expanding cooking oil recycling programs.  Diverting food waste from landfills through use of composting, or anaerobic digestion.  Implementing reusable flatware, when possible.
Supply Chain	 Selecting the right packaging.  Expanding the range of reusable packaging.		 Expanding the range of reusable packaging.
Construction Team	 Implementing sorting bins in stores, where applicable.		 Diverting packaging and food waste using sorting bins, where applicable.
Head Offices	 Implementing digital solution— Paper Reduction Policy.		 Recycling electronics using best practices.

 IN PLACE OR IN PROGRESS
  NEED TO EVALUATE FURTHER

1. PACKAGING

To-go packaging is essential for our restaurant operations. MTY therefore seeks to offer the best available packaging options for our guests that meet our required environmental criteria without compromising the dining experience.

STRATEGY

At MTY, we integrate the 3Rs—Reduce, Reuse, Recycle—when sourcing new packaging. In 2023, we deployed our “Upon Request” policy to support the first two Rs, to reduce at source and to encourage a change in our customer’s behavior towards reusable products.

We set a goal to have 100% of our proprietary, contracted paper-based packaging be certified by either the Forest Stewardship Council (FSC) or by the Sustainable Forestry Initiative (SFI) and/or to contain post-consumer recycled content by 2025.

POLICY

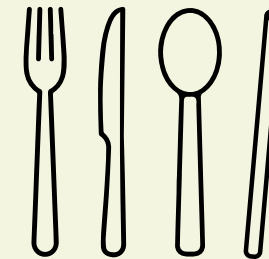
When selecting a new packaging item, MTY is committed to evaluating its impact on the environment, the economy, and society to promote mindful choices that help reduce our carbon footprint while offering the best customer experience.

- Prioritize new paper packaging products that are certified by a third-party for best forestry practices, and/or offer a % of recycled content to prevent the usage of unnecessary virgin material.

PROGRESS

In Canada and where required by law, MTY replaced all hard-to-recycle plastics with 100% recyclable, compostable or reusable options.¹

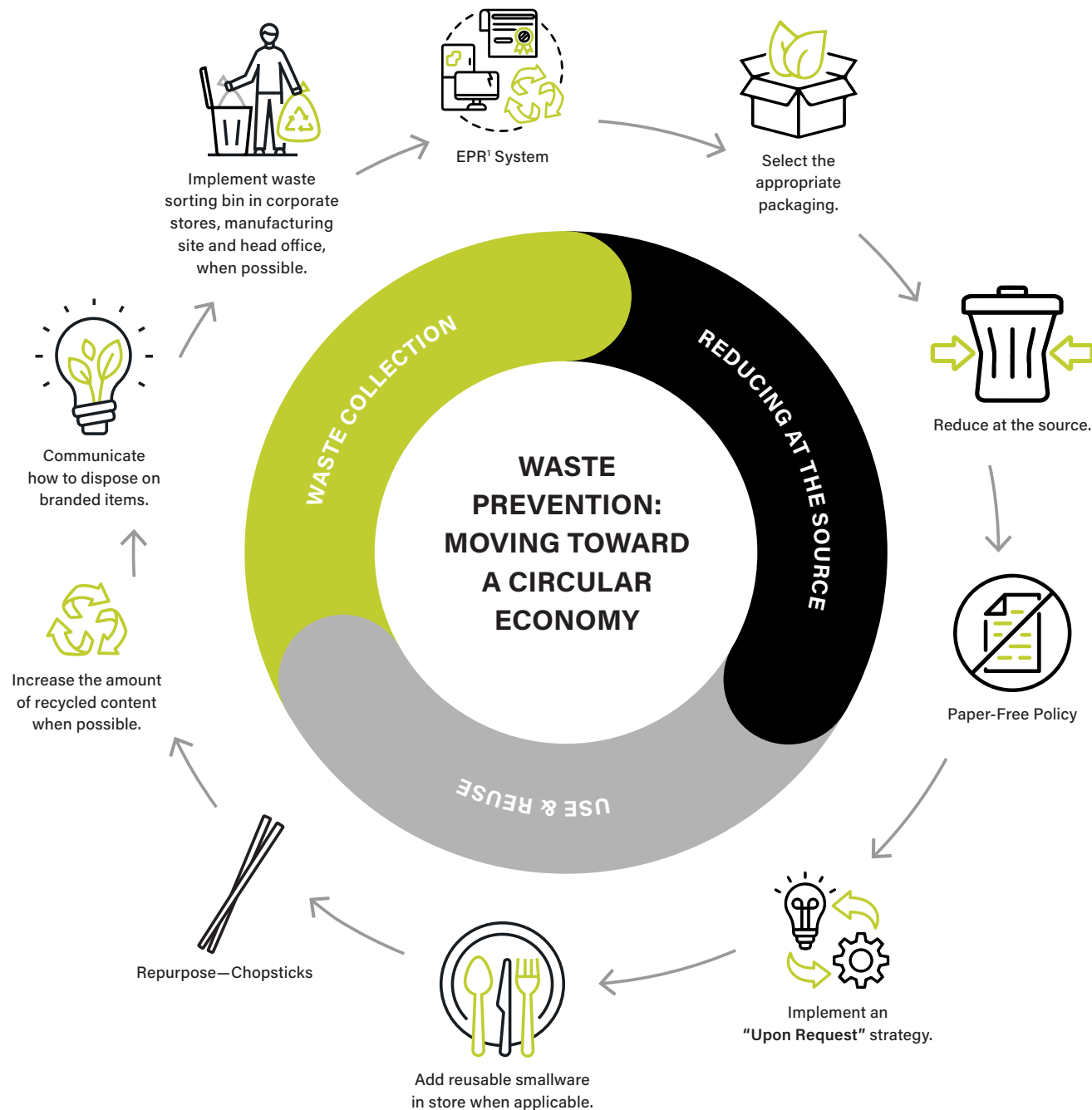
Since 2018, MTY does not authorize the sale or use of products made of expanded polystyrene “Styrofoam” (*Foam, PS Foam*).



“UPON REQUEST”






As part of its sustainability journey, MTY Group is committed to transition single-use items to “Upon Request” at our restaurants to reduce wastage. We will be happy to provide cutlery, straws, or bags, upon request only.

¹ This goal excludes any inventory purchased as a result of supply chain challenges and/or related quality issues, out of our control.



¹ Extended Producer Responsibilities (EPR)

PLANET GOALS—2021 TO 2025

<p>GOAL ACCOMPLISHED</p> 	<ul style="list-style-type: none"> Created a database to quantify materiality and waste. Evaluated a chopsticks circular economy program in a distinct market.¹ Reduced the use of disposable menu placemats at our brands' restaurants by 50% by 2024. 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. 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 2023.² Published internally our MTY Packaging Policy. Depleted the inventory of hard-to-recycle plastics at our Canadian restaurants. Replaced polystyrene (PS) packaging with recyclable or renewable material in our Canadian and US order guides.³ 	<p>EARLY STAGE</p> 	<ul style="list-style-type: none"> To measure and report our Scope 3 emissions by 2030. To integrate a waste management system in new store construction and renovated stores, when possible and where applicable.
<p>IN PROGRESS / ON TRACK</p> 	<ul style="list-style-type: none"> To understand our own emissions, to identify tools to measure and report, and to set goals and establish our roadmap. To calculate our Scope 1 and Scope 2 emissions in 2023 and 2024 and to publish our results starting in our 2025 report. Establish an MTY guideline to support our creative teams on communicating how to dispose of branded packaging items. To review and ensure, by the end of 2024, all MTY-branded packaging effectively communicates the proper manner in which such items should be disposed. To ensure 100% of our contracted paper-based packaging is FSC Certified, SFI Certified or contains post-consumer recycled content by 2025. 	<p>IN CONTINUUM</p> 	<ul style="list-style-type: none"> To develop a strategy on waste management, and to measure our generated waste across our entire organization. Measure and benchmark the waste generated from our corporately owned restaurants, office locations and manufacturing plants. To evaluate different carbon neutral strategies to offset our placemat consumption.
		<p>BEHIND SCHEDULE</p> 	<ul style="list-style-type: none"> To identify our largest environmental impacts along our value chain as part of our 2023 report.⁴

¹ MTY is currently analyzing the reliability of such service in the different regions where we operate to enlarge the scale of this initiative.

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

³ Where required by law.

⁴ MTY is currently working with a consulting firm to identify our largest environmental impact along our value chain related to greenhouse gas emissions.



PEOPLE

- 39 Our Board of Directors
- 41 Our Senior Executive Team
- 42 MTY RISE Team
- 44 Stakeholder Engagement
- 45 Management Approach & Policies
- 46 MTY Supplier Code of Conduct
- 47 Our People Priorities
- 48 Culture & Career Development
- 50 Talent Retention, Acquisition & Turnover
- 51 Employee Benefits
- 52 Diversity, Equity & Inclusion
- 53 Workforce Diversity
- 55 Franchisee Support
- 56 Supporting our Communities
- 58 Cybersecurity & Data Protection
- 62 People Goals—2021 to 2025

OUR BOARD OF DIRECTORS

The Board of Directors is responsible for the stewardship of MTY. As such, it oversees the management of our business to enhance the creation of long-term shareholder value while considering the interests of our various stakeholders, including shareholders, franchisees, employees, guests, suppliers, business partners, and the communities where we operate.

Our Board of Directors entrusts the management team to build and maintain a positive work culture. Efforts to deliver on this objective are led by the Human Resources teams based in Canada and the United States. Where appropriate, we will bring awareness and/or offer resources to franchisees designed to supplement their own efforts to build an employer of choice culture with their employees.

Although the Board has ultimate oversight and accountability for the successful implementation of the key metrics established as part of MTY's ESG framework, it has assigned the CEO, along with the Senior Executive Team, the task of executing these initiatives.

In response, the CEO appointed Katherine Ma¹ as Chair of the ESG Committee, who is tasked with the overall citizenship and sustainability strategy and priorities. The Board also periodically reviews, together with management, MTY's reputation as a responsible corporate citizen and its efforts to employ sustainable business practices consistent with its business purpose and values.

¹ Katherine Ma left the Company in April 2024 and Patricia Briere was named the new Chair of the ESG Committee.



Stanley Ma
President & Chairman



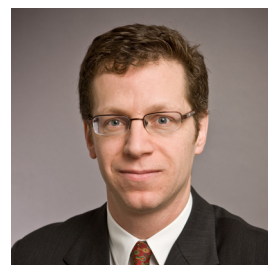
Claude St-Pierre
Secretary



Murat Armutlu
Audit Committee
Member



Eric Lefebvre
Chief Executive Officer



Victor Mandel
Chairman of Audit
Committee



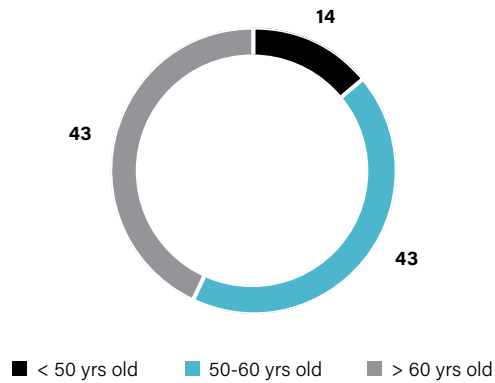
Dickie Orr
Audit Committee
Member



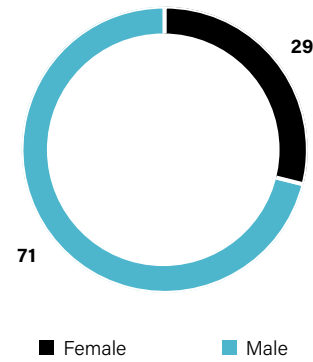
Suzan Zalter
Member

BOARD HIGHLIGHTS

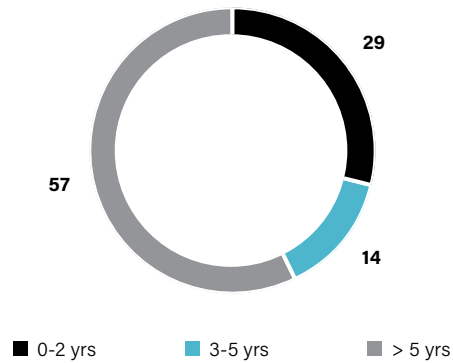
AGE DIVERSITY (%)



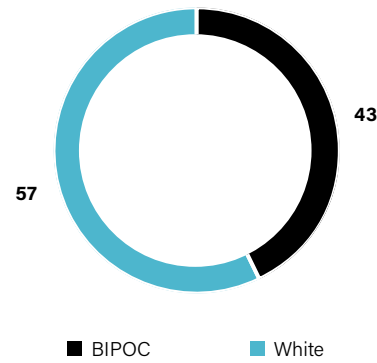
GENDER DIVERSITY (%)



TENURE OF BOARD (%)



ETHNICITY (%)



THE TABLE BELOW OUTLINES THE EXPERIENCE & SKILLS OF OUR BOARD MEMBERS

EXPERIENCE	BOARD MEMBERS
M&A and Business Development	5
Real Estate	5
Securites & Regulatory	4
Capital Markets	5
Supply Chain	3
Global	5
Independent	4
Human Resources/ Compensation	3
Digital, Technology or Data Security	2
Governance Expertise	1
Financial	5
Restaurant/Food/Franchise/ Retail Industry Expertise	6
Senior Leadership or CEO/COO/CFO	5

ESG GOVERNANCE: MANAGING RISK & OPPORTUNITY

BOARD OF
DIRECTORS

AUDIT
COMMITTEE

CHIEF EXECUTIVE
OFFICER & SENIOR
MANAGEMENT TEAM

MTY ESG
COMMITTEE

ESG
MANAGEMENT

OUR SENIOR EXECUTIVE TEAM

While the Board of Directors is responsible for the oversight of the business, our Senior Executive Team is in charge of the execution of the strategy and the management of daily operations.

Our Senior Executive Team is committed to further advancing the many achievements laid out in this report and meeting future sustainability goals. While one of the primary objectives is to build shareholder and stakeholder value, we believe our pillars are aligned not only with these values but also with our sustainability commitments.



Eric Lefebvre
Chief Executive Officer



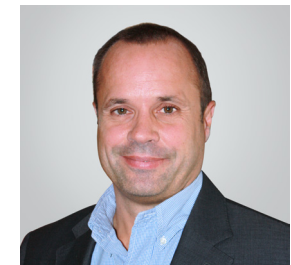
Renée St-Onge
Chief Financial Officer



Marie-Line Beauchamp
Chief Operating Officer
Casual Dining Restaurants,
Canada



Marc Benzacar
Chief Operating Officer
Fast Casual Restaurants,
Canada



Jason Brading
Chief Operating Officer
Quick Service Restaurants,
Canada



Jenny Moody
Chief Legal Officer



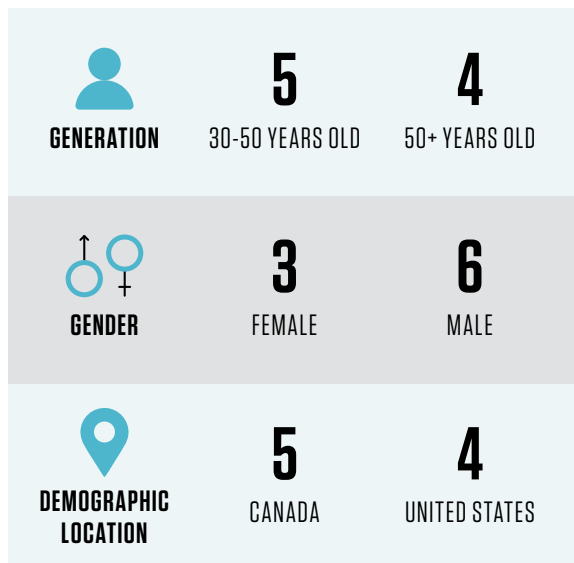
Al Hank
Co-Chief Operating Officer
BBQ Holdings &
Papa Murphy's



Adam Lehr
Co-Chief Operating Officer
BBQ Holdings &
Papa Murphy's



Jeff Smit
Chief Operating Officer
Kahala Brands &
Wetzel's Pretzels



MTY RISE TEAM

The Board of Directors is responsible for the governance of MTY. Although the Board has ultimate oversight and accountability for the successful implementation of the key metrics established as part of MTY's ESG framework, the specific corporate governance of our ESG journey and its pillars falls under the responsibility of the ESG team. The ESG team supports the Board of Directors in the creation of goals, metrics and targets to be included in the long-term sustainability plan, in addition to monitoring the progress towards achieving such goals.

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

In 2023, MTY named Patricia Briere as the Director of Sustainability and the ESG committee was renamed as MTY RISE.



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 the achievement of the defined, pursued ESG targets in relation to the United Nations sustainable development goals (SDGs), the Global Reporting Initiative (GRI) standards and the Sustainability Accounting Standards Board (SASB);
- Proposing goals and opportunities 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.

70% of committee members are female

CHAIR OF ESG COMMITTEE¹



Katherine Ma
Canada



Patricia Briere
Canada



Meagan Austin
Canada



Eric Cecil
US



Alexis Diltz
US



Clement Forget
Canada



Jennifer Garnatz
US



Laura Lashbrook
US



Kira Olson
US



Jon Silva
US

¹ Katherine Ma left the Company in April 2024 and Patricia Briere was named the new Chair of the ESG Committee.

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.

STAKEHOLDER ENGAGEMENT

We value our stakeholders and the insight they may provide to help us adapt and to stay connected in the dynamic business environment we live in. We regularly engage on key issues with these stakeholders to understand their priorities and perspectives, whether via town halls, strategic meetings, one-on-one discussions, social media or annual surveys. Our stakeholders include investors and shareholders, customers and communities, employees, franchisees, suppliers, government bodies and non-government organizations (NGOs).

INVESTORS & SHAREHOLDERS

Our investors and shareholders are interested in ESG issues relevant to MTY and are engaging with us on these topics.

EMPLOYEES

Our head office, manufacturing plant employees and corporately owned restaurant employees are the ambassadors of MTY and of our brands. We therefore believe it is critical to attract, engage and retain our team members and to create a meaningful, diverse and inclusive environment for them to thrive.

FRANCHISEES

The success of our franchisees is crucial to our success. We therefore have dedicated team members who regularly engage with our franchisees through store visits, training and support catered to their needs.

CUSTOMERS & COMMUNITIES

We believe it is important for our customers to have a voice and we value their opinion and ideas. We engage with them through our social media platforms and through our communication portals. We offer support to the communities in which we exist through a range of local initiatives to meet their targeted needs.

SUPPLIERS

Our suppliers play an integral role in the impact strategy of some of our key material ESG topics such as food safety and product quality, supply chain management and environmental impact. As such, we work closely with them through meetings, workshops and in-depth discussions on how we can meet our set targets.

GOVERNMENT BODIES

MTY monitors and is committed to abide by laws and legislations set forth by the various government bodies, whether they exist at the local, regional, municipal, provincial, state, national or global levels.

NON-GOVERNMENTAL ORGANIZATIONS

MTY partners with several non-governmental organizations who represent the food and beverage industry on issues that are important to our business.

MANAGEMENT APPROACH & POLICIES

Striving for a strong foundation of fundamental, non-negotiable attributes designed to sustain a safe, productive, and equitable work experience, we have employee handbooks to ensure employees have a clear understanding of MTY's expectations around behaviors at work. They include, but are not limited to, policies required by government regulations, anti-harassment and anti-discrimination policies, our whistleblower policy and a variety of employee benefits dependent

on location. Additionally, all MTY employees follow a code of ethics outlined in MTY's Business Conduct policy that defines unethical business practices and how to report them.

MTY is committed to strong business ethics and abides by all anti-trust laws and trade regulations. MTY does not use, and does not permit its employees to use, any improper means to obtain confidential or proprietary information or trade secrets from its competitors.

bookkeeping, confidentiality, grievance management and compliance with law provisions.

MTY takes pride in disclosing that it has not been a party in any legal action regarding anti-competitive behavior or violations of anti-trust or monopoly legislation during the disclosing period.



MTY also requests that its suppliers abide by the same standards. Its MTY Supplier Code of Conduct contains a business integrity section which provides that suppliers shall restrain from engaging in any form of bribery, corruption, extortion, or embezzlement, as well as from causing MTY to violate any applicable anti-bribery law or regulation. The MTY Supplier Code of Conduct also contains whistleblower protection, accurate

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.

OUR PEOPLE PRIORITIES

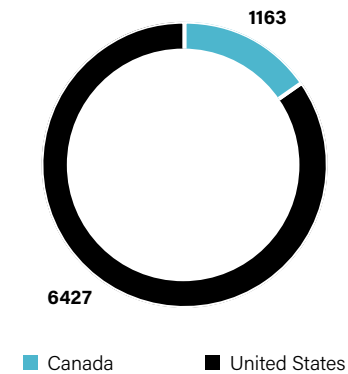


Our Company's DNA is not only rooted in our Board of Directors and our Senior Management team, but in our entire Company, via our people and our culture. We have more than 7,500 dedicated employees across our Canadian and US offices, our corporate stores and our manufacturing plants, who work to support our brands and our communities.

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 EMPLOYEES¹



Our intention is to align our efforts with the following SDG goals:



¹ As of November 30th, 2023.

CULTURE & CAREER DEVELOPMENT

We thrive when our employees thrive. Fostering a culture that embraces dedication, innovation, and excellence, and ensuring employees receive feedback and opportunities to grow their careers—while having some fun—is instrumental to our success!

Improving engagement begins by understanding how employees feel about their role, work, and the overall health of the Company. Since 2020, we have collaborated with outside specialists to conduct our annual engagement survey. In 2023, we had an 81% participation rate.

”

89% of our corporate
 employees felt their
 manager genuinely
 cared about their
 wellbeing.

”

The survey also explores the following areas of focus:

- Agility & Innovation;
- Confidence;
- Employee Experience;
- Immediate Manager Effectiveness;
- Performance Enablement;
- Senior Leader Effectiveness;
- Strategic Focus;
- Diversity, Equity and Inclusion;
- Thriving.

Insights from each annual survey are used to influence the following year's approach to people, culture, and the business. Based on 2023's results, MTY's focus next year will be on promoting the Company's vision throughout the various business units, improving communications between various departments, as well as learning and career development.

To help fuel the desire to connect to MTY's business portfolio and strategy, we host Company-wide MTY town halls throughout the year, to share business performance, brand highlights, upcoming employee-focused events, and recognition. More than 500 employees typically attend these virtual sessions. In 2023, MTY also hosted multiple regional town halls, which provide an opportunity for our teams to meet and greet in person and reinforce our corporate culture.

Our employees want to know what is next; they want the performance feedback required to grow their careers. At the end of the fiscal year, all head office, manufacturing plants and distribution center employees receive formal feedback on their annual performance and guidance on future opportunities and goals using a standard tool designed to facilitate meaningful career discussions. Then, over the course of the year, leaders and employees check-in on the progress against the goals, celebrate the successes, and remove barriers needed to push forward.

At MTY, development happens through a blended approach to learning—combining job experience with external learning opportunities. To deliver continuous career growth for all our employees and to help employees develop on the opportunities identified through our performance review program, MTY offers educational benefits. Our head office employees are eligible for reimbursement for certain educational expenses.

LEADERSHIP DEVELOPMENT

Preparing our employees to lead is paramount to our current and future success.

The MTY Emerging Leaders Program (ELP) was first piloted in 2021, designed with the goal of identifying and developing rising talent across all MTY brands and departments. The program teaches tools, skills, and habits demonstrated by highly successful leaders. It offers employees the opportunity to explore core leadership concepts to better lead themselves and others. In 2023, 14 emerging leaders graduated across Canada and the United States.

TRAINING

We see immense value in equipping employees with the skills and knowledge they need to thrive in the fast-paced evolution of the Company and of MTY brands they support. Positions, roles, responsibilities, and career paths are defined to retain and develop employees from within. The training resources MTY provides to support employees reflect the unique culture and needs of MTY and its brands.

Across MTY, team members are required to take monthly online cybersecurity training courses to enhance information technology security awareness and to protect Company and personal data. Team members are also required to complete a course aimed at preventing workplace harassment and promoting

knowledge of diversity, equity, and inclusion and its importance to our work culture.

In 2023, MTY launched a training program specifically designed for managers. The goal of this program is to develop employee management skills and help managers become influential leaders within their team and the organization. The training program offers six (6) sessions to develop skills, discover best-practices, and improve competencies in these 6 areas: leadership, remote teams, communication, mobilization, conflict management, and coaching. In 2023, 120 employees participated in this program.

MTY offers both employees and franchisees an optional training program called MTYU. This 1-week training program allows participants to learn how to find and develop the tools and resources required to fulfill the responsibilities and obligations of a Canadian business owner and teaches topics necessary for effectively operating an MTY franchise. This program allows MTY corporate employees to better understand and see an inside-view of a franchisee's reality. During the last fiscal year, MTYU trained numerous franchisees and 66 MTY employees.

CULTURE

To cultivate curiosity and dedication, we formed social committees. The mission of these committees is to bring people together with collaborative and engaging team building opportunities to foster positive relationships

and spread joy. The activities are held regionally and/or virtually to promote equal accessibility.



TALENT RETENTION, ACQUISITION & TURNOVER

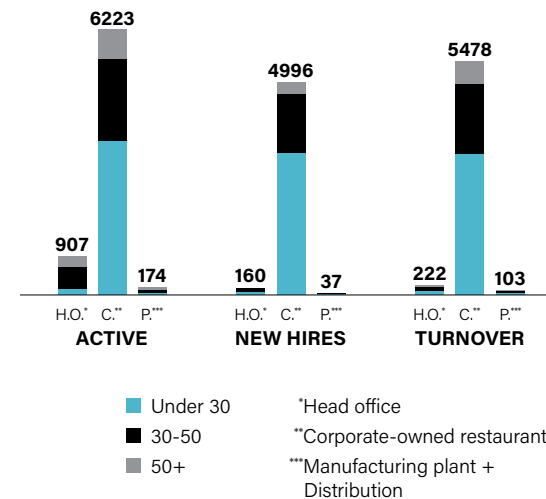
Talent acquisition and retention is critical to our growth and success. We have thus worked on refining our onboarding and training of new hires. We also have programs and benefits in place to develop, support and incentivize our talented team members. We are committed to building a diverse and inclusive team, where growth opportunities and compensation are based on an individual's merit, potential and skill set.

MTY Excellence Awards celebrate and reward employees for their contributions to the success of the Company. Every quarter, employees are invited to nominate colleagues that go above and beyond in demonstrating MTY's three (3) Core Principles: Excellence, Dedication, and Innovation.

In 2023, the program received 342 nominations: 12 employees won one of the Core Principles Awards, and 74 individual employees and 28 teams were also recognized for their efforts.

Congratulations to all our 2023 nominees and winners!

**EMPLOYEE COUNT BY AGE GROUP
(CANADA & US)¹**



¹ Figures based on 2023 fiscal year survey responses.

EMPLOYEE BENEFITS

To grow and nurture our culture, we prioritize ensuring our team members have access to programs, tools, and resources designed to enhance their health, careers, and overall well-being.

HEALTHCARE

“

We know good health
is critical to team
member engagement.

”

In Canada, full-time employees are eligible to elect family, single, couple or single-parent Group Insurance Benefits from their start date of hire. This coverage includes Life Insurance, Long-Term Disability, Accidental Death and Dismemberment, Dependents Group Life, Health, Dental and Vision options.

In the United States, full-time team members, their spouses, and dependents are eligible for health insurance the first of the month following their date of hire. We offer a variety of affordable medical, dental, and vision insurance plans.

WORKPLACE FLEXIBILITY

MTY recognizes the importance flexibility plays in the lives of our team members. Head office team members who live in proximity to their head office have the option to work a hybrid schedule or full-time in-office schedule.

PAID TIME OFF

We believe time away from work is instrumental to the health and well-being of our team members. All full-time employees in Canada and the United States receive at least 10 paid holidays per year and have paid time off, as further detailed in the respective employee handbook.

EMPLOYEE ASSISTANCE PROGRAM

All MTY team members have access to an Employee Assistance Program. Whether in Canada or the United

States, the Employee Assistance Program offers team members confidential access to resources like psychological, financial, and general well-being support.

RETIREMENT SUPPORT

In Canada, our employee stock purchase program includes a Company match of contributions made by employees.

In the United States, our 401(k) includes a Company match of certain contributions made by eligible employees. Both regular pre-tax deferral and Roth post-tax deferral options are available.

DIVERSITY, EQUITY & INCLUSION



Dedication is a core MTY value and demonstrating our dedication to cultivating diversity, access and equity, and providing a workplace free from discrimination and all forms of harassment is instrumental to our success. These values improve our business and ensure we maintain an inclusive working environment for all employees. We prioritize our employees' benefits to enhance their health, careers, and overall well-being.

Across all brands, corporate staff employees are required to complete a harassment prevention program and have access to the following virtual courses designed to foster a healthy, inclusive, and safe workplace: Workplace Diversity, Inclusion & Sensitivity, Unconscious Bias, and Microaggressions in the Workplace.

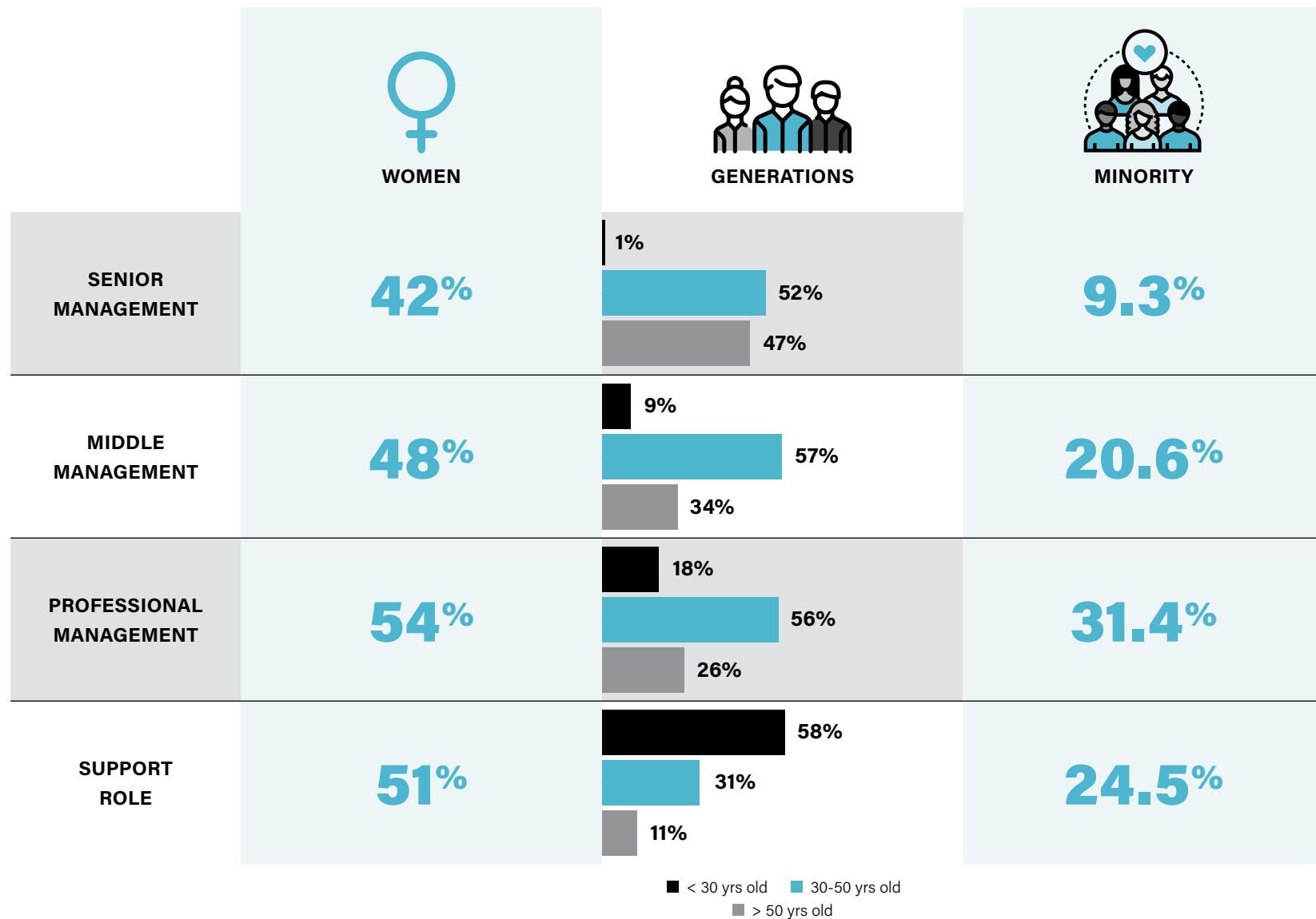
We prohibit workplace discrimination and all forms of harassment, including sexual harassment. We have strict policies against workplace conduct that violates any law, makes someone feel unwelcome, or is otherwise a distraction from doing a job to the best of an employee's ability. Employees who violate the law or our policies designed to prevent this kind of egregious behavior are subject to discipline, which could include termination.

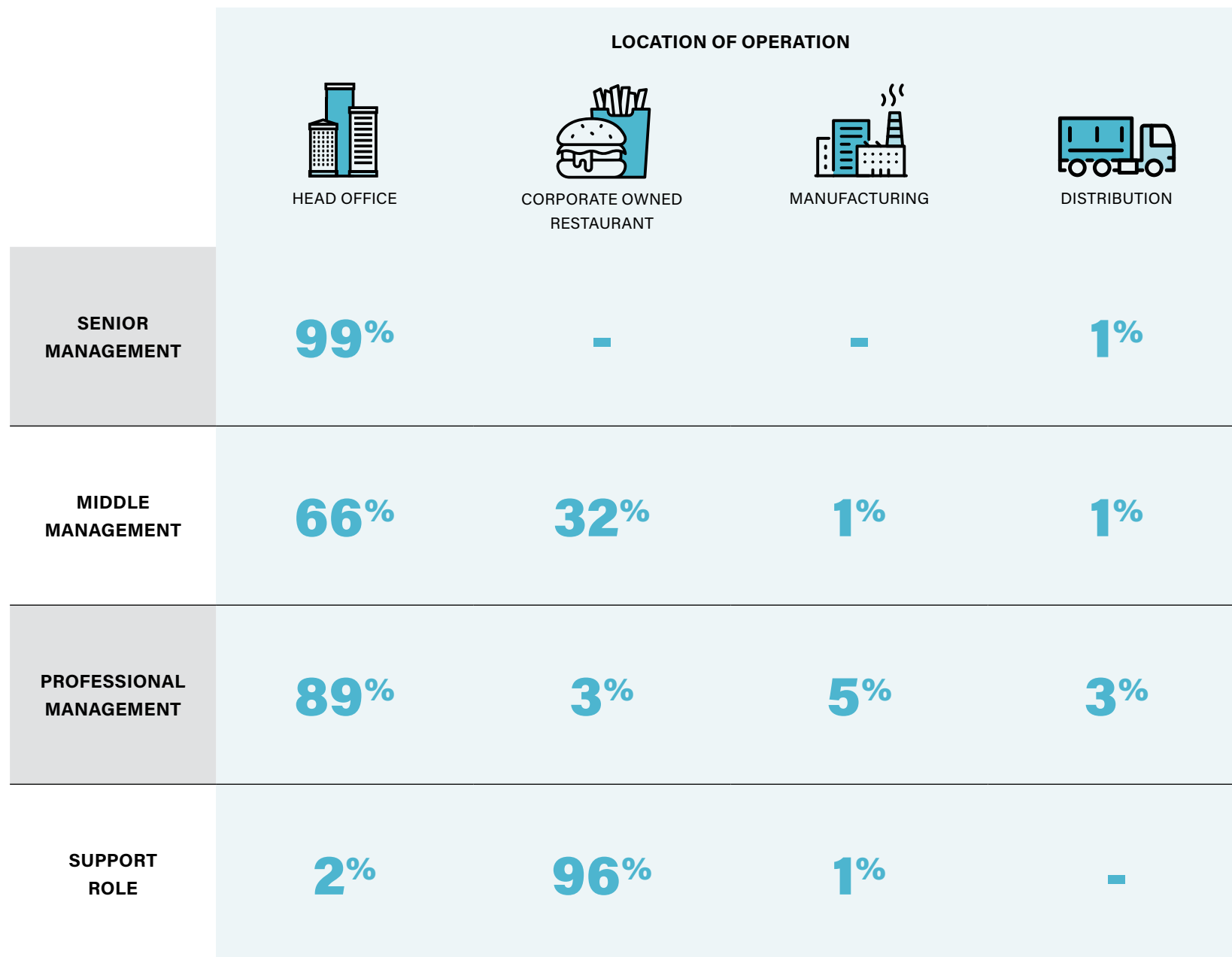
MTY does not discriminate based on any protected status. Our policies apply to all our employment practices, including recruiting, hiring, pay, performance reviews, training and development, promotions, and other terms and conditions of employment.

In 2021, we committed to our employees that we would engage and work with a 3rd party consultant to review our diversity, equity and inclusion practices and efforts, and explore opportunities for improvement. In 2022 and in 2023, the consulting firm conducted its research, presented its findings to the Senior Executive Team, and began initial discussions about next steps.

The Diversity & Community sub-committee will continue to measure our diversity and will, in the coming years, benchmark our practices and results against foodservice industry peers in the regions in which we operate, to identify where there are opportunities to evolve.

WORKFORCE DIVERSITY





FRANCHISEE SUPPORT

Our franchisees strive to provide exceptional guest service and be an employer of choice. As we strive to be a Franchisor of Choice, we want to provide our franchisees with the tools and resources they need to meet and exceed their business goals.

BUSINESS PERFORMANCE

All brands provide field operations support to our franchisees. Their objective is to help franchisees drive profitable sales. These employees help franchisees by:

- Offering business coaching and training;
- Providing operational updates and coaching on how to implement;
- Providing direct communication channels between franchisees and the brand.

RECRUITMENT & RETENTION

In Canada, franchisees are provided access to Foreign Workers programs to help franchisees with the hiring and retention of employees.

In the United States, franchisees are offered training on best practices for recruiting and retaining employees, and where applicable, 3rd party vendors are also used. Volume pricing is negotiated for franchisees on services designed to expedite recruitment, onboarding, and payroll processes.

TRAINING

Throughout the year, existing and new franchisees receive training from MTY's corporate offices on different topics related to food safety, best operating practices, menu development, and other brand specific subjects.



78,500+

HOURS OF TRAINING FOR
EXISTING FRANCHISEES.

70,400+

HOURS OF TRAINING FOR
NEW FRANCHISEES.



15,800+

USERS ACCESSED MTY'S
ONLINE LEARNING PLATFORMS.



248

PARTICIPANTS GRADUATED
FROM THE MTYU¹ IN 2023.

INCREASED
BY 173%
FROM OUR
1ST YEAR.

¹ MTY University (MTYU) is an optional 1-week training program offered to all our new and existing Canadian franchisees and managers.

SUPPORTING OUR COMMUNITIES

Wherever our restaurants are located, we feel a sense of belonging to the people who make up the surrounding communities. Whether a community member is visiting one of our locations to enjoy a favorite dish with their loved ones, celebrate a birthday or milestone, or simply have a great meal, we are grateful for their support. We

also feel it is important to reciprocate the support to our communities through various fundraising efforts.

In 2023, MTY launched a philanthropy program, offering the opportunity for our employees to count qualifying volunteer hours towards their work obligations. A

total of 482.5 hours were logged into this program by our employees.



OUR IMPACT:



DONATED MORE THAN

\$1,642,000¹

IN SPONSORSHIP THROUGH LOCAL
COMMUNITY FUNDRAISERS.



Centre de
pédiatrie sociale
de Québec



HÔPITAL CHINOIS
DE MONTRÉAL
滿地可中華醫院



Société
canadienne
du cancer



LOGGED

2715 HOURS

OF VOLUNTEER WORK FROM
OUR CORPORATE STAFF.²



PARTICIPATED IN A MINIMUM OF

2376

COMMUNITY EVENTS.



DONATED
A MINIMUM OF

93,753

MEALS.

DONATED
A MINIMUM OF

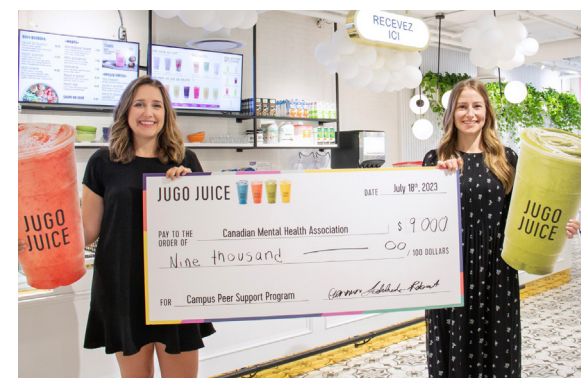
13,756

KG OF FOOD
TO FOODBANKS.

¹ Combined, documented fundraising efforts (excluding food donations). Amount reported is in Canadian dollars, using an exchange rate calculator of 1 USD = 1.35822 CAD

² Including logged hours from our philanthropy program.

A FEW OF MTY'S FUNDRAISING EFFORTS DURING OUR 2023 FISCAL YEAR



CYBERSECURITY & DATA PROTECTION

Supporting our people and our community also involves a commitment to the protection and responsible use of the information relating to them.

GOVERNANCE

Oversight and accountability for cyber security and data protection ultimately resides with the Board of Directors. The Board appoints a management team to manage these issues on a continuous basis. The Company's top managers (including the CEO and CFO) are responsible for providing guidance on the Company's risk appetite and business environment, allocating funding for the Company's various cyber security and data protection programs, and overseeing the individuals tasked with managing strategy and operations for information technology, cyber security, and data privacy.

Key members of this management team include the VP of Cyber Security and IT Compliance, VP of Information

Technology, VP of Data and Analytics, and Data Privacy Officer. The VP of Cyber Security and IT Compliance serves as the CISO equivalent for MTY and manages cyber security strategy, policy, and operations across all MTY divisions.

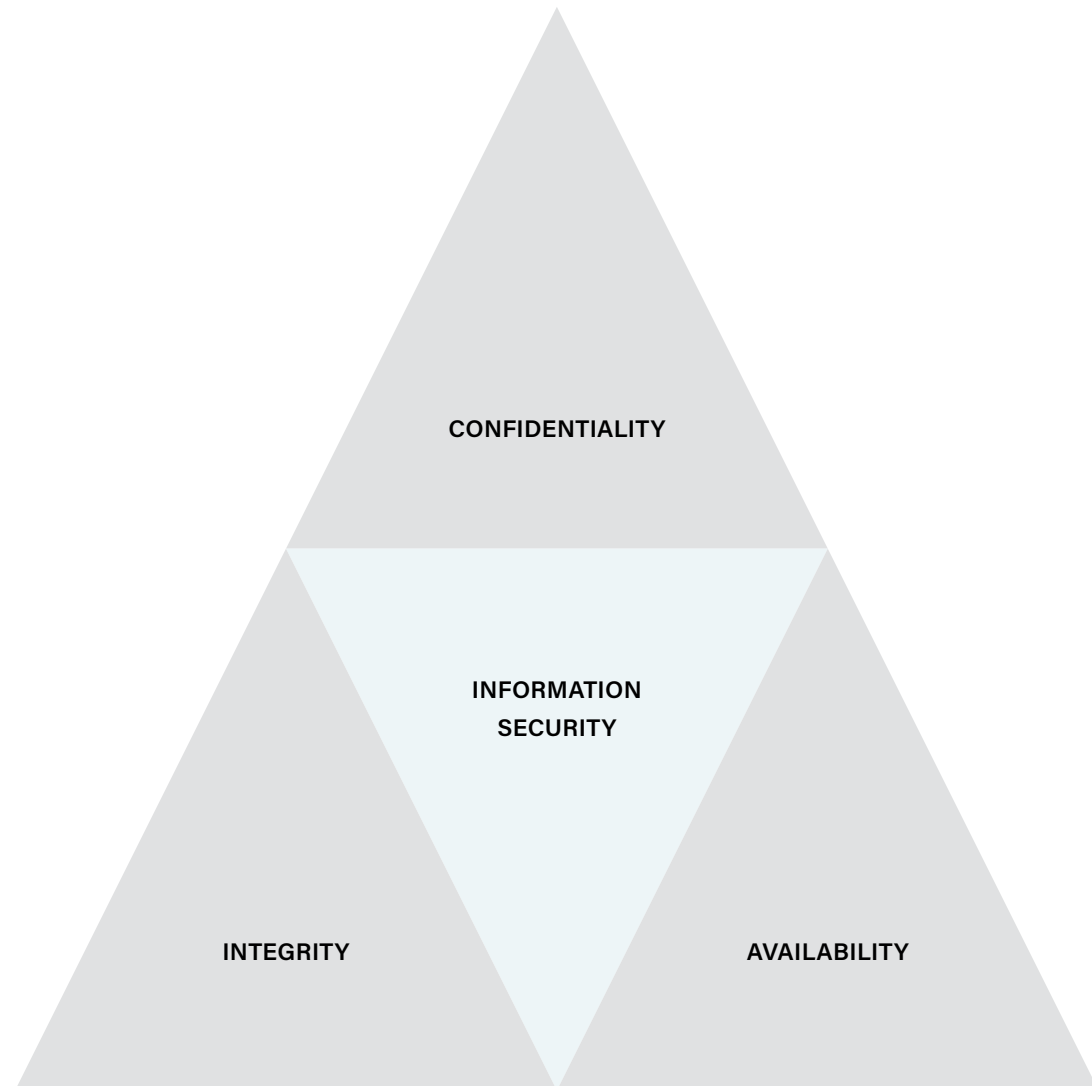
The Company maintains an Information Security Charter signed by the CEO that formally sanctions the creation and ongoing management of an enterprise cyber security program applicable to all MTY entities, both current and future. The charter is designed to ensure a common baseline of security across the enterprise and authorizes the VP of Cyber Security and IT Compliance to issue security policies, perform security assessments, and manage security incidents. Supplemental cyber security policies may exist under specific divisions provided they meet or exceed the enterprise standards. Franchise owners are provided with recommendations regarding security technologies such as firewalls and are expected to adhere to all applicable laws and regulations.



STRATEGY

MTY relies heavily on information systems for management of its supply chain, accounting, payment of obligations, collection of cash, credit and debit card transactions, and other processes and procedures. In the course of conducting business, the Company collects and processes various types of information, and the Company strives to protect this information in accordance with industry best practices and applicable laws and regulations.

The Company's cyber security strategy focuses on establishing and developing enterprise-wide capabilities to safeguard the confidentiality, integrity, and availability of information. The strategy is built around a centralized cyber security program that supports all MTY divisions.



RISK MANAGEMENT

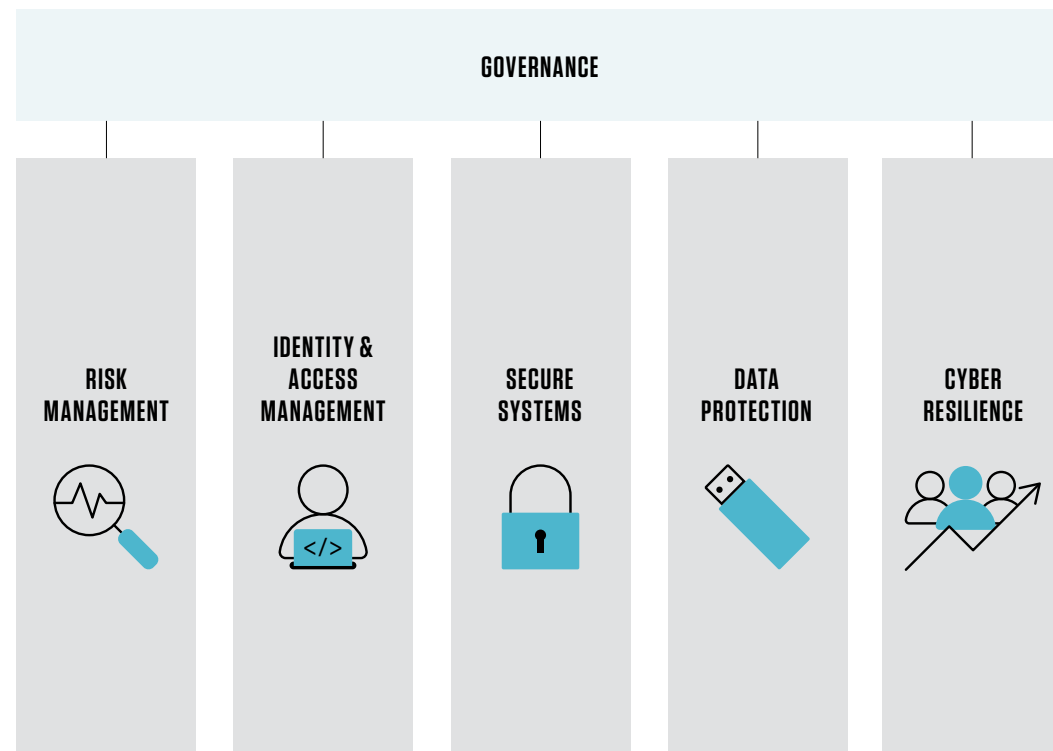
MTY leverages industry-standard frameworks such as NIST CSF and CIS Controls to plan and manage its cyber security program. When prioritizing security initiatives and designing controls, the Company considers various inputs, such as internal and external threats, operational and financial risks, compliance requirements, and industry best practices.

All corporate employees and contractors are required to complete periodic security awareness training which covers topics such as phishing, how to safeguard sensitive information, and steps to take during a suspected security incident.

The Company endeavors to continuously mature its cyber culture and its ability to be proactive and resilient. The Company is executing a multi-year security roadmap that establishes and enhances risk-based security measures across the enterprise.

Future initiatives include additional improvements in the areas of attack surface management, identity and access management, cloud security, PCI v4.0 compliance, security logging and monitoring, API security, and security metrics.

MTY CYBER RISK MANAGEMENT FRAMEWORK



PROGRESS UPDATE: ACTIONS COMPLETED IN FY2023

CYBER RISK MANAGEMENT

- Maintained a cyber insurance policy;
- Integrated recent acquisitions into MTY's global cybersecurity program;
- Standardized and rationalized security platforms across business units.

SECURITY AWARENESS

- Expanded existing programs with supplemental campaigns for high-risk users.

EMAIL SECURITY

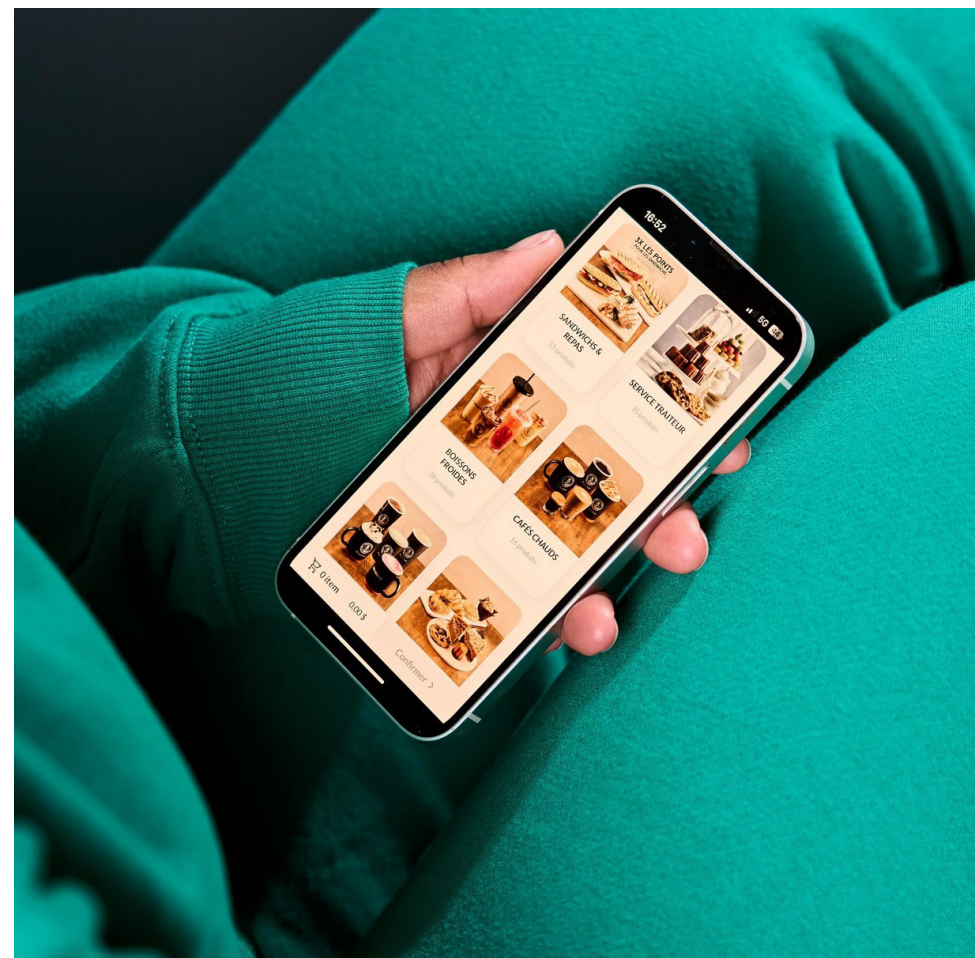
- Implemented an advanced enterprise email security solution to combat increasing volume and sophistication of email-based threats;
- Enhanced account takeover protection capabilities for Company users.

INCIDENT RESPONSE




- Conducted incident response tabletop exercises;
- Protected MTY systems from exposure to software supply chain attacks;
- Responded to internal security events with no material events or reportable incidents.

SECURITY ASSURANCE

- Conducted a network penetration test;
- Identified, prioritized and remediated security gaps;
- Performed backup and restore testing of critical systems.



PEOPLE GOALS—2021 TO 2025

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

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 numerous 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 2023 Sustainability 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



APPENDIX

- 66 Workplace Metrics
- 68 SASB & GRI Index

WORKPLACE METRICS

		2021		2022		2023	
GLOBAL EMPLOYEES	UNIT	CANADA	US	CANADA	US	CANADA	US
Total employees	Number of employees	1131	757	1080	Not reported	1163	6427
Permanent full-time employees	Percentage of total employees	Not reported	Not reported	Not reported	Not reported	61%	15%
Permanent part-time employees		Not reported	Not reported	Not reported	Not reported	37%	75%
ETHNICITY BREAKDOWN	UNIT	CANADA*	US*	CANADA*	US*	CANADA	US
Asian	Percentage of active employees	12%	5%	12.71%	3%	25%	1%
Black or African American		3%	5%	3.96%	4%	5%	3%
Hispanic or Latino		3%	8%	3.63%	11%	5%	14%
Indigenous peoples		1%	0%	1.48%	1%	0%	0%
Middle Eastern		9%	0%	8.58%	0%	Not reported	Not reported
Native Hawaiian or other Pacific islander		1%	1%	0.66%	0%	1%	0%
Two races or more		8%	2%	6.60%	3%	6%	2%
Unspecified		0%	0%	0%	4%	0%	0%
White		64%	79%	62.38%	75%	58%	79%

*Head office employees
2023 data includes employees from all head offices, corporate owned restaurants, manufacturing plants and distribution centers employees.

WORKPLACE METRICS

		2021		2022		2023	
ETHNICITY BREAKDOWN	UNIT	CANADA*	US*	CANADA*	US*	CANADA	US
Asian	Percentage of new hires	Not reported	5%	12.90%	4%	30%	1%
Black or African American		Not reported	7%	9.03%	7%	6%	5%
Hispanic or Latino		Not reported	5%	3.23%	15%	7%	18%
Indigenous peoples		Not reported	0%	1.29%	1%	0%	1%
Middle Eastern		Not reported	0%	12.26%	0%	0%	0%
Native Hawaiian or other Pacific islander		Not reported	1%	1.29%	0%	0%	0%
Two races or more		Not reported	1%	7.10%	6%	7%	3%
Unspecified		Not reported	0%	0%	0%	0%	0%
White		Not reported	81%	52.90%	57%	50%	72%

*Head office employees
2023 data includes employees from all head offices, corporate owned restaurants, manufacturing plants and distribution centers employees.

SASB & GRI 2023 INDEX

The Global Reporting Initiative (GRI) is an international independent standards organization helping businesses, governments and other organizations understand and communicate their impact on issues such as climate change, human rights and corruption. The Sustainability Accounting Standards Board (SASB) identifies the subset of ESG issues most relevant to the financial performance in 77 industries. The ESG issues are industry specific and are developed based on extensive feedback from companies, investors and the market.

The 2023 MTY Sustainability Report aligns with the GRI and SASB frameworks set forth by both initiatives and the following tables outline the metrics that have been addressed and disclosed upon.

SASB INDEX

Table 1. Sustainability Disclosure Topics & Accounting Metrics

TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	RESPONSE
Food Safety	(1) Percentage of restaurants inspected by a food safety oversight body	Quantitative	Percentage (%)	FB-RN-250a.1	100% of our restaurants are regularly inspected by a MTY Health and Safety team member and by provincial, regional, or state-run health inspection agencies.
	(1) Number of recalls issued and (2) total amount of food product recalled	Quantitative	Number, Metric tons (t)	FB-RN-250a.2	<p>1) In 2023, MTY had 6 food-related supplier voluntary recalls. None of the recalls were for private label products. MTY has a robust product recall and communication plan in place allowing us to react quickly and efficiently to recalls.</p> <p>2) A minimum of 21,46 t recalled across our system.</p>
	Number of confirmed foodborne disease outbreaks, percentage resulting in public health authority	Quantitative	Number, Percentage (%)	FB-RN-250a.3	<p>There was one (1) confirmed foodborne disease outbreak at one brand, which resulted in an investigation by applicable public health authorities during the reporting year. The believed cause was eating raw cookie-dough, despite instructions to properly bake the product before consumption.</p> <p>The product was reformulated to be safe even if eaten unbaked.</p>

SASB INDEX

Table 1. Sustainability Disclosure Topics & Accounting Metrics

TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	RESPONSE
Nutritional Content	(1) Percentage of children's meal options consistent with dietary guidelines for children	Quantitative	Percentage (%)	FB-RN-260a.2	Of our brands offering kids menus 95% of them are offering menu options consistent with MTY dietary guidelines ¹ . Our guests have the option of customizing their choices to meet their needs and dietary choices.
	Percentage of advertising impressions (1) made on children and (2) made for children promoting products that meet dietary guidelines	Quantitative	Percentage (%)	FB-RN-260a.3	We follow Canadian and US guidelines to limit marketing to children.
Labor Practices	(1) Voluntary and (2) involuntary turnover rate for restaurant employees	Quantitative	Percentage (%)	FB-RN-310a.1	We did not track the voluntary versus involuntary turnover rate for restaurant employees during this reporting year, but the combined turnover rate is 87%.
	(1) Average hourly wage, by region and (2) percentage of restaurant employees earning minimum wage, by region	Quantitative	Reporting currency, Percentage (%)	FB-RN-310a.2	In 2023, the average hourly wage was \$16.73 in Canada, and \$19.33 in the US, for our Company-owned restaurants. The report is in Canadian dollars.
	Total amount of monetary losses as a result of legal proceedings associated with (1) labor law violations and (2) employment discrimination	Quantitative	Reporting currency	FB-RN-310a.3	We are committed to complying with all labor and employment laws and do not tolerate discrimination.

SASB INDEX

Table 1. Sustainability Disclosure Topics & Accounting Metrics

TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	RESPONSE
Supply Chain Management & Food Sourcing	Percentage of food purchased that (1) meets environmental and social sourcing standards and (2) is certified to third-party environmental or social standards	Quantitative	Percentage (%) by cost	FB-RN-430a.1	Information can be found in the <i>Sourcing Approach</i> section of our 2023 Sustainability Report and the <i>MTY Supplier Code of Conduct</i> .
	Percentage of (1) eggs that originated from a cage-free environment and (2) pork that was produced without the use of gestation crates	Quantitative	Percentage (%) by number, Percentage (%) by weight	FB-RN-430a.2	We are committed to working with our suppliers to use eggs originated from cage-free or enriched colony housing system by 2025, where possible.
	Discussion of strategy to manage environmental and social risks within the supply chain, including animal welfare	Discussion and Analysis	n/a	FB-RN-430a.3	Information can be found in the <i>Supply Chain Priorities & Oversight</i> section of our 2023 Sustainability Report.

¹ MTY Food Guidelines for kid's menu is available in our 2022 Sustainability Report, which can be downloaded here: <https://mtygroup.com/en/sustainability/>

SASB INDEX

Table 2. Activity Metrics

ACTIVITY METRIC	CATEGORY	UNIT OF MEASURE	CODE	RESPONSE
Number of (1) entity-owned and (2) franchise restaurants	Quantitative	Number	FB-RN-000.A	1) On November 30, 2023, MTY had 219 Company-owned restaurants. 2) On November 30, 2023, MTY had 6,897 franchise restaurants.
Number of employees at (1) entity-owned and (2) franchise locations	Quantitative	Number	FB-RN-000.B	1) On November 30, 2023, MTY had 6,333 Company-owned restaurant employees in Canada and the U.S. 2) We do not track the number of employees at franchise-owned restaurant locations.

GRI CONTENT INDEX

Statement of use	MTY Food Group Inc. has reported the information cited in this GRI content index for the period December 1st, 2022, to November 30th 2023, with reference to the GRI Standards.	
GRI 1 used	GRI 1: Foundation 2021	
GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-1 Organizational details	About this report, About MTY
	2-2 Entities included in the organization's sustainability reporting	About this report
	2-3 Reporting period, frequency and contact point	About this report
	2-4 Restatements of information	2023 Sustainability Report: Sourcing approach: Eggs
	2-5 External assurance	This report is reviewed by various internal stakeholders and by the Board of Directors to ensure the reported content is relevant, accurate and complete. MTY Group does not currently use external assurance or third-party verification for our sustainability report.
	2-6 Activities, value chain and other business relationships	MTY Global Footprint, About MTY, Supply Chain Priorities & Oversight, Supplier Intervention & Food Storage, Sourcing Approach, Stakeholder Engagement, Management Approach & Policies
	2-7 Employees	Our People Priorities, Workforce Diversity, Workplace Metrics
	2-8 Workers who are not employees	Workforce Metrics. Not measured in 2023 for our US operation.
	2-9 Governance structure and composition	MTY Information Circular; Our Board of Directors
	2-10 Nomination and selection of the highest governance body	MTY Information Circular
	2-11 Chair of the highest governance body	MTY Information Circular; Our Board of Directors
	2-12 Role of the highest governance body in overseeing the management of impacts	MTY Information Circular; Our Board of Directors, Our Senior Executive Team, MTY RISE Team
	2-13 Delegation of responsibility for managing impacts	Our Board of Directors, Our Senior Executive Team, MTY RISE Team
	2-14 Role of the highest governance body in sustainability reporting	About this report
	2-15 Conflicts of interest	MTY Information Circular
	2-16 Communication of critical concerns	Our internal controls are discussed at the audit committee meetings on a quarterly basis. The Chair of our Audit Committee also has quarterly calls with the relevant internal and external stakeholders. Stakeholder Engagement
	2-17 Collective knowledge of the highest governance body	MTY RISE Team
	2-18 Evaluation of the performance of the highest governance body	MTY Information Circular

GRI CONTENT INDEX

Statement of use

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GRI 1 used

GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION
	2-19 Remuneration policies	MTY Information Circular
	2-20 Process to determine remuneration	MTY Information Circular, Compensation Discussion and Analysis (CD&A) - March 18, 2024
	2-21 Annual total compensation ratio	MTY Information Circular
	2-22 Statement on sustainable development strategy	Letter from our CEO
	2-23 Policy commitments	Supply Chain Priorities & Oversight, Supplier Intervention & Food Storage; Sourcing Approach; Management Approach & Policies, MTY Supplier Code of Conduct; People. MTY Modern Slavery Act Annual Report; Ethic Policy
	2-24 Embedding policy commitments	Our Board of Directors, Management Approach & Policies,
	2-25 Processes to remediate negative impacts	Management Approach & Policies, MTY Information Circular
	2-26 Mechanisms for seeking advice and raising concerns	Our Board of Directors, MTY RISE Team, Management Approach & Policies
	2-27 Compliance with laws and regulations	Supply Chain Priorities & Oversight, Sourcing Approach; Management Approach & Policies, MTY Supplier Code of Conduct.
	2-28 Membership associations	MTY is a member of Restaurants Canada, National Restaurant Association, Institute of Finance Management (IOFM)
	2-29 Approach to stakeholder engagement	Stakeholder Engagement, Culture & Career Development
	2-30 Collective bargaining agreements	In 2023, approximately 0.008% of our employees are covered by a collective bargaining agreement (62 employees out of our 7,590 employees across our Canadian and US offices, our corporate locations, our manufacturing plants and our distribution center). These 62 staff members are all employed by one of our manufacturing plants.
GRI 3: Material Topics 2021	3-1 Process to determine material topics	About this report, Materiality Assessment
	3-2 List of material topics	Materiality Assessment
	3-3 Management of material topics	Materiality Assessment

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GRI 1 used	GRI 1: Foundation 2021	
GRI STANDARD	DISCLOSURE	LOCATION
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Consolidated Financial Statements of MTY Food Group Inc.
	201-2 Financial implications and other risks and opportunities due to climate change	Consolidated Financial Statements of MTY Food Group Inc.
	201-3 Defined benefit plan obligations and other retirement plans	Consolidated Financial Statements of MTY Food Group Inc.
	201-4 Financial assistance received from government	MTY did not received financial assistance from government.
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Our Environmental Priorities & Oversight; Energy & Emissions, Planet Goals
	305-2 Energy indirect (Scope 2) GHG emissions	Our Environmental Priorities & Oversight; Energy & Emissions, Planet Goals
	305-3 Other indirect (Scope 3) GHG emissions	Energy & Emissions, Planet Goals
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Our Environmental Priorities & Oversight; Waste Management, Planet Goals
	306-2 Management of significant waste-related impacts	Our Environmental Priorities & Oversight; Waste Management, Planet Goals
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Supplier Intervention & Food Storage; Sourcing Approach; MTY Supplier Code of Conduct, Food Goals, Waste Management Packaging, Planet Goals
	308-2 Negative environmental impacts in the supply chain and actions taken	Sourcing Approach: Animal Welfare, MTY Supplier Code of Conduct
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Talent Retention, Acquisition & Turnover
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee Benefits
	401-3 Parental leave	Not measured in 2023.
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	We comply with applicable national and/or local legal requirements for minimum notice periods regarding significant operational changes. We only have unionized employees at one of our manufacturing plants. The notice provided to these unionized employees on changes depends on the situation or change and the notice periods are stipulated in the Collective Union Agreement.

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GRI 1 used	GRI 1: Foundation 2021	
GRI STANDARD	DISCLOSURE	LOCATION
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Culture & Career Development, Franchisee Support
	404-2 Programs for upgrading employee skills and transition assistance programs	Food Safety; Culture & Career Development; Franchisee Support
	404-3 Percentage of employees receiving regular performance and career development reviews	Culture & Career Development
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Our Board of Directors; Our Senior Executive Team; Diversity, Equity & Inclusion
	405-2 Ratio of basic salary and remuneration of women to men	Not measured in 2023.
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	MTY tracks discrimination incidents, and addresses all confirmed allegations as described in the MTY Employee Handbook and the employee handbooks of its subsidiaries. Any reported issues are investigated. In 2023, there were six incidents of discrimination that were confirmed and addressed, resulting in corrective action up to and including termination.
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Supplier Intervention & Food Storage; Sourcing Approach; Food Goals; MTY Supplier Code of Conduct
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Supplier Intervention & Food Storage; Sourcing Approach; Food Goals; MTY Supplier Code of Conduct; MTY Modern Slavery Act Annual Report
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Supplier Intervention & Food Storage; Sourcing Approach; Food Goals; MTY Supplier Code of Conduct; MTY Modern Slavery Act Annual Report
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	MTY Modern Slavery Act Annual Report
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of Indigenous peoples	MTY did not have any incidents of violations involving rights of Indigenous peoples in 2023.

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GRI 1 used	GRI 1: Foundation 2021	
GRI STANDARD	DISCLOSURE	LOCATION
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Supply Chain Priorities & Oversight; Sourcing Approach; Supporting our Communities
	413-2 Operations with significant actual and potential negative impacts on local communities	Supply Chain Priorities & Oversight; Sourcing Approach; Supporting our Communities
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Supplier Intervention & Food Storage; Sourcing Approach; Food Goals; MTY Supplier Code of Conduct
GRI 415: Public Policy 2016	415-1 Political contributions	MTY does not make political contributions.
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Food Safety
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Food Safety
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	MTY did not receive any complaint concerning breaches of customer privacy and/or losses of customer data in 2023.