



COLLINS FOODS LIMITED

SUSTAINABILITY REPORT

2024

*"it's finger
lickin' good"*

SUNDAY
EVERYDAY
MONDAY
TUESDAY
WEDNESDAY
THURSDAY
FRIDAY
SATURDAY

READY FOR PICK
UP
PREPARING

made fresh all day

nders

KFC



Making a positive impact

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Letter of Introduction

2024 marks a significant milestone in our sustainability journey at Collins Foods Limited as we work towards ensuring sustainability is core to our business and guides how we make decisions, how we support our people and how we serve our customers.

Our business is intrinsically tied to the health of the planet, the resilience of our food system and the welfare of our people. Investing in sustainability is essential in helping our business to grow and deliver long-term results while being valued by the communities in which we operate. This is the expectation of our stakeholders, both internal and external, and we are committed to serving as a leader in sustainability within the Quick Service Restaurant (QSR) sector.

OUR DIRECTION AND PROGRESS

During the past year, we charted a new sustainability path for our organisation. We have reviewed our original goals and targets to expand our focus, effort, impact and accountability. We have done this by completing our first independent materiality process, creating our 2030 Ambition Statement and launching our first Sustainability Strategy.

With the assistance of an independent advisory firm and taking invaluable input from key stakeholders across Australia and Europe, we identified 11 topics that were most material to those stakeholders and, subsequently, our organisation. We then created linkage between these topics and the United Nations Sustainability Development Goals (UN SDGs) to ensure that we play our part in building a sustainable business as we work towards net zero emissions by 2050.

Our material topics fall into five categories:

- **Operations** — How we embed Environmental, Social and Governance (ESG) factors into our operations to deliver benefit and improved experiences for all.
- **People** — How we ensure the health and safety of our people and provide supportive and rewarding employment.
- **Communities** — How we ensure the health and safety of our customers and make a positive contribution to the communities within which we operate.
- **Planet** — How we manage and minimise our impact on the environment.
- **Governance** — How we conduct ourselves with integrity, manage risk and fulfil our obligations.

While many companies place their greatest focus on the environmental component within ESG, at Collins Foods we view the social and governance elements as equally important. Because of the uniqueness of our workforce, we strive to be the ‘best employer’ in the QSR sector, being socially responsible in the communities in which we operate, while managing our environmental impacts.

Our 2030 Ambition Statement outlines where we want our business to be from a sustainability perspective by 2030. Our Sustainability Strategy sets the path for how we will get there, outlining our priorities and activities for the next three years. In this report, we are pleased to share our progress against our strategy. We have made some notable achievements in bringing it to life. For example:

- With respect to our people, we demonstrated our commitment to ensuring they are paid fairly and equitably, achieving within our Australian workforce a median base pay gender gap of -0.1%. According to the Australian Workplace Gender Equality Agency (WGEA), which publishes data on the gender pay gap for businesses with 100 or more employees in Australia, Collins' total remuneration gender pay gap is -2.7% compared to the median total remuneration gender gap of 19% in the country.
- With respect to our communities, in the Netherlands, we announced the complete switch of Kentucky Fried Chicken's (KFC) most popular dish, Zinger Hot Wings, to 1-star Better Life Quality Chicken, which carries the mark of the Dutch Society for the Protection of Animals.
- With respect to the environment, we continued our policy to plant one tree for every new or returning team member, as well as 1,000 trees each year to offset those impacted by new restaurant development (estimated to be fewer than 20 trees). We have planted more than 20,000 trees to date, with 10,377 new trees planted during FY24.
- With respect to governance, in response to our stakeholders' desire for greater transparency and accountability, this year we are delivering more robust sustainability reporting guided by formal ESG reporting frameworks. Though we are not in a position yet to be able to report against formal indicators, we will be expanding our sustainability activity and reporting in future years, including preparing to report against the Australian Sustainability Reporting Standards – Disclosure of Climate-related Financial Information and the European Corporate Sustainability Reporting Directive (CSRD).

OUR FUTURE OUTLOOK

Our business is changing rapidly. During the past three years, we have seen our drive-thru and delivery business increase exponentially — now accounting for 67.4% of our sales. We are also facing the challenge of assessing how to integrate digital and artificial intelligence with our business and the impact on team members' and customers' experiences.

Our focus for the future is on further strengthening our sustainability practices to become the company our employees and stakeholders aspire us to be. There is much more we want, and plan, to do.

During 2025, we will apply a science-based approach to target setting across each material topic, where relevant. We will also continue to closely monitor emerging regulation changes, changes in community perception and reporting developments, including the Task Force on Nature-related Financial Disclosures (TNFD).

We are ambitious in the roadmap we have set for our sustainability journey, and our Board, Executive and 20,000-strong team, who serve our customers every day, are excited as we look forward to achieving our 2030 Ambition Statement. It is an exciting time to be part of the Collins family, and we look forward to reporting on our progress.

Thank you for taking the time to read our Sustainability Report and we would appreciate any feedback that you may have. Feedback can be provided by emailing: sustainability@collinsfoods.com.



Robert Kaye SC
Independent
Non-executive Chair



Kevin Perkins
Interim Managing
Director & CEO

2024 Snapshot

OPERATIONS

ECONOMIC IMPACT AND PERFORMANCE

Sustainability Strategy guiding whole-of-organisation effort

Strengthened ESG leadership and governance with the appointment of Group Chief Risk Officer and Group Manager ESG and Sustainability

Improved ESG data collection and reporting

381 restaurants providing employment and service to communities

RESTAURANT DEVELOPMENT

ESG-conscious design applied to 10 new and 62 refurbished restaurants

>55% (183) restaurants generating solar power

10,377 new trees planted

LED lighting in all restaurants

PEOPLE

EMPLOYMENT

20,785 team members and **445 traineeships**

95% of restaurant management roles filled via 813 internal promotions

>90% training completion rate

Two Diversity and Inclusion councils — Australia and Europe

11 Collins Way Award recipients, recognising operational excellence and true embodiment of the Collins Foods values

104 Collins Family Fund grants totalling \$253,024

TEAM MEMBER HEALTH AND SAFETY

Wellbeing Strategy implementation

Comprehensive **safety training**

COMMUNITY

CUSTOMER HEALTH AND SAFETY

500+ Shift Supervisors completed **Food Safety Supervisor training** in Australia

Appointed Work Health and Safety Manager for European operations

ANIMAL AND SOCIAL ADVOCACY

Introduction of 1-star Better Life (Beter Leven) quality mark chicken for KFC Zinger Hot Wings in the Netherlands

More than \$500,000 donated to charities through Collins Foods Giving

ENVIRONMENTAL AND SOCIAL ADVOCACY

Proactive measures to minimise impact on neighbours

PLANET

ENERGY EMISSIONS

171 Australian and 12 European restaurants generating solar power

Three restaurants **transitioned from natural gas** to electricity

Use of batteries and solar panels to supplement limited energy supply at KFC Den Bosch

WASTE MANAGEMENT AND RECYCLING

100% recycling rate for cooking oils, paper, cardboard and organic waste

100% of cooking oils used for biofuels in Australia and energy production in Europe

GOVERNANCE

ETHICAL SUPPLY CHAIN

Annual audits of quality systems, food safety, environmental impact, warehouses, distribution practices and animal welfare of our largest supply chain partners with our Australian Franchisor, YUM! Brands Inc

Continued **Sedex membership**

~98% spend with local suppliers in Australia and ~95% in Europe

LABOUR LAW

Robust risk management and governance procedures

Ongoing training and coaching for managers and team members



ABOUT THIS REPORT

THIS SUSTAINABILITY REPORT IS COLLINS FOODS LIMITED'S ANNUAL DISCLOSURE OF SUSTAINABILITY PERFORMANCE DURING THE FY24 REPORTING PERIOD.

1.1 REPORTING SCOPE AND BOUNDARY

During FY24, Collins Foods' major assets included:

- Collins Foods Corporate Office and Restaurant Support Centre located in Brisbane, Australia
- Europe Restaurant Support Centres located in Amsterdam and Dusseldorf, which support our restaurants across Germany and the Netherlands
- 279 KFC restaurants located in Australia
- 27 Taco Bell restaurants located in Australia
- 16 KFC restaurants located in Germany
- 59 KFC restaurants located in Netherlands.

This report includes information about our Restaurant Support Centres and some newly opened restaurants (opened in the last 30 days of the reporting period), which are not included in all reported data as they do not have a material impact.

References to 'Collins Foods,' 'the Company,' 'we' and 'our' refer to Collins Foods Limited and all subsidiaries unless explicitly stated otherwise.

This Sustainability Report has been prepared for the reporting period 1 May 2023 to 28 April 2024 with amounts expressed in Australian dollars, unless otherwise stated. It is prepared by the Company's ESG Council, reviewed by management, endorsed by the Executive Leadership Team and approved by the Board.

Our past sustainability goals and targets are not reported in this report nor beyond, as our new 2030 Ambition Statement and Sustainability Strategy have set a new path for our sustainability reporting. Other information is available on our website including our Modern Slavery Statement, Annual Report, Financial Statements and Management Disclosures, Annual General Meeting Circular, and other corporate and investor information, news and insights. PwC has been engaged to provide independent and limited assurance for some defined metrics, which have been clearly stated in their assurance statement.

1.2 FORWARD-LOOKING STATEMENTS

This report contains "forward-looking statements and information" within the meaning of applicable securities laws.

"Forward-looking" statements or information may include, but are not limited to, statements with respect to the Company's sustainability strategy, short-term and long-term sustainability goals, including carbon intensity goals, strategic priorities and related goals, targets, commitments and plans.

Often, but not always, forward-looking statements and information can be identified by the use of words such as "may", "plans", "expects", "projects", "is expected", "budget", "scheduled", "potential", "estimates", "forecasts", "intends", "targets", "aims", "anticipates", "goal", "with the intent", "strategy" or "believes", or variations (including negative variations) of such words and phrases, or may be identified by statements to the effect that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved.

Forward-looking statements and information involve known and unknown risks, uncertainties and other factors which may cause the actual performance of the Company to be materially different from any future performance expressed or implied by the forward-looking statements. Such risks, uncertainties or factors include, among others: consequences of climate change; costs of compliance with environmental laws; risks relating to the development and use of new technology or lack of appropriate technologies needed to advance the Company's goals; changes in laws and governmental regulations; actual or anticipated results of sales; revisions to new restaurant development or other operating parameters; operational failures; natural disasters and adverse weather conditions; legal matters relating to our operations or team members; general business, political, social, labour, economic and market risks, uncertainties, or factors, as well as those factors discussed in the section entitled "Risk Factors" contained in the Company's Annual Information Form in respect of its fiscal year ended April 2024.

Forward-looking statements and information contained herein are made as of the date of this report and, subject to applicable securities laws, the Company disclaims any obligation to update any forward-looking statements and information. Readers should not place undue reliance on forward looking statements and information as no assurance can be provided as to their accuracy and actual performance may differ materially from that anticipated.



ABOUT COLLINS FOODS

THE FOOD WE PRODUCE BRINGS PEOPLE TOGETHER AND CONTINUES TO ENSURE SOCIAL CONNECTION NO MATTER A PERSON'S AGE, BACKGROUND OR CULTURE.

2.1 OUR COMPANY

Collins Foods is a multinational owner and operator of almost 400 restaurants. We have been in business since 1968 and are proud of our long history and growth in the QSR sector.

The food we produce brings people together and continues to ensure social connection no matter a person's age, background or culture. Everyone is welcome at Collins Foods' restaurants.

We demonstrate our commitment to our customers by delivering high quality and high performance in all aspects of our business, including our ESG obligations. We also contribute to economic growth, employment and skills development wherever we have an operating restaurant or support centre. More than 50% of our team members are under the age of 18.

Our sector thrives on embedding processes, training our team members, and providing mentoring and leadership opportunities. Our framework ensures our team members are provided with opportunities to gain valuable experience learning decision-making skills, about our safety environment, and how to innovate, improve processes and become ESG champions. By providing these opportunities, we can generate the leaders of tomorrow.

Our Vision

THE WORLD'S **TOP** Restaurant OPERATOR.

WE CREATE UNMATCHED EXPERIENCES FOR OUR CUSTOMERS & PEOPLE.

Our Values



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



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



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



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



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



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

2.2 OUR OPERATIONS

Collins Foods is a multinational restaurant operator of brands within the YUM! Brands Inc portfolio — Kentucky Fried Chicken (KFC) in Australia, the Netherlands and Germany, and Taco Bell in Australia.

In Australia, for our KFC restaurants, we operate as a franchisee of YUM! Brands Inc. Our relationship with YUM! Brands Inc is based around a “Franchise Partnership Pact”. This pact sets out principles for all interactions within our business. We are provided with marketing, food innovation, supply chain and information technology services in exchange for service fees. We also participate in various forums, committees and councils.

Under our franchise agreement, we are required to use goods and services that have been approved by our

franchisor to prepare, market and sell products in our restaurants. This ensures quality and consistency of products sold throughout the franchise system.

YUM! Brands Inc sources food, packaging, equipment and other items on our behalf, which means supply and distribution arrangements are limited to approved partners of YUM! Brands Inc.

For our Taco Bell restaurants, we are a franchisee of Taco Bell International, with our franchisee-franchisor relationship operating in a similar manner to that of our KFC restaurants.

In Germany, we own and operate restaurants through a franchise agreement with YUM! Brands Inc, which is similar to that in place in Australia.

In the Netherlands, we are a franchisee of YUM! Brands Inc, as well as a corporate franchisor, supplying and providing support to restaurants owned and operated by Collins Foods, as well as those owned and operated by others.

In 2023, we ceased our operations with Sizzler Asia and no longer have any commercial interests in Asia.

CORPORATE OPERATIONS	KFC AUSTRALIA AND EUROPE	TACO BELL AUSTRALIA
Our support centres in Australia, the Netherlands and Germany deliver services to our many stakeholders, internal and external. Services include our call centres, IT, Finance, Operations, Restaurant Excellence, Human Resources and Risk and Compliance Hubs.	We have 279 restaurants in Australia, 175 in Queensland, 56 in Western Australia, 17 in Tasmania, 13 in New South Wales, 9 in South Australia, 5 in Northern Territory and 4 in Victoria. We have 59 restaurants in the Netherlands and 16 in Germany.	We operate Taco Bell in Australia and have worked hard to scale this brand across the country. We have 27 restaurants across Queensland, New South Wales, Victoria, and Western Australia.



EUROPE

59

**KFC RESTAURANTS
(THE NETHERLANDS)**

16

**KFC RESTAURANTS
(GERMANY)**



AUSTRALIA

27

TACO BELL RESTAURANTS

279

KFC RESTAURANTS



OUR KEY STAKEHOLDERS



OUR CUSTOMERS



FARMERS



SUPPLIERS



CONSTRUCTION INDUSTRY

2.3 OUR SUPPLY CHAIN, OPERATIONS AND CUSTOMER ROADMAP

There are many players involved in our operations as we work to be the world's top restaurant operator.

The diagram below outlines the typical principal inputs required to serve our chicken and tacos across the jurisdictions in which we operate.



WE ARE EMBEDDING SUSTAINABILITY INTO OUR BUSINESS TO GUIDE HOW WE MAKE DECISIONS, HOW WE SUPPORT OUR PEOPLE AND HOW WE SERVE OUR CUSTOMERS.





OUR APPROACH TO SUSTAINABILITY

**AT COLLINS FOODS,
WE RECOGNISE
OUR ACTIONS HAVE
IMPLICATIONS
BEYOND OUR
RESTAURANT
WALLS. WE SEE OUR
COMMITMENT TO
SUSTAINABILITY AS A
MORAL IMPERATIVE.**

3.1 OUR JOURNEY

In the QSR sector, efficiency and speed reign supreme, and the pursuit of sustainability may seem like an elusive goal. However, within every chicken wing, taco and chip lies an opportunity for positive change.

At Collins Foods, we recognise our actions have implications beyond our restaurant walls. We see our commitment to sustainability as a moral imperative. In this report, we aim to transparently showcase our efforts, achievements and challenges in integrating ESG considerations into our business.

The key components of our sustainability program include:

- sustainability governance
- the Board and Board committees
- executive leadership team
- performance and reward
- risk management
- monitoring and compliance
- integrity and ethics.

During FY24, we have strengthened our sustainability efforts.

The Board appointed two key new roles to steward our Sustainability Program. These roles were our first Group Chief Risk Officer (**CRO**) and our first Group Manager ESG and Sustainability.

We also undertook our first independent materiality assessment (section 3.2) to develop a deeper understanding of the ESG and sustainability issues most material to our stakeholders and our potential to manage these better. We are very grateful to our stakeholders for sharing with us their thoughts.

Our materiality assessment subsequently informed the development of our 2030 Ambition Statement (section 3.3) and our first Sustainability Strategy (section 3.4). We also developed our ESG Data Performance Program (section 3.5) to improve the efficient collection of ESG data across multiple jurisdictions and more than 300 individual operating restaurants.

Though this is our fourth Sustainability Report, it is the first in which we have sought guidance from formal ESG reporting frameworks, such as the Global Reporting Initiative (**GRI**), the Task Force on Climate-related Financial Disclosures (**TCFD**), Carbon Disclosure Project (**CDP**), Sustainability Accounting Standards Board (**SASB**), United Nations Sustainable Development Goals (**UN SDGs**), and United Nations Global Compact. We are not in a position yet to be able to formally report against all indicators but will be expanding our sustainability activity and reporting in future years, in preparation for compliance with Australian Sustainability Reporting Standards — Disclosure of Climate-related Financial Information and the European CSRD.

As we continue our sustainability journey, we recognise the road ahead may be challenging. However, with determination, innovation and collaboration, we are confident in our ability to drive positive change. This Sustainability Report serves to demonstrate our commitment to transparency, accountability and continuous improvement.

Together, let us pave the way towards a more sustainable future, one bite at a time.



3.2 OUR MATERIAL TOPICS

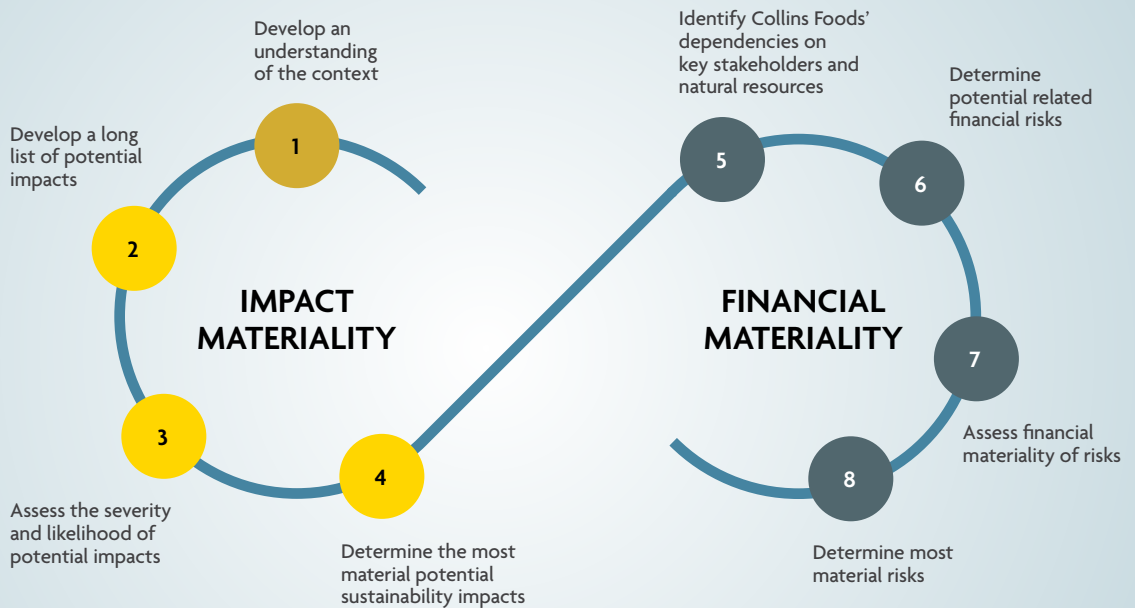
Since the last reporting period, Collins Foods engaged an independent advisory firm to complete the organisation’s first independent materiality assessment. Its purpose was to identify those topics material to our stakeholders and subsequently, most material to us.

There are differing views about what materiality encompasses. Some organisations, such as the International Sustainability Standards Board (ISSB) focus on enterprise value, where others, such as the GRI, focus more on impacts to stakeholders and the environment. The European CSRD requires companies to assess the impact of a sustainability issue on enterprise value, as well as the entity’s outward impacts on stakeholders and the environment.

We adopted a double materiality approach to assess relevant sustainability issues for Collins Foods. This process involved the following:



Double Materiality Approach to Assess Sustainability Issues



In undertaking the materiality assessment, the independent consultant assessed the potential impact and inherent risk of each issue.

INTERNAL INPUTS		EXTERNAL INPUTS	
Sustainability reporting	Stakeholder interviews	Industry publications	Rating agencies
Policies	Employee survey	Megatrend reports	SASB standards
Risk documents	Site visits	Consumer trends	YUM! Brands Inc sustainability reporting
Board papers		Media scan	Peer sustainability reports
		Investor documents	Talent trends

PRELIMINARY LIST OF SUSTAINABILITY TOPICS

Independent advisory firm assessment		
<ul style="list-style-type: none"> Severity and likelihood relating to the outward impacts of each topic 	<ul style="list-style-type: none"> Financial risks and opportunities for Collins Foods relating to each topic 	<ul style="list-style-type: none"> Timing of each topic

LIST OF PRIORITISED MATERIAL SUSTAINABILITY TOPICS

Independent advisory firm overlay	
<ul style="list-style-type: none"> Collins Foods' control over each topic 	<ul style="list-style-type: none"> Collins Foods' reporting of each topic in its sustainability-related disclosures

The assessment commenced with a review of current and future sustainability obligations and trends, review of relevant internal policies and reports, and extensive engagement with key stakeholders. This involved 500 interviews with employees, leaders, customers, suppliers, investors, community members, government representatives, regulators, media, interest groups and our franchisor YUM! Brands Inc. This process led to the development of a preliminary 'long list' of material topics for further consideration and assessment.

The consultant then worked with Collins Foods to assess the preliminary long list of material issues based on the significance and likelihood of their impact on the organisation and stakeholders, and the influence they have on stakeholders. We mapped interconnected risks and opportunities, which helped further highlight those material issues of greatest relevance and importance to Collins Foods' stakeholders.

Using insights from the prioritisation and mapping exercises, we identified 11 topics as being of greatest importance to our stakeholders and organisation. These topics were:

The first four topics reflect the areas where our stakeholders believe we can have the most positive impact. For the remaining issues (5 to 11) stakeholders expect that we operate on the basis of 'compliance with ambition,' lead the debate, and protect our employees and communities from all forms of harm.

AREAS WITH MOST POSITIVE IMPACT

- 1 Positive impact employment
- 2 Positive economic impact and performance
- 3 Positive impact restaurant development
- 4 Positive customer health, safety and experience.

REMAINING ISSUES

- 5 Team member health and safety
- 6 Ethical supply chain
- 7 Breach of labour laws
- 8 Animal welfare and social advocacy
- 9 Environmental and social amenity
- 10 Energy and emissions
- 11 Waste management and recycling.

We have organised our material topics into five categories — operations, people, communities, planet and governance.

OPERATIONS

Read about this focus area on p24.



PEOPLE

Read about this focus area on p30.



COMMUNITIES

Read about this focus area on p42.



PLANET

Read about this focus area on p52.



GOVERNANCE

Read about this focus area on p62.



We have connected our most material issues with the UN SDGs to ensure we are playing our part in building sustainable communities as we work toward net zero by 2050.

CATEGORY	DESCRIPTION	MATERIAL TOPICS	RELATED UN SDGs
OPERATIONS	How we embed ESG into our operations to deliver benefit and improved experiences for all	Economic impact and performance	
		Restaurant development	
PEOPLE	How we ensure the health and safety of our people and provide supportive and rewarding employment	Employment	
		Team member health and safety	
COMMUNITIES	How we ensure the health and safety of our customers and make a positive contribution to the communities within which we operate	Customer health and safety	
		Animal and social advocacy	
		Environmental and social amenity	
PLANET	How we manage and minimise our impact on the environment	Energy emissions	
		Waste management and recycling	
GOVERNANCE	How we conduct ourselves with ethics and integrity, manage risk and fulfil our obligations.	Labour law	
		Ethical supply chain	

COMBINED IMPACT



Combined, our operations and sustainability efforts contribute to the achievement of additional UN SDGs, most notably number 11 Sustainable Cities and Communities.



3.3

OUR 2030 AMBITION STATEMENT

Our 2030 Ambition Statement outlines where we want our business to be with respect to ESG and sustainability by 2030 and is guiding our decision making as we work to become the company our employees and stakeholders aspire us to be.

In 2023, after more than 160 internal and external consultation meetings, the Board approved our 2030 Ambition Statement.

In 2025, we plan to apply a science-based approach to target setting across each material topic, where relevant.

- Significant work being undertaken
- Some work being undertaken
- Limited work being undertaken at this stage
- <<< Risk and Compliance Ambition

MATERIAL TOPIC	AMBITIONS AND PROGRESS TO DATE				
OPERATIONS					
Economic impact and performance	All parts of our business are working efficiently to drive our economic performance – people, systems, processes and risk management.	We are ESG decision makers, driven to support the circular economy.	We give back to our staff, through shares and other initiatives so they can seek out and fulfil their life ambitions.	We give to communities where we operate to improve the lives of the most disadvantaged.	We are known to build our own success, as we work to build the success of our team members and the communities where we operate.
Restaurant development	We are leaders in innovation and design from safety to speed of service.	We are constantly working with our internal stakeholders to minimise safety risks for our team members and customers.	We drive energy, water and waste efficiency to reduce our consumption and improve our margins.	We aim to open Green 5-star restaurants by 2030.	We are known as the owners of the most interesting restaurants where digital transformation and customer experience come together.
PEOPLE					
Employment	We are a fun and rewarding place to work.	We unveil our team members' ambitions and provide them with the skills, knowledge and experience to be successful.	We adopt a very high standard care for our team members' physical and mental health.	We focus on learning and improving from events and closing the gap between work as planned and work as done.	We focus on quality and value for money.
Team member health and safety	We are focused on minimising risk in everything we do with a priority on critical risks.	We treat and reward fairly with zero tolerance for racism, bullying, harassment and sexual misconduct.	We focus on learning and improving from events and closing the gap between work as planned and work as done.	We are continually looking at our hazard and near miss data to identify trends relating to potential risks and hazards.	We are known as a safe QSR company to work for. <<<

MATERIAL TOPIC | AMBITIONS AND PROGRESS TO DATE

COMMUNITIES					
Customer health and safety	We expand our customer base, by developing restaurants for everyone.	We invest in training to ensure our staff have the skills and knowledge to assist all our customers and de-escalate poor customer behaviour when necessary. <<<	We focus on quality and value for money.	We redesign our restaurants to ensure enjoyment is maximised and mindful eating is welcomed.	Our food standards, processes and procedures bring a world class standard to our customer health and safety. <<<
Animal and social advocacy	We advocate for better services for youths and vulnerable people.	We constantly drive improved performance regarding animal welfare across our chain.	We support farmers in adopting improved farming practices.	We engage with our key stakeholders to ensure that we are working on the aspects of our business that matter to them.	We are known to advocate for what is right even when it is difficult or complex and we achieve this by encouraging voices to our CEO and Board and encouraging discussions on the impacts of our business.
Environmental and social amenity	We work with our neighbours to ensure that our activities are not materially impacting on their amenity.	We learn from concerns raised with us regarding the impact of our operations on our neighbours.	We comply with the law. <<<	We have a legal obligations register, and we ensure that these obligations are met. <<<	Local authorities invite us to open new restaurants in their areas because they know we do the right thing.
PLANET					
Energy and emissions	We have embraced the energy reduction revolution across our business.	We build Green 5-star restaurants as our base case of design.	We have reduced emissions across our business and supply chain by 50% by 2030 on our way to net zero emissions by 2050.	Our team members are energy savers and are energy wise at work and at home.	We are known as leaders in energy reduction in the QSR sector.
Waste management and recycling	We are working towards zero waste despite the challenges of the nature of our business	We regularly consult with our suppliers and customers about changes that we need to make to reduce our waste and the impact on the environment from our products	We are constantly driving energy, water and waste efficiency to reduce our consumption and improve our margins	We run programs to encourage our customers and suppliers to be thoughtful when disposing of our products	We are known for playing our part in communities becoming zero waste societies where we operate managing our own waste, working in our communities to educate and promote waste minimisation to reduce our impact on environment
GOVERNANCE					
Labour law	We have processes in place to ensure that our team members are paid fairly for the work they complete. <<<	We have robust processes and technology in place to ensure compliance with employment obligations and legislation. <<<	We have internal review processes that all our team members can easily access.	We regularly update our team members and managers on their rights, obligations and responsibilities — we all have a role to play.	If we have an issue, we are open, transparent and consultative with our team members.
Ethical supply chain	We ensure the best practice adoption of our modern slavery policy across all our suppliers. <<<	We aim to use local suppliers and local farmers wherever possible.	We examine the supply chain we interact with to pinpoint 'white space' opportunities where we can spearhead local business growth.	We have systems and procedures to manage our supply chain effectively and drive cost efficiencies. <<<	We fully adopt and implement our policies and processes to ensure competitiveness, provide opportunities for new local suppliers and play our role in stamping out modern-day slavery.

3.4 OUR SUSTAINABILITY STRATEGY

Our first Sustainability Strategy outlines our priorities for the next three years as we work towards our aspiration.

It comprises three pillars:

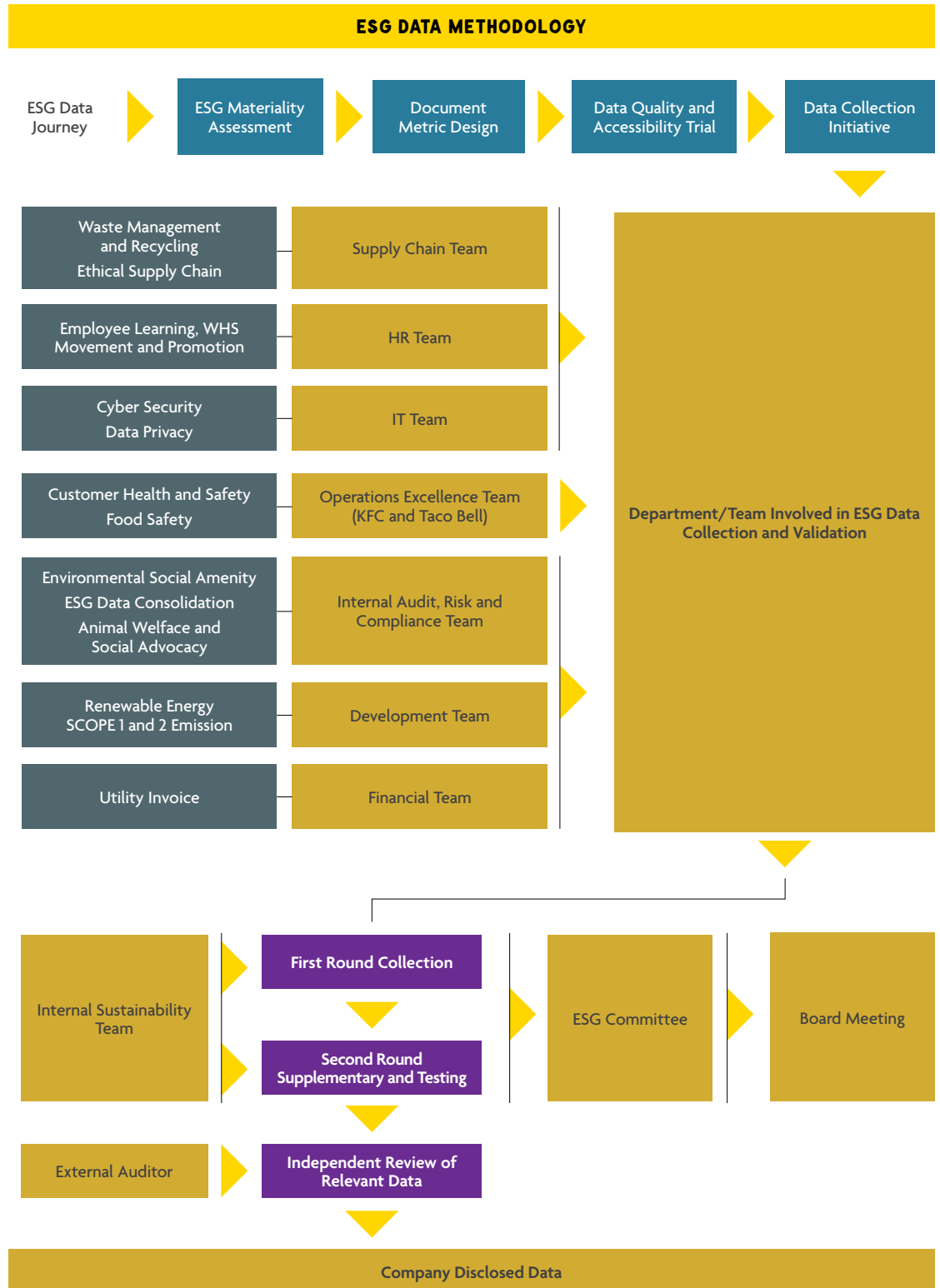
- Environmental Catalyst — innovating and educating to minimise our impact on the environment
- Social Inclusion and Employment Catalyst — enhancing safety, wellbeing and inclusion for the benefit of our most valued asset, our people
- Advocacy and Partnerships Catalyst — building relationships that promote sustainable business operations and deliver positive community benefit.
- Each pillar is underpinned by a foundation of commitment, enthusiasm and alignment, as well as our essential group functions — our people, partnerships and governance.

<p>VISION</p> <p>Positively impact society and our communities by providing opportunities, creating connections, and furthering the interests of our stakeholders, including our valued young team members</p>		
<p>PURPOSE</p> <p>Deliver and enable ESG and sustainability programs which improve our environment and society, and which enable growth, efficiency, and value creation</p>		
<p>PILLARS</p>		
<p>ENVIRONMENTAL CATALYST</p> <ul style="list-style-type: none"> • Net zero emissions by 2050 with a 50% reduction by 2030 • Green building design in every new build and refurbishment by 2030 • Constantly innovating to reduce our waste and use of resources • Our employees become Green Footers: working in our stores and communities to drive ESG. 	<p>SOCIAL INCLUSION AND EMPLOYMENT CATALYST</p> <ul style="list-style-type: none"> • Be the safest QSR company, striving for no harm in our workplace • Enable every Collins Foods person to become a safety and risk advocate: at work, home and in society • Be inclusive: as an employer, as a team member, and within our communities, we are advocates for inclusion including finding ways for disabled people to be part of our business • We are leaders in youth mental health care and advocacy. 	<p>ADVOCACY AND PARTNERSHIPS CATALYST</p> <ul style="list-style-type: none"> • Building positive advocacy with YUM! and our suppliers – finding joint opportunities to improve the sustainability of our business operations and economic performance • Building relationships and service agreements within our communities that support our restaurants: Police, Ambulance services and local Governments to have our customers and staff when in need • Building relationships to deliver youth diversion programs based on stable employment and education opportunities.
<p>OUR GROUP FUNCTION: People, Partnerships and Governance are essential for Collins Foods to grow sustainably.</p>		
<p>GROUP FOUNDATION: Commitment, Enthusiasm and Alignment to achieve our 2030 Ambition.</p>		

3.5 OUR PERFORMANCE DATA JOURNEY

At Collins Foods, we are passionate about being the ‘world’s top restaurant operator’. Using data is key to working towards our vision and ambition and being transparent about our ESG and sustainability performance.

In 2024, we improved our ESG data collection and reporting processes as set out below.



OPERATIONS

EMBEDDING ESG INTO OUR OPERATIONS TO DELIVER BENEFIT AND IMPROVED EXPERIENCES FOR ALL.



We recognise the benefits of sustainability are wide-ranging and the risks of inaction too great to ignore. This is why we are working to make sustainability core to our business. It increasingly guides how we make decisions, how we support our people and how we serve our customers.

By integrating ESG and sustainability considerations into how we operate, we are enhancing our long-term viability and strengthening trust with our stakeholders. This approach delivers environmental and social benefits that contribute positively to community wellbeing and ensure the preservation of resources for future generations.

We strive to be a responsible corporate citizen and a force for positive change in society.

In this section we present our progress towards achieving our ambitions for the following material issues:

- Economic impact and performance
- Restaurant development.

We have strengthened ESG leadership and governance with the appointment of Group CRO and Group Manager ESG and Sustainability

ECONOMIC IMPACT AND PERFORMANCE

OUR 2030 AMBITIONS

ALL PARTS OF OUR BUSINESS ARE WORKING EFFICIENTLY TO DRIVE OUR ECONOMIC PERFORMANCE — PEOPLE, SYSTEMS, PROCESSES AND RISK MANAGEMENT.

WE ARE ESG DECISION MAKERS, DRIVEN TO SUPPORT THE CIRCULAR ECONOMY.

WE GIVE BACK TO OUR STAFF, THROUGH SHARES AND OTHER INITIATIVES SO THEY CAN SEEK OUT AND FULFIL THEIR LIFE AMBITIONS.

WE GIVE TO COMMUNITIES WHERE WE OPERATE TO IMPROVE THE LIVES OF THE MOST DISADVANTAGED.

WE ARE KNOWN TO BUILD OUR OWN SUCCESS, AS WE WORK TO BUILD THE SUCCESS OF OUR TEAM MEMBERS AND THE COMMUNITIES WHERE WE OPERATE.

4.1 ECONOMIC IMPACT AND PERFORMANCE

OUR KEY FY24 ACTIVITIES AND ACHIEVEMENTS

SUSTAINABILITY STRATEGY GUIDING WHOLE-OF-ORGANISATION DECISION MAKING

STRENGTHENED ESG LEADERSHIP AND GOVERNANCE WITH THE APPOINTMENT OF GROUP CRO AND GROUP MANAGER ESG AND SUSTAINABILITY

IMPROVED ESG DATA COLLECTION AND REPORTING

381 RESTAURANTS PROVIDING EMPLOYMENT AND SERVICE TO COMMUNITIES

During FY24, the escalation of Collins Foods' efforts in embedding ESG and sustainability into operations and decision-making processes has set our organisation up to achieve improved economic performance into the future.

As outlined in *Section 3 Our Approach to Sustainability*, key activities providing the foundation for our efforts include:

- completing our first independent materiality assessment process (section 3.2) and identifying the 11 topics that are most material to our stakeholders and our business
- setting our 2030 Ambition Statement (section 3.3), which articulates where we want our business to be in relation to ESG and sustainability by 2030
- preparing our first Sustainability Strategy (section 3.4), which is guiding whole-of-organisation decision making and activity
- improving our ESG data collection and reporting (section 3.5).

The contributions of these activities and our other sustainability efforts to supporting our people, communities and planet are outlined in subsequent sections of this Sustainability Report.

4.2 RESTAURANT DEVELOPMENT

OUR KEY FY24 ACTIVITIES AND ACHIEVEMENTS

ESG-CONSCIOUS DESIGN APPLIED TO 10 NEW AND 62 REFURBISHED RESTAURANTS

>55% (183) RESTAURANTS GENERATING SOLAR POWER

USE OF BATTERIES AND SOLAR PANELS TO SUPPLEMENT LIMITED ENERGY SUPPLY AT KFC DEN BOSCH

10,377 NEW TREES PLANTED

LED LIGHTING IN ALL RESTAURANTS

We have made sustainable practices through innovation a priority in how we design and build our restaurants.

Our design standards for new builds and refurbishments continue to be reviewed to ensure they align with our sustainability ambitions. While doing so, we are also working to achieve our more immediate goals of sourcing construction materials more responsibly alongside the identification of innovations and technical solutions for reducing energy consumption.

Key sustainability activities and achievements within our restaurant developments during the past year include:

WATER CONSUMPTION

- 27 of our restaurants now have water tanks. This plays a key role in reducing our water consumption by harnessing an easily collectable source.

ENERGY CONSUMPTION

- Using LED lighting has been a ‘game changer’ in reducing our energy consumption at our restaurants across Europe and Australia, with reductions of approximately 5% of our energy usage. LED lighting has also improved the amenity of our restaurants.
- We have embraced the power of the sun. More than 55% of our restaurants in Australia have roof-top solar panels, delivering green power to our restaurants and food courts.
- We are currently trialling Solar Skylights in two restaurants to determine if they are an effective, feasible option for reducing energy consumption in a QSR environment.

In Europe, we are leading the way in Green Building Developments in the QSR and Hospitality sectors.

RESTAURANT DEVELOPMENT

OUR 2030 AMBITIONS

WE ARE LEADERS IN INNOVATION AND DESIGN FROM SAFETY TO SPEED OF SERVICE.

WE ARE CONSTANTLY WORKING WITH OUR INTERNAL STAKEHOLDERS TO MINIMISE SAFETY RISKS FOR OUR TEAM MEMBERS AND CUSTOMERS.

WE DRIVE ENERGY, WATER AND WASTE EFFICIENCY TO REDUCE OUR CONSUMPTION AND IMPROVE OUR MARGINS.

WE AIM TO OPEN GREEN 5-STAR RESTAURANTS BY 2030.

WE ARE KNOWN AS THE OWNERS OF RESTAURANTS WHERE DIGITAL TRANSFORMATION AND CUSTOMER EXPERIENCE COME TOGETHER.

SUSTAINABLE CONSTRUCTION

- We are trialling a new sustainable building product, SaveBOARD, as part of the refurbishment of four restaurants, and we hope to extend its use in 2024 and beyond.
- We use low toxicity paints, which have little to no odour, to protect the health and safety of our team members and customers.
- We are adopting more sustainable options in our construction via window treatments, reflective roof sheeting, recycled brick cladding and low flow kitchen exhaust hoods.
- We are planting 1,000 trees each year to offset any trees our developers remove for new sites. We estimate fewer than 20 trees are removed, which means we are over-replacing by a factor of 50.

SUSTAINABLE RESTAURANTS

Europe

In Europe, we are leading the way in Green Building Developments in the QSR and Hospitality sectors. Our energy saving and innovative solutions are most visible at two of our KFC restaurants in the Netherlands.

KFC Almelo

This year's opening of our new Almelo restaurant in the Netherlands reflects our pursuit of our 2030 restaurant development ambitions. The innovative restaurant, with its energy neutral status, sets the benchmark for QSRs in both Collins Foods and our competitors.



The Green Building Council has determined that SaveBOARD products are in line with the Sustainable Products credit under the Green Star Design & As Built NZ certification (v1.0).

While the credit encourages sustainability and transparency in the product specification of new builds, SaveBOARD meets the sustainability initiative of 21B recycled content with a 0.99 Sustainability Factor (SF).

Some of the attributes of the restaurant to achieve this status are:

- a heat recovery system
- triple glazing
- smart cooling management
- insulation in the walls, floors and roof
- installation of solar panels.

As a result, our KFC Almelo restaurant generates more energy than it uses.

Having been certified as an A+++++ energy building, the restaurant has been confirmed as energy neutral. It is the first QSR building of its kind to achieve this rating in the Netherlands.



Clockwise from left: Customers can play their part, returning reusable cups in our European restaurants. Customers enjoy free arcade games in select restaurants. KFC Almelo, the Netherlands.



KFC Steenwijk,
the Netherlands

KFC Steenwijk

Our KFC restaurant in Steenwijk is another example of sustainable development in the Netherlands.

The restaurant includes:

- 100% LED lighting
- solar panels for maximum energy generation
- optimal insulation from floors to roofs
- Smart Cooling Management System
- heat recovery to pre-warm the heating system with warm air
- white reflective roofing for a cooler interior.

KFC Den Bosch

During FY24, Collins Foods opened KFC Den Bosch — Europe's first KFC restaurant partially run on batteries.

Electricity grid capacity constraints has emerged as a risk affecting Collins Foods' ability to open new stores in the Netherlands. Structural limited energy supply and getting a connection to the existing grid is a national problem. Collins Foods' development team overcame this problem by installing batteries as a backup for energy supply.

We would not have been able to open KFC Den Bosch without batteries serving as a backup. The batteries allow us to operate and serve our customers daily without being affected by power outages or limited energy supply.

Following this successful implementation and experience, grid capacity constraints will no longer be the sole reason preventing us from opening new stores. Additional stores are planned to open with batteries as backup energy supply in the remainder of 2024.

Australia

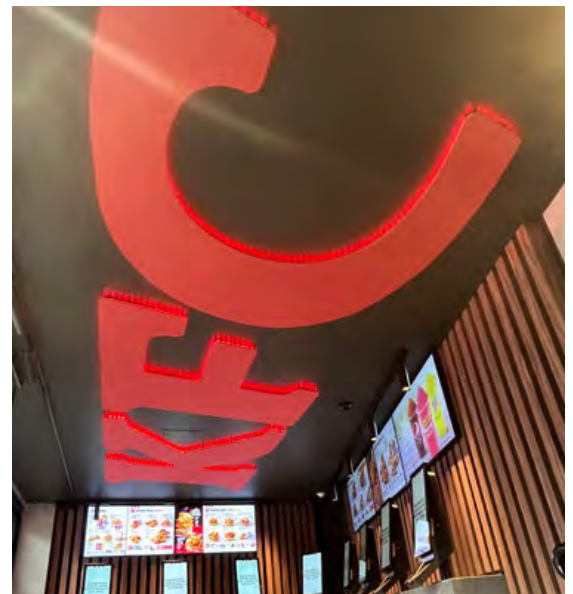
KFC Queen Street Mall

In Australia, our KFC restaurant on Queen Street Mall in Brisbane was designed to set a new environmental standard. It features:

- recycled glass benchtops
- recycled brick slips (wall cladding)
- metal laminate (approx. 80% recycled content)
- LED lights
- low flow exhaust hoods
- energy efficient air-conditioning
- pre-cooling of makeup air for exhaust
- recycling restaurant bins (bottles/cans)
- porcelain benchtops
- no toxic resins, chemical binders or materials that pose silicosis risk
- no volatile organic compound (VOC) off-gassing after installation.

To support the circular economy model, increase our social impact and our economic impact, we also sourced:

- locally made furniture and booth seating with sustainable fabrics
- local artists who designed and painted our murals (social sustainability)
- locally sourced/made finishes to ensure lower transport emissions.



KFC Queen Street Mall,
Brisbane, Australia.

PEOPLE

ENSURING THE HEALTH AND SAFETY OF OUR PEOPLE AND PROVIDING SUPPORTIVE AND REWARDING EMPLOYMENT.



Our team are at the heart of our business. Cultivating our culture extends beyond providing a service to our customers. It means hiring individuals dedicated to investing in their future and partnering together to develop their talents and protect their health, safety and wellbeing. Our teams are essential to our ability to deliver exceptional experiences to our customers.

We are proud to provide thousands of team members an opportunity to develop and advance their careers.

Through continued professional development, structured learning and unmatched benefits (health, wellbeing and financial), we provide a framework for personal growth and financial stability.

Furthermore, we are dedicated to supporting our team through initiatives such as charitable partnerships through Collins Foods Giving, our Domestic and Family Violence Support Program, and the Collins Family Fund, which provides emergency financial support to team members experiencing financial hardship.

In this section we present our progress towards achieving our ambitions for the following material issues:

- Employment
- Team member health and safety.

Our people are
at the heart of
our business.

EMPLOYMENT

OUR 2030 AMBITIONS

WE ARE A **FUN AND REWARDING PLACE TO WORK.**

WE UNVEIL OUR TEAM MEMBERS' AMBITIONS AND PROVIDE THEM WITH THE **SKILLS, KNOWLEDGE AND EXPERIENCE TO BE SUCCESSFUL.**

WE ADOPT A VERY HIGH STANDARD **OF CARE** FOR OUR TEAM MEMBERS' PHYSICAL AND MENTAL HEALTH.

WE TREAT AND REWARD FAIRLY WITH **ZERO TOLERANCE FOR RACISM, BULLYING, HARASSMENT AND SEXUAL MISCONDUCT.**

WE ARE KNOWN AS HAVING **PEOPLE AT THE 'HEART' OF OUR COMPANY.**

5.1 EMPLOYMENT

OUR KEY FY24 ACTIVITIES AND ACHIEVEMENTS

20,785 TEAM MEMBERS

445 TRAINEESHIPS

95% OF RESTAURANT MANAGEMENT ROLES FILLED VIA 813 INTERNAL PROMOTIONS

>90% TRAINING COMPLETION RATE

2 DIVERSITY AND INCLUSION COUNCILS — AUSTRALIA AND EUROPE

11 COLLINS WAY AWARD RECIPIENTS, RECOGNISING OPERATIONAL EXCELLENCE AND TRUE EMBODIMENT OF THE COLLINS FOODS VALUES

104 COLLINS FAMILY FUND GRANTS TOTALLING \$253,024.12

We provide employment to more than 20,000 people across Australia, Germany and the Netherlands, and we understand the importance of investing in our people to ensure we maintain a positive work culture and continue to deliver a desirable workplace.

In this report we are proud to share with you our approach to and achievements within the areas of:

- diversity and inclusion
- training and development
- reward and recognition
- employment benefits.

PROMOTING DIVERSITY AND INCLUSION

One of our greatest strengths at Collins Foods is the unique perspectives and experiences our people bring to work every day. With one of our core values being ‘People at the Heart’, in FY24 we set ourselves the goal of building on our diversity and inclusivity.

It was important for us to develop a vision that celebrated our inclusivity and could be easily shared, so that the culture and work environment for all team members could reflect this regardless of where in our business they work.

We foster a sense of ‘belonging’ at Collins Foods. Everyone should feel welcomed, accepted, safe, included, supported and encouraged to engage in the workplace.

Collins Foods has two Diversity and Inclusion (D&I) councils — one in Australia, in its third year of operation, and one in Europe, established May 2024.

These D&I councils provide an opportunity for diversity and inclusion to be considered as part of day-to-day operations and create a safe forum where issues can be openly discussed. Meeting four times a year, the councils are responsible for helping drive organisational initiatives that maximise the feeling of ‘belonging’ of team members from all backgrounds. The councils are also responsible for measuring and reporting the success of initiatives implemented.

The D&I council members represent a wide range of cultures with diverse perspectives and ideas. While they are primarily advisory groups, members often assist with the implementation of initiatives.

WORKPLACE PROFILE (%)	FY22	FY23	FY24
Female	49.2	47.4	47.0
Male	50.5	51.9	52.3
Non-binary, intersex or prefer not to disclose	0.3	0.7	0.7



We foster a sense of ‘belonging’ at Collins Foods. Everyone should feel welcomed, accepted, safe, included, supported and encouraged to engage in the workplace.



CELEBRATING OUR VALUES AND LEADERS IN OPERATIONAL EXCELLENCE

Our annual Collins Way Awards recognise our talented team and reward our true 'Collins Ambassadors'.

In Australia, we had 39 finalists across KFC, Taco Bell, Operations Leadership and the Restaurant Support Centre.

In Europe, we had 34 nominations for individuals who delivered outstanding performance and remarkable contributions whilst living our Collins Foods Values every single day.

Finalists had to be nominated by their leaders, colleagues or peers for living our values and were selected by our Collins Way panel.

Our Collins Foods Winners in 2023 are showcased here.

AUSTRALIA

KFC — Ownership award

Tiffanie Hayes, KFC Glenfield Park

Tiffanie is not only a Restaurant General Manager, but also an Area Safety Lead and People Capability Lead. Within a short timeframe she increased completion rates of training across all areas, finished above target on the YUM! and Collins Foods Balance Score Card, and is consistently above 90% for stop and step back — driving a culture of safety. She embodies 'Ownership' and leads the way for her restaurant and the area.



FROM TOP

2023 Collins Way Awards Winners.

Our Australian nominees, management team and Board members.

Taco Bell — People at the Heart Award Ashley Owens, Taco Bell Chirnside Park

Ashley is an all-rounder. He continuously finds new ways to motivate the team and improve efficiency. Ashley has 'People at the Heart' and demonstrated commitment to his team by always putting their wellbeing above all else. He provides the team with the best training, using the best systems, and ultimately creating the best working environment to give every single customer that walks into the restaurant the best possible experience!

Operations Leadership — Operational Excellence Award Tara Solomon, Project & Operations Excellence Manager

Tara has been a true leader amongst her peers by delivering outstanding results across the Balance Score Card and was at the forefront of driving significant improvement across the brand. In addition, Tara took on the huge role of implementing a new workshop to increase product knowledge and create a passion for food in our restaurants. She developed content, processes and face-to-face training for every single restaurant across the country. Tara truly created a culture of 'Operational Excellence' across all our restaurants.

Restaurant Support Centre — Collins Way Award

Jodie Collie, Supply Chain Manager

Jodie is responsible for introducing new ingredients across our Taco Bell restaurants to drive sales, focus on cost efficiencies and, most importantly, improve the quality of our food. To achieve this, she worked closely with global stakeholders, suppliers and within time frames that were continually told that could not be met. In addition, Jodie works on company-wide programs such as the Collins Family Fund, Collins Foods Giving, Culture Crew, Career Corridors and many more.

EUROPE

Collins Way Award

Sevda Guzel, Franchise Business Manager

Sevda is a true ambassador of KFC and Collins Foods with a meticulous focus on operational excellence. Her role is to ensure that all of our KFC operations in the Netherlands (including franchise partners) meet global restaurant operational standards including food safety. She respectfully challenges our teams, franchise partners and franchisor to ensure a high level of compliance while still maintaining a high level of compassion for our restaurant teams. Her continued focus on improving restaurant systems, as well as driving a culture of safety, has led to an overall improvement of brand health results across all franchise restaurants and a +7% increase in foods safety compliance checks.

CFL VISION	THE WORLD'S TOP RESTAURANT OPERATOR – WE CREATE UNMATCHED EXPERIENCES FOR OUR CUSTOMERS AND PEOPLE.						
OVERARCHING PURPOSE	ENABLING OUR GROWTH STRATEGY THROUGH LEARNING AND ADAPTABILITY.						
OBJECTIVES	Supportive Learning Environment that fosters enquiry and dialogue for open sharing		Continuous learning opportunities underpinned by concrete processes and practices		Defined leadership behaviours to provide expectations and positive reinforcement		
KEY INITIATIVES	COMPLIANCE	JOB READY LEARNING	LEADERSHIP & MANAGEMENT	LEARNING PORTAL RSC & TACO BELL	PROFESSIONAL DEVELOPMENT	TRAINEESHIPS & FURTHER EDUCATION	COACHING & MENTORING
	Anti-Bullying & Sexual Harassment Anti-Discrimination First Response WH&S for Employees WH&S for Managers	OTJ Learning Online Learning Targeted Development Restaurant Management Programs	Heartstyles – All Leaders & RSC Leadership Essentials – Lv 2 Leaders Leadership In Action – Lv 3 Leaders SLDP – Lv 3 & Lv 4 Leaders Dip. Leadership & Mgmt – All levels Leadership Essentials	Learning Modules Standards Library Quick Accessibility Links Reporting Online Learning Library	Lunch & Learn CPD Knowledge Sharing Targeted Programs Collin James Mastering Communication	Traineeships – Cert III Retail & Hospitality Diploma – Leadership & Management	Individual Leader Led Coaching Mentoring Program External Coaching
SUCCESS MEASURES	Meet legislative requirements and contemporary work practices	Enable our store level team members to gain competency and be 'Job Ready'	Setting the benchmark for a high performance culture	Creating a 'One Stop Shop' for learning delivery for Support Centre employees	Increasing our 'know how' and enabling cross sector awareness for Support Centre employees	Advancing our people, building capability and 'doing the right thing' for our youth	Provide opportunities to gain support and growth from multiple sources

Collins Foods Learning and Development Strategy

DEVELOPING AND TRAINING OUR PEOPLE

Our commitment to training and the provision of coaching and development opportunities across all aspects of our business helps us move the needle on our material topics and 2030 ambitions, particularly in relation to people and community.

In this period, we employed more than 20,000 team members, provided 445 traineeships, delivered 813 internal promotions and achieved a training completion rate of greater than 90%. In addition, more than 95% of all restaurant management roles were filled via internal promotions, and we have more than 100 team members who have been with us for more than 30 years.

Our training programs emphasise teamwork, decision-making and personal development, which all promote increased self-esteem, confidence and pride. This approach prepares our team for a range of roles, from entry-level to executive positions, cultivating a culture of values-based ambition. It also helps us to maintain a diverse pipeline of talented people available to be regularly promoted to leadership positions.

For example, there are seven streams within our learning and development strategy, which are designed to ensure anyone of any age, ability or level can have a rewarding career at Collins Foods (shown above).

FY24 TRAINING COMPLETION RATES	AUSTRALIA	EUROPE
Food Service and Safety Training Badge Certification		
KFC team member	90.62%	87.42%
Taco Bell team member	96.56%	–
Customer Service Training Badge Certification		
KFC team member	94.50%	76.82%
Taco Bell team member	86.53%	–
Food Safety Supervisor Training Badge Certification		
KFC team supervisor	99.30%	86.09%
Taco Bell team supervisor	99.32%	–
WHS Induction and Training		
KFC	96.02%	–
Taco Bell	99.61%	–
Critical WHS Position Filled and Accredited		
KFC	98.94%	–
Taco Bell	99.88%	–
Stop and Step Back		
KFC	72.07%	–
Taco Bell	84.23%	–
Food and Agriculture Organization (FAO) Compliance		
KFC	93.44%	–
Taco Bell	94.31%	–
Restaurant Leadership Training		
KFC team leadership member	100.00%	69.68%
Taco Bell team leadership member	100.00%	–

RESTAURANT CAREER DEVELOPMENT PATHWAYS

Providing career development pathways is a significant part of our employment offer at Collins Foods. Many team members begin their professional journey with us and some take advantage of the development opportunities to make it their lifelong career. We are committed to appointing first-time job seekers and nurturing their potential.

The training program developed and delivered by our Restaurant Support Centres guides new team members on their employment journey from team member to diverse leadership positions. Key elements of the program include:

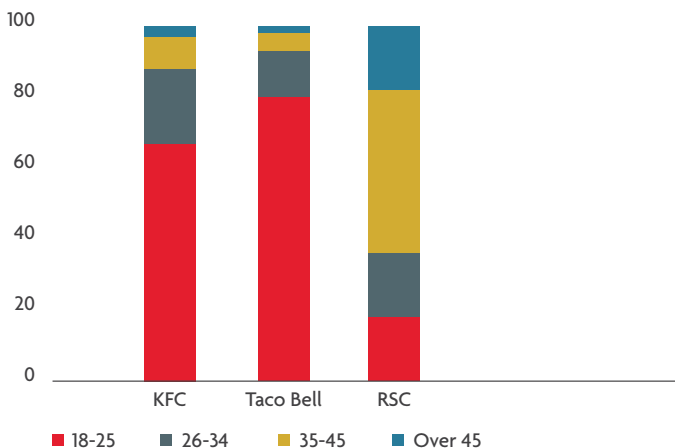
- Team Member — learning how to do their jobs and the importance of customer service and food safety.
- Shift Leader/Supervisor — learning the important skills to manage team and restaurant operations.
- Assistant Manager — learning restaurant leadership skills and putting them into practice.
- Restaurant General Manager — taking full responsibility for restaurant operations.
- Area and Market Coach/Manager — developing senior leadership skills to build and mentor management restaurant teams to drive growth in their areas/markets.



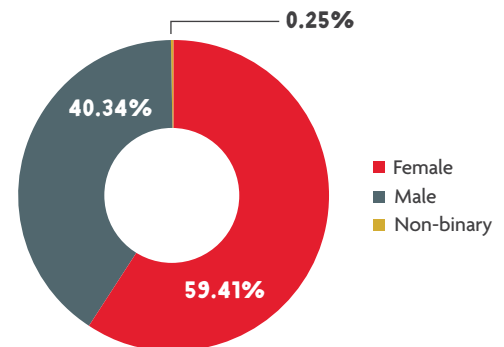
PROMOTIONS (%)	FY22	FY23	FY24
Female	57.8	58.9	59.4
Male	42.2	40.4	40.3
Non-binary, intersex or prefer not to disclose	—	0.6	0.3

FY24 PROMOTION AND OPPORTUNITY DATA*

FY24 PROMOTION BREAK DOWN BY AGE GROUP (%)



FY24 PROMOTION BREAK DOWN BY GENDER

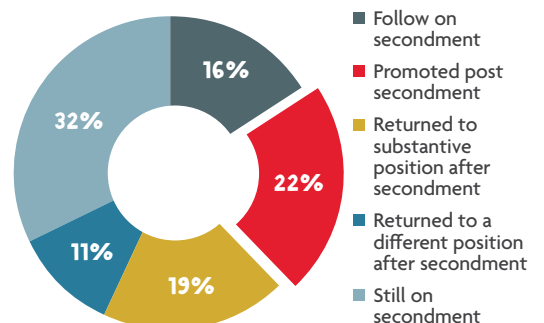


813
NUMBER OF TEAM MEMBERS PROMOTED

3,086
NUMBER OF TEAM MEMBER MOVEMENTS (INCLUDING SECONDMENT)

* In this reporting period, only data from Australian operations was included due to limited availability of data from European sites.

FY24 SECONDMENT AND MOVEMENT SUMMARY





TRAINEESHIPS

Collins Foods introduced 445 young people to our national traineeship program in Australia throughout FY24.

The traineeships combine paid on-the-job training and formal study at high school and/or a registered training organisation, with the trainee receiving a nationally recognised qualification upon completion.

More than 71% of trainees have stayed on with Collins Foods for longer than 12 months after the completion of their training and 45.6% of team members who completed a traineeship in the past four years have chosen to remain team members. These figures represent the positive culture fostered within our workplaces and we are very proud of our team members for their loyalty and commitment.

In the Netherlands, Collins Foods currently has 10 trainees working in our restaurants. These trainees attend a Beroeps Begeleidende Leerweg (BBL) course, which in Dutch and stands for Vocational Training Path. Trainees enrol to work and learn at the same time, attending school one day and working four days a week at a recognised training company. The program lasts for 18 months and generally, graduates continue their career within Collins Foods' and undertake restaurant leadership training.

DELIVERING ATTRACTIVE EMPLOYMENT BENEFITS

We are proud to offer a range of attractive employment benefits that support workplace flexibility and team member wellbeing and wealth.

Benefits available to all team members regardless of location include:

- **Ownership Share Plan** — We offer team members the opportunity to build their wealth through our Ownership Share Plan (OSP). The OSP provides eligible team members with Rights in Collins Foods, which convert to shares and therefore 'ownership' in Collins Foods. Individuals employed in permanent full-time or part-time Restaurant General Manager, Area Coach or Restaurant Support Centre Level 1–3 roles with Collins Foods in Australia and Europe are eligible to participate in the program.

Australia

Benefits within our Australian operations include:

- **Purchased leave program** — Team members in Australia may purchase up to three weeks' extra leave. This provides increased flexibility for personal commitments, study, extra-long holidays, or being able to be home when children are on extended school holidays.
- **Flexible working agreements** — In Australia, team members can enter a flexible working agreement to assist them in managing carer or other responsibilities while continuing to work productively. Examples of such practices but are not limited to adjusting start and finish times, work patterns or work locations.

- **Early access to Long Service Leave** — We are proud to lead the way in the QSR industry with early access to Long Service Leave. Permanent team members can access their prorated Long Service Leave entitlement after seven years of continuous service, instead of 10 years, allowing team members greater flexibility to help achieve personal goals, commitments or improve their wellbeing. This entitlement exceeds the legislative requirements in most states and aligns with legislation currently in place for South Australia and Victoria.
- **Recharge days** — To help support a healthier work-life balance and focus on physical and mental wellbeing, permanent Australian team members in restaurant management and Restaurant Support Centre roles can use accumulated time up to 7.6 hours to take an extra day off each period (four weeks). Individuals can use this time to recharge, connect and relax with their family or engage in their personal interests.
- **Parental leave** — Our parental leave is aimed at improving flexibility within our workforce and ensuring a family-friendly, inclusive and diverse workplace. Our parental leave policy reflects the needs of our team members and ensures team members can grow both personally and professionally throughout their time at Collins Foods. It allows eligible team members who are the primary carer to access 4–12 weeks of paid parental leave. Our scheme also provides flexibility in how our team members access the benefit, allowing individuals to use a portion of their leave on their return — transitioning back to full-time work across a 25 week-period by working four days per week, but receiving payment for five days.

Europe

Benefits available within our European operations include:

- **Flexible/hybrid working agreements** — Our European team members can enter a flexible and/or hybrid working arrangement to assist them in managing life responsibilities while continuing to work productively. Examples of such practices include but are not limited to differing patterns of work (i.e. 32 or 36 hours per week instead of full time), adjusting start and finish times, or work locations including up to two weeks remote work per year in a location other than home or office.
- **Additional leave** — In addition to a minimum of 25 days' annual leave, team members in Europe receive an additional two days' leave per year around other public holidays. This provides increased flexibility for personal commitments, and the benefit of longer public holiday weekends.

SUPPORTING OUR PEOPLE

At Collins Foods, we provide more than employment and workplace benefits; we support our team members through challenging times.

Domestic and Family Violence Support Program

Domestic and family violence is a widespread and serious issue. We aim to support anyone who is directly or indirectly affected by domestic and family violence whether it is happening through a relationship or broader family. We do this through the following programs:

- **Paid leave** — Team members can access 15 days' paid and 10 days' unpaid Domestic and Family Violence Leave. This can be used to relocate, attend appointments or seek support from specialist services.
- **Financial support** — We offer a one-off grant up to \$5,000 through the Collins Family Fund. These funds can be used for day-to-day expenses, including groceries, rent or fuel. Applications can be made in the strictest confidence.
- **Information and support** — We have established a dedicated domestic and family violence website (collinsfoods-dfvsupport.com), which provides a wealth of information and is accessible to everyone. The website includes stories from brave people who have been impacted by or have been a bystander to domestic and family violence, links to specialist services, information on warning signs of domestic and family violence, as well as a leader guide on how to help if a team member is impacted by domestic and family violence or if a leader or colleague suspects something.

COLLINS FAMILY FUND

The Collins Family Fund provides short-term, emergency support to team members doing it tough and experiencing unexpected financial difficulties. Our Collins Family Fund assists with day-to-day living expenses such as a fixing a broken-down washing machine, paying medical fees, replacing household goods affected by floods or paying for an unexcepted bill.

A one-off grant is available to all team members who work in KFC, Taco Bell or the Restaurant Support Centre. Each application is treated on an individual and case-by-case basis with integrity, empathy and understanding.

In this reporting period, Collins Family has provided 104 grants totalling \$253,024.12 to assist our team members and their families. We have provided more than 240 grants and more than \$650,000 worth of support to our team and their families since the initiative commenced in 2020.

LIVING OUR COMMITMENT TO EQUALITY

Closing the Gender Pay Gap

In 2024, the Workplace Gender Equality Agency (WGEA) published data on the gender pay gap for businesses with 100 or more employees in Australia, providing valuable insights into remuneration practices. The reports revealed a median total remuneration gender gap of 19% across the country.

Collins Foods takes great pride in its progress toward gender pay equality, achieving a median total remuneration gender gap of -2.7%.

At Collins Foods, our focus is on ensuring fair and equitable pay for all employees. We are strongly committed to gender-neutral remuneration and benefits practices. With team members coming together from diverse backgrounds, we aim to promote career development and create a sense of belonging for everyone.

GENDER PAY GAP	FY22	FY23	FY24
Median total remuneration (%)	0.8	-1.4	-2.7
Average total remuneration (%)	-1.0	-3.7	-2.5



EMPLOYMENT DATA

TEAM MEMBER DEMOGRAPHICS	AUSTRALIA	THE NETHERLANDS	GERMANY
TOTAL TEAM MEMBERS	17,555	2,569	661
Age			
Under 18 years of age	56.12%	19.27%	1.97%
Over 18 years of age	43.88%	80.73%	98.03%
Full-time team members			
Female	589	173	33
Male	436	203	99
Non-binary/Other	1	–	0
Part-time team members			
Female	863	92	174
Male	677	40	290
Non-binary/Other	11	–	0
Non-guaranteed hours team members			
Female	6,845	882	28
Male	7,992	1,179	37
Non-binary/Other	106	–	0
New team member hires			
Full-time	140	123	–
Part-time	373	51	–
Non-guaranteed hours	8,884	2,123	–
Turnover rate	48.58%	80.00%	–
Full-time	21.37%	20.89%	–
Part-time	41.71%	19.49%	–
Non-guaranteed hours	51.28%	94.55%	–

Protecting the health, safety and wellbeing of our team members is our number one priority.

TEAM MEMBER HEALTH AND SAFETY

OUR 2030 AMBITIONS

WE ARE FOCUSED ON **MINIMISING RISK IN EVERYTHING WE DO** WITH A PRIORITY ON CRITICAL RISKS.

WE **LISTEN AND LEARN FROM THOSE WHO DO THE WORK** SO WE CAN OPTIMISE SYSTEM CONDITIONS TO **IMPROVE SAFETY AND WELLBEING**.

WE **FOCUS ON LEARNING AND IMPROVING FROM EVENTS** AND CLOSING THE GAP BETWEEN WORK AS PLANNED AND WORK AS DONE.

WE ARE **CONTINUALLY LOOKING AT OUR HAZARD AND NEAR MISS DATA** TO IDENTIFY TRENDS RELATING TO POTENTIAL RISKS AND HAZARDS.

WE ARE **KNOWN AS A SAFE QSR COMPANY** TO WORK FOR.

5.2 TEAM MEMBER HEALTH AND SAFETY

OUR KEY FY24 ACTIVITIES AND ACHIEVEMENTS

**WELLBEING STRATEGY IMPLEMENTATION
COMPREHENSIVE SAFETY TRAINING.**

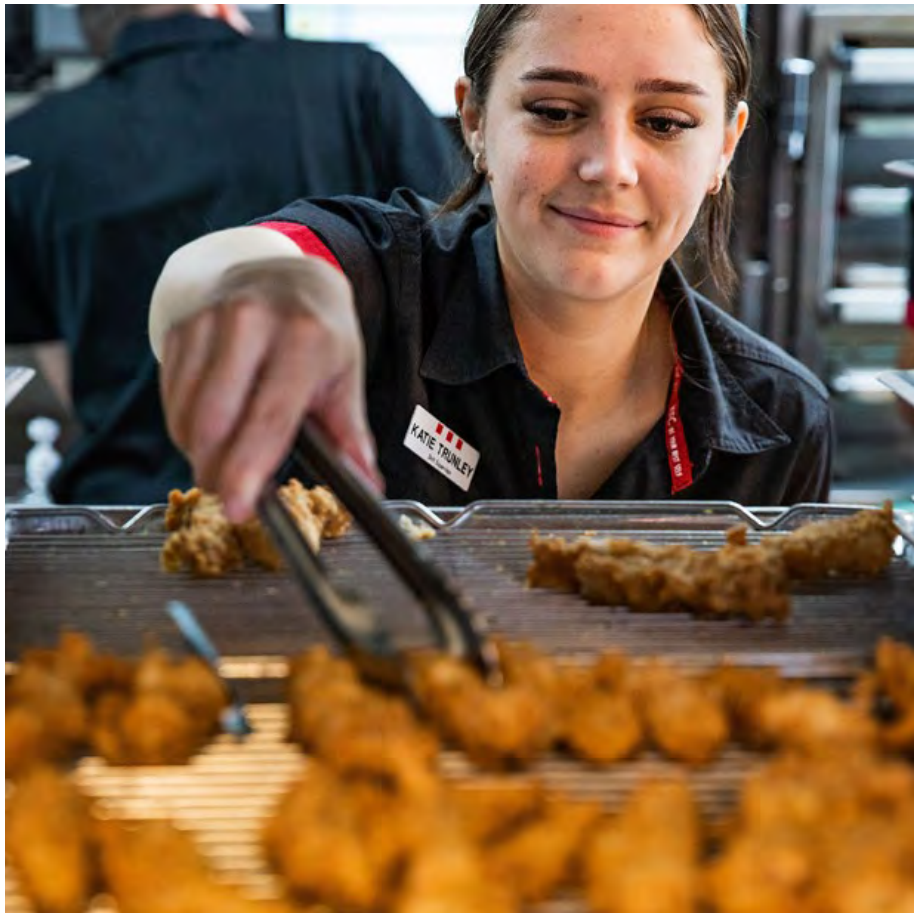
Protecting the health, safety and wellbeing of our team members is our number one priority.

During FY24, we continued the implementation of our Wellbeing Strategy across our Australian operations, with an increased focus on how we can better manage psychosocial hazards such as mental health. The strategy will be rolled out for our European teams in the coming years. We look forward to reporting on progress in FY25.

Alongside our Wellbeing Strategy, we have maintained our focus on our continuous improvement program that strives for zero tolerance for accidents in the workplace. Our team members' safety is front of mind, always, for everyone, from our boardroom to our restaurants.

Maintaining a safe working environment for Collins Foods is crucial not only for the wellbeing of our employees but also for the operational efficiency of our business. By emphasising safety training and fostering a culture of vigilance and responsibility, we aim to minimise workplace accidents and injuries, particularly focusing on back-of-house operations where risks are prevalent.

Our approach involves regular hazard identification and risk mitigation to ensure that every team member is aware of potential safety issues and knows how to handle them appropriately. This commitment to safety is not just about protecting our team — it also enhances productivity by preventing work interruptions and preserving the financial health and reputation of our organisation.



To support this, we provide comprehensive training on a variety of safety topics each financial year, ensuring that all employees are well-versed in best practices related to:

- chemical safety
- electrical safety
- fitness for work
- managing heat and hot oil
- sexual harassment prevention
- emergency management
- preventing workplace bullying and harassment
- security measures and handling violence
- coping with hot weather conditions
- safe handling of sharps
- anti-discrimination practices
- manual handling techniques
- preventing slips, trips and falls.

Investing in such extensive safety training not only safeguards our team members but also reinforces our dedication to creating a secure and productive workplace environment. At Collins Foods, health and safety are integral to our operational success and ethical responsibility.

AUSTRALIA

During FY24, we continued the implementation of our Wellbeing Strategy, supported by our Workplace Health and Safety (WHS) Strategy. This strategy outlines clear responsibilities for WHS across our Australian operations, fostering a culture of sustaining safe, healthy and productive workplaces. Key organisational and operational activities were driven by this strategy to improve WHS management and support our vision. The WHS Strategy undergoes a thorough review every two years by the Collins Foods' Board and executive management team to ensure it remains current and aligns with legal obligations, business needs, client requirements and stakeholder expectations.

Despite our unrelenting focus on safety and wellbeing, unfortunately in FY24, we experienced an increase in workplace injuries across our Australian operations, as indicated by rises in both our Total Recordable Injury Frequency Rate (TRIFR) and Loss Time Injury Frequency Rate (LTIFR). A significant portion of these incidents were related to heat and kinetic energy. Heat-related injuries were caused by steam, hot oil or the effects of high external temperatures on the internal restaurant environment. Kinetic energy injuries typically occurred in our busy restaurant settings, leading to trips, falls and equipment-related accidents.

Of these accidents, we conducted five major incident investigations during the reporting period to identify root causes and implement corrective actions to prevent future occurrences. These efforts are part of our ongoing commitment to enhancing safety measures and ensuring the wellbeing of all team members.

FY24 HEALTH AND SAFETY DATA	AUSTRALIA	EUROPE*	GROUP TOTAL
Safety performance indicator			
Total lost time injuries reported	116	58	107
Lost time injury frequency rate (LTIFR)	12.03	-	-
Total recordable injury frequency rate (TRIFR)	15.45	-	-
High Potential Incidents (HPI)	2	0	2
Fatalities	0	0	0

* LTIFR and TRIFA will be measured in Europe in FY25.

EUROPEAN HEALTH AND SAFETY REPORTING	FY24
Total injuries reported	58
Lost-time incidents	14
Lost-time days	81

AUSTRALIA HEALTH AND SAFETY REPORTING	FY22 (RESTATED)*	FY23	FY24
LTIFR	11.43	10.37	12.03
TRIFR	18.81	15.84	15.45

* The 2022 LTIFR and TRIFR are restated due to a lower number of hours used to calculate these rates and a number of incidents being reported post year end, for the reporting period. The 2022 reported rates were: 11.68 and 18.81 respectively.

EUROPE

In FY24, as Collins Foods continued to grow, we appointed our first WHS Manager dedicated to overseeing our European operations. This marked an important milestone in our sustainability journey for our restaurants in the Netherlands and Germany, and we look forward to continuing to mature WHS processes and systems in FY25.

This year also marked the first time we reported on safety performance for our European restaurants. This is another important step in our ability to track and report against our health and safety strategies, measure success and identify opportunities for improvement.

LTIFR and TRIFA will be measured for the first time in FY25, with the adoption of the WHS system used by our Australian operations.



COMMUNITIES

ENSURING THE HEALTH AND SAFETY OF OUR CUSTOMERS AND MAKING A POSITIVE CONTRIBUTION TO THE COMMUNITIES WITHIN WHICH WE OPERATE.



Our customers and the communities within which we operate remain at the core of each Collins Foods restaurant, acting as essential partners in our success. We are committed to enhancing standards in customer health, safety and service, and advocating for matters important to our business, team members or our customers.

In this section we present our progress towards achieving our ambitions for the following material issues:

- Customer health and safety
- Animal and social advocacy
- Environmental and social amenity.

We are committed to enhancing standards in customer health, safety and service.

CUSTOMER HEALTH AND SAFETY

OUR 2030 AMBITIONS

WE EXPAND OUR CUSTOMER BASE, BY DEVELOPING RESTAURANTS FOR EVERYONE.

WE INVEST IN TRAINING TO ENSURE OUR STAFF HAVE THE SKILLS AND KNOWLEDGE TO ASSIST ALL OUR CUSTOMERS AND DE-ESCALATE POOR CUSTOMER BEHAVIOUR WHEN NECESSARY.

WE FOCUS ON QUALITY AND VALUE FOR MONEY.

WE REDESIGN OUR RESTAURANTS TO ENSURE ENJOYMENT IS MAXIMISED AND MINDFUL EATING IS WELCOMED.

OUR FOOD STANDARDS, PROCESSES AND PROCEDURES BRING A WORLD CLASS STANDARD TO OUR CUSTOMER HEALTH AND SAFETY.

6.1 CUSTOMER HEALTH AND SAFETY

OUR KEY FY24 ACTIVITIES AND ACHIEVEMENTS

500+ SHIFT SUPERVISORS COMPLETED FOOD SAFETY SUPERVISOR TRAINING IN AUSTRALIA.

APPOINTED WORK HEALTH AND SAFETY MANAGER FOR EUROPEAN OPERATIONS.

We are dedicated to delivering the highest standards of food safety and customer health. We achieve this through robust internal food safety and sanitation practices, internal and third-party audit programs, customer complaint processes, supplier partner selection protocols, and communication policy and protocols.

AUSTRALIA

In Australia, our operations span more than 90 local council jurisdictions, which use an A–D grading system to assess health and safety standards. We diligently address any non-conformance identified during audits and take proactive steps to enhance any locations that fall below a 'B' grade. In FY24, more than 250 inspections were carried out across our restaurants, with 92% achieving an A or B grade.

To bolster our commitment to food safety, we provide extensive training and certification. During the reporting period, more than 500 Shift Supervisors completed Food Safety Supervisor training, ensuring each restaurant has a certified supervisor on every shift. Currently, we have more than 1,700 certified Food Safety Supervisors and 420 Food Service Restaurant Managers driving our food safety culture and compliance.

Nutritional transparency is also a priority. In line with Australian menu labelling legislation, our KFC restaurants display the kilojoule content of menu items on our menu panels. Additionally, allergen information is readily available on the franchisor's KFC Australia website. Taco Bell allergen information is available on the Taco Bell website and managed in partnership with our franchisor, Taco Bell International. We are working towards including nutritional information on the Taco Bell menu panels.



FY24 FOOD SAFETY DATA	AUSTRALIA	EUROPE
Total CFL food borne illness notifications per 100,000 transactions	0.74	0.69
Total CFL foreign object notifications per 100,000 transactions	1.62	0.22
Penalty infringement notices	5	3
Number of restaurants on the 'watch list'	14	5
Total food safety inspections	1,613	327

EUROPE

In Europe, our restaurants undergo quarterly audits on Food Safety and Brand Standards conducted by independent third parties. These unannounced audits include an escalation process for any underperformance, ranging from coaching calls to re-audits and even temporary closures to address high-risk issues. More than 300 inspections were completed during the reporting period, with 93% of our restaurants achieving an At Standard Performance for Food Safety Compliance.

KFC allergen and nutritional information is accurately maintained on our Dutch and German websites, with local franchisors managing compliance with food safety regulations. In Germany, allergen and nutritional information is managed by the local master franchisor.

ADDRESSING CUSTOMER AGGRESSION

Unfortunately, during FY24 we have observed an increase in customer aggression towards staff across our restaurants in both Australia and Europe. Collins Foods is committed to creating a safe and respectful environment for both our team members and customers. Reducing customer aggression is a top priority and we are implementing targeted strategies to address and decrease these incidents.

In FY25, we are looking to continue enhanced training for staff on conflict resolution, improvements in customer service protocols and heightened security measures where necessary. We strive to maintain a respectful interaction at all points of customer contact, reinforcing our zero-tolerance policy towards aggression.

**We advocate
for care
and quality.**

ANIMAL AND SOCIAL ADVOCACY

OUR 2030 AMBITIONS

WE ADVOCATE FOR BETTER SERVICES FOR YOUTHS AND VULNERABLE PEOPLE.

WE CONSTANTLY DRIVE IMPROVED PERFORMANCE REGARDING ANIMAL WELFARE ACROSS OUR CHAIN.

WE SUPPORT FARMERS IN ADOPTING IMPROVED FARMING PRACTICES.

WE ENGAGE WITH OUR KEY STAKEHOLDERS TO ENSURE THAT WE ARE WORKING ON THE ASPECTS OF OUR BUSINESS THAT MATTER TO THEM.

WE ARE KNOWN TO ADVOCATE FOR WHAT IS RIGHT EVEN WHEN IT IS DIFFICULT OR COMPLEX AND WE ACHIEVE THIS BY ENCOURAGING VOICES TO OUR CEO AND BOARD AND ENCOURAGING DISCUSSIONS ON THE IMPACTS OF OUR BUSINESS.

**6.2
ANIMAL AND
SOCIAL ADVOCACY**

**OUR KEY FY24
ACTIVITIES AND ACHIEVEMENTS**

**INTRODUCTION OF 1-STAR BETTER LIFE (BETER LEVEN) QUALITY MARK CHICKEN FOR KFC ZINGER HOT WINGS IN THE NETHERLANDS
MORE THAN \$500,000 DONATED TO CHARITIES THROUGH COLLINS FOODS GIVING.**

ANIMAL ADVOCACY

During FY24, Collins Foods advocated for a better quality of animal products to be served to our customers. We believe livestock raised with care and to the best standard improves the sustainability of the meat industry.

We use our buying power to support producers that invest in ensuring their animals have the best quality of life, continually improve farming practices and advocate for continuous improvement in the treatment of livestock that is to be harvested.

In Australia and Europe, all meat products are approved under the YUM! Approved Supplier Audit Standards. These standards include the 'Wholesome Animal Food Program'. Collins Foods meat sources include locally sourced chicken, beef and pork. We also source other animal products, including dairy and eggs.

TOTAL MEAT SUPPLIED TO COLLINS FOODS BY REGION (KILOGRAMS)

	CHICKEN	PORK	BEEF*	TOTAL
Australia	20,083,742	187,896	291,797	20,563,435
The Netherlands	2,779,899	24,132	–	2,804,032
Germany	1,281,996	4,810	–	1,286,806.

* All beef consumption is attributed to our Taco Bell operations.



CASE STUDY:

1-STAR BETTER LIFE (BETER LEVEN) QUALITY CHICKEN

This year in the Netherlands, the introduction of the first of chicken products bearing the 1-star Better Life (Beter Leven) quality mark is an important first step in improving our sourced animal products.

Program manager Marijke de Jong of the Better Life quality mark at the Dutch Society for the Protection of Animals calls the decision significant for the welfare of broilers: “We are very happy with the step taken

by KFC, which is the first major fast-food company to put animal-friendly chicken on the menu. It is positive that KFC sells parts of the more animal-friendly Beter Leven chickens. This is more sustainable and in this way consumers can consume in a more animal-friendly way, even when they eat outside their home.”

Tamara van Beelen, Head of Marketing KFC Netherlands: “At KFC, we are constantly looking for ways to become more sustainable. The fact that we now offer our Zinger Hot Wings, the most popular chicken dish of our guests, on the menu with the 1-star Better Life quality mark is a milestone in our efforts to provide a more animal-friendly offering. We are also motivated to investigate which other regular KFC chicken dishes can be prepared with 1-star Better Life meat in the future.”

Below: Zinger Hot Wings now uses the Better Life quality mark.



Europe

In Europe, we have been working on improving our menu to provide our customers with greater choices based on their preferences. This has led to broader vegetarian menu options at our restaurants, as well as changes to how we source our produce.

This year in the Netherlands, we took the important step of changing the chicken we use for Zinger Hot

Wings to 1-star Better Life (Beter Leven) quality mark chicken. Zinger Hot Wings are our most popular dish in Europe, and this is a great example of how we can source more ethical produce. The Better Life label scheme — initiated by the Dutch Society for the Protection of Animals — uses a star rating to indicate the animal-friendliness of the systems used to rear livestock for the production of meat, eggs and dairy produce.

Australia

KFC Australia's approach to chicken welfare adheres to recognised welfare standards and quality of care across the supply chain. All chicken meat suppliers are required to be members of the Australian Chicken Meat Federation, with all chicken supplied to KFC and Collins Foods Limited farmed to the most recognised levels of animal welfare standards in Australia and strictly following the Model Code of Practice for the Welfare of Animals, Domestic Poultry.

Further, our KFC Australia franchisor adheres to the Global Animal Welfare policy of YUM! Brands Inc, as well as KFC's own Code of Conduct for suppliers, which feature stringent animal welfare standards. As part these processes, our suppliers — who are the best in the industry — are required to report on key welfare indicators to ensure adherence to the highest welfare standards.

SOCIAL ADVOCACY

During FY24, we held various events to raise social awareness for topics important to our team members, their families and the communities where they work and live. Some of these actions, activities and events included:

- recognising the First Nations people of Australia through National Reconciliation Week
- supporting Pride Month and the awareness of unconscious bias in our everyday actions
- promoting R U OK Day to raise awareness for mental health and support services available and remind us to look after the people around us
- hosting an International Women's Day panel discussion on leadership and inclusion featuring four special panel members including Helen Moore, Chief Operating Officer at KFC, Krystal Zugno, General Manager Taco Bell, Karen Bale, Head of Operations Excellence, Jodie Collie, Supply Chain Manager and '2023 Collins Way Winner' for Restaurant Support Centre

- celebrating International Day of People with Disabilities to raise our team members' knowledge of disabilities in the workplace via a quiz and promoting internally team member stories about working in KFC or Taco Bell with a disability
- recognising National Safe Work Month engaging our team members with a 'spot the hazard' quiz.

Working with Partners to Provide Mental Health Services

Collins Foods continues to support KFC in Australia to address improvements in the mental health of young people through its KFC Foundation.

It is reported that approximately three-quarters of common mental health problems emerge before the age of 25. With 50% of our team members under the age of 18, this is the single most important issue facing our teams. Our team members are more vulnerable than ever, with many of them balancing education, cost of living pressures, friendships and the complexity of changing relationships at home, school and work. It is now known that by the age of 25 a person experiencing a mental health illness has experienced two 'once in a lifetime' events in their lives.

Through the KFC Foundation, Collins Foods helps young people to develop the skills, knowledge and support they need to develop mindfulness, improve resilience and access care when needed. The Foundation has sought assistance to drive change in mental health care and services for young people by partnering with Black Dog Institute and ReachOut Australia.

COMMUNITY GIVING

As part of our commitment to make a positive impact to our people, communities and planet, Collins Foods partners with several community organisations, charities and not-for-profits across Australia to support the communities we call home.

Collins Foods Giving

Established in 2008, Collins Foods Giving continues to deliver on our commitment to sustainable growth within our communities. A committee of representatives from across the organisation plans activities to offer team members an opportunity to give back to those in need. The program is recognised by Workplace Giving Australia (**WGA**) and enables our Australian team members the opportunity to contribute an automatic weekly donation from their pre-tax salary to any one of six partner Australian charities. Collins Foods matches donations each year, up to the value of \$150,000.

During FY24, Collins Foods donated \$500,779.73 to Australian charities through Collins Foods Giving. Since 2008, we have donated more than \$7 million.

Every donation goes directly to one or more of the charity partners of the team member's choice, making a real difference for those in need.

ORGANISATIONS SUPPORTED



Fights for a world that values the extraordinary bond between people and their pets.



Helps to improve education outcomes for children in disadvantaged communities.



Providing support, information, treatment and care to Australians affected by breast cancer.



Providing care for sick children and their families and funds for vital research and new equipment in Queensland and New South Wales.



Revolutionising the way young people with high care disabilities live.



Supporting mental wellbeing for young Australians.



CASE STUDY:

OUR GIVING IMPACT: FIVE YEARS' SUPPORTING ARDOCH IN AUSTRALIA

Collins Foods started sponsoring Ardoch through its team member giving program in 2017.

Ardoch is dedicated to improving the educational outcomes of children across Australia. The organisation's vision is, "that every child's potential is realised through full participation in education. This belief inspires us to increase engagement in education, build aspirations and enhance learning outcomes of children in disadvantaged communities. We mobilise community and workplace volunteers to support schools." (2023 Impact Report, Ardoch).

Through our Giving Program in FY24, our team member donations enabled Ardoch to deliver:

- 15 Broadening Horizons (wellbeing) programs
- four Broadening Horizons (culture) programs
- five Learning Through Lunches programs
- two Literacy Buddies programs
- one Mock Interviews program to children facing disadvantage.

The Broadening Horizons programs alone supported 1,909 primary school students from grade one through to grade six in Victoria during FY24.

"I would just like to say thank you for allowing (our) students to celebrate the end of the year in such a way. I saw my students in a different light. There are many in this classroom that struggle with not enough food in their homes and to be given such an opportunity with no strings or costs attached is just amazing in today's society. Thanks Ardoch for including us in 2023. We are very grateful." — Teacher



A Snapshot of Broadening Horizons' Positive Impact

Ardoch's Broadening Horizons programs provide disadvantaged primary and secondary school students with inspiring learning and life experiences to positively impact their educational outcomes. Students participate in Cultural, Social, Wellbeing and STEAM (Science, Technology, Engineering, Art and Mathematics) excursions or incursions enhancing the curriculum. Incursions or excursions include Indigenous cultural experiences, museum and arts centre visits, and cyber safety and mental health workshops.

Results and feedback demonstrate the value of the programs:

- "I saw students thinking about things differently in the week after the program, a bit deeper thinking and referring back to examples that were discussed in the performance." — Teacher
- "Children were much more engaged in their learning." — Teacher
- "I liked this program because I got to learn new things and visit new places." — Year 5 Student

Evaluation

- Almost all teachers (87%) agreed the Broadening Horizons (Wellbeing/Culture) program increased student engagement in learning activities.
- The majority of teachers (83%) agreed the Broadening Horizons (Wellbeing/Culture) Program has increased overall confidence in students.

During the past six years, our team members and corporate donations have supported 2,274 students and funded 27 Broadening Horizons programs.

"Scienceworks fit perfectly into our Science unit of inquiry. Students were able to have a hands-on experience of learning which really helped some of our students who struggle to stay focused engage in the activity and participate. It provided a different way for students to experience hands-on activities, activities which would be impossible to facilitate at school. Students have shown increased engagement, and lots of questioning and wondering." — Teacher





CASE STUDY:

A HOT MEAL FOR BUSHFIRE VICTIMS

Bushfires in Australia are a widespread and regular occurrence that have impacted our local communities across Queensland and Western Australia.

In December 2023, the Western Downs in Queensland was battling many bushfires in surrounding townships, and Dalby became the central evacuation point offering support to the many people forced to leave their homes and properties.

Kate Swan (Assistant Manager at KFC Dalby) stepped up and asked the local council how the team could support those displaced by the fires. Roughly 250 people from around the area — more than 50 of whom were children — were evacuated to the Dalby Showgrounds. Most evacuees were from in and around the small township of Tara, approximately 90km out from Dalby. While local supermarkets had donated water and fruit, the evacuees were very keen to get their hands on some KFC!

Rose Garcia and Michael Uy (centre) helping out at the Quinns Rocks Community Centre.

Our team donated approximately \$2,000 worth of product, including 200+ Tenders, 400+ Nuggets, 30 Maxi Popcorns, 100+ pieces of Chicken, 50 Large Chips, and Apple and Orange Juice for the kids.

The council was overwhelmed by KFC Dalby's kindness and community spirit. By going above and beyond to help their local and wider community, the team provided a true showcase of what it means to have 'People at the Heart'.

In the same month, Taco Bell and KFC teamed up in Western Australia to organise a food drop at the Quinns Rocks community centre. Area Coach Rose Garcia and KFC Banksia Grove Restaurant General Manager Michael Uy donated a heartwarming lunch to families, fire fighters and volunteers. Our restaurant teams were more than happy to prepare all the food required for those in need on short notice.





A hot meal for bushfire victims.
Read more on page 49.

We work proactively to minimise the impact we have on our neighbours.



6.3 ENVIRONMENTAL AND SOCIAL AMENITY

OUR KEY FY24 ACTIVITIES AND ACHIEVEMENTS

PROACTIVE MEASURES TO MINIMISE IMPACT ON NEIGHBOURS.

Collins Foods prides itself on being a good neighbour to the communities where our restaurants are located. Understanding our restaurant activities can impact the neighbours around us, we ensure a good neighbour culture is reflected in our operations.

We have taken proactive measures to minimise the impact we have on our neighbours. These include:

- conducting daily litter inspections at every restaurant
- undertaking regular maintenance and cleaning of our exhaust canopies to prevent odour
- reducing lux outdoor lighting to minimise light pollution
- maintaining professional landscaping at our restaurant sites
- using indoor waste enclosures to reduce impacts from litter and inappropriate waste disposal from non-restaurant sources
- minimising our restaurant footprint and advertising signage
- improving drive-through traffic management through the use of parking bays and waiting bays to ensure continuous traffic flow at peak times.

Alongside these actions we also use our touchpoints with customers to educate them on the correct disposal of their waste, as well as awareness of the impacts of waste on our oceans and forests and to the biodiversity of our planet.

PLANET

MANAGING AND MINIMISING OUR IMPACT ON THE ENVIRONMENT.



Our planet faces unprecedented environmental challenges, from climate change to resource depletion. We acknowledge our responsibility in minimising our ecological footprint. From sustainable sourcing of ingredients to maintaining energy-efficient operations, we are implementing strategies to reduce our environmental impact.

We strive to minimise our impact through initiatives such as waste reduction and recycling programs.

We continue to explore renewable energy sources and energy-efficient technologies to mitigate our carbon emissions. Working with our supply chain partners, we aim to reduce single-use plastics and promote recyclability of our packaging.

In this section we present our progress towards achieving our ambitions for the following material issues:

- Energy and emissions
- Waste management and recycling.

We are reducing our environmental footprint.

ENERGY AND EMISSIONS

OUR 2030 AMBITIONS

WE HAVE EMBRACED THE ENERGY REDUCTION REVOLUTION ACROSS OUR BUSINESS.

WE BUILD GREEN 5-STAR RESTAURANTS AS OUR BASE CASE OF DESIGN.

WE HAVE REDUCED EMISSIONS ACROSS OUR BUSINESS AND SUPPLY CHAIN BY 50% BY 2030 ON OUR WAY TO NET ZERO EMISSIONS BY 2050.

OUR TEAM MEMBERS ARE ENERGY SAVERS AND ARE ENERGY WISE AT WORK AND AT HOME.

7.1 ENERGY AND EMISSIONS

OUR KEY FY24 ACTIVITIES AND ACHIEVEMENTS

171 AUSTRALIAN AND 12 EUROPEAN RESTAURANTS GENERATING SOLAR POWER

THREE RESTAURANTS TRANSITIONED FROM NATURAL GAS TO ELECTRICITY

USE OF BATTERIES AND SOLAR PANELS TO SUPPLEMENT LIMITED ENERGY SUPPLY AT KFC DEN BOSCH

Our net zero by 2050 goal has allowed us to create a roadmap for change. Initiatives are already in place that will see us reduce our environmental footprint and provide data and insights to help us identify and understand other opportunities for us to work towards.

AUSTRALIA

During FY24, 171 of our Australian restaurants employed solar panels, which produce more than 2.5 megawatts of electricity. We use a central monitoring system to measure the technical status of our solar arrays to help us improve our understanding of our electrical generation and consumption.

Knowing energy consumption can be significantly reduced through effective maintenance and operation by our team, we have developed Energy Management Training for our Restaurant General Managers and Facility Leads. The training, which will commence roll-out in FY25, will assist them in understanding how we can operate our equipment in the most energy efficient ways.

As part of our ongoing commitment to environmental sustainability, Collins Foods enlisted the expertise of an energy consultant to implement several key initiatives aimed at helping determine ways of reducing our environmental impact and enhancing our energy efficiency across our Australian restaurants.

These initiatives included:

- **Regression analysis** — We commissioned comprehensive regression analysis across all our restaurants to gain a deeper understanding of our energy consumption patterns. Factors such as climate, sales volumes and the age of the restaurants were examined to ascertain how they affect energy use. This data allowed us to identify standards for consumption as well as any restaurants which were inconsistent in their energy use. These were then subsequently investigated and actions taken to bring them to standard.

- **Mechanical audits** — We carried out detailed mechanical audits in ten restaurants to evaluate the efficiency of existing mechanical systems and ensure they were operating as designed. This helped identify potential areas for energy efficiency improvements.
- **Demand response trial** — We initiated a trial of the DNA Energy system at six locations in south-east Queensland to explore innovative energy management solutions. This trial focused on demand response capabilities, particularly in managing the energy consumption of air conditioning systems.
- **Remote temperature management** — With the DNA Energy system, we tested the feasibility of remotely managing temperature settings and environmental conditions within our restaurants, with the aim of enhancing our ability to control energy use more effectively.
- **Hot water analysis** — We conducted an analysis of hot water usage patterns in our restaurants to identify opportunities for reducing water consumption and improving the efficiency of hot water systems.
- **Coolnomix installation** — We installed a Coolnomix Refrigeration and Air Conditioning Efficiency device at four locations to evaluate its potential to significantly enhance cooling efficiency and reduce energy consumption. Results from the trial are being finalised at the time of this report.

EUROPE

Energy supplies in Europe have become more expensive in recent years as a result of geopolitical conflicts impacting European energy system. In response, our European team has actively sought opportunities to reduce consumption in our operations and minimise our greenhouse gas emissions footprint. These initiatives included:

- **PV (solar) panels** — We installed PV (solar) panels on four restaurants during FY24 to harness the power of the sun and generate renewable energy. This brings the total number of our European restaurants with solar panels to 12. We are actively exploring the feasibility of installing solar panels on other restaurants with suitable roofs to further harness renewable energy sources.
- **Natural gas to electricity transition** — We transitioned the equipment and heating at three restaurants from natural gas to electricity and have plans to continue the transition across other restaurants where possible.
- **Insolation** — We have maximised insolation on all new builds, which included three restaurants during FY24.

- **Batteries** — We opened KFC Den Bosch using batteries and solar panels to supplement our limited electricity and gas connection. This enabled the restaurant to operate and serve customers without interruption. We continue to explore batteries and solar to resolve grid capacity constraints, with more battery installations planned in 2024.

These initiatives are in addition to actively managing and monitoring our electricity consumption and natural gas usage. Automated readings are taken from smart meters installed for both electricity and natural gas. Whenever there are deviations in energy consumption, we take prompt action to investigate and address them.

We prioritise the use of energy-efficient installations and incorporate heat recovery systems. We also equip our restaurants with building management systems, which enable remote control of setpoints and time clocks, and these are regularly monitored for optimal performance. Additionally, we install energy-saving measures such as LED lighting and insulation for heating pipes and fittings in restaurants where necessary.

OUR RESULTS

We are conscious of the impact our greenhouse gas emissions (GHG) have on the environment around us.

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

The Scope 1 and Scope 2 GHG emissions for Collins Foods is laid out in the table below. Scope 2 emissions from the consumption of electricity remain our most significant source of GHG emissions, but with energy initiatives in place, we aim to see this reduced in the future. Data reported is primarily estimated on the basis of invoiced electricity consumption.

Though our average GHG emissions and total energy consumption per Australian restaurant increased slightly during FY24 (comparative data not available for Europe until 2025), we anticipate the energy saving initiatives put in place during FY24 will deliver results in the future and help us achieve our goal of net zero by 2050.

GHG EMISSIONS DATA

FY24 SUMMARY TABLE	AUSTRALIA	EUROPE	GROUP TOTAL
Total Direct Emissions (Scope 1) (tonnes CO ₂ -e)	4,425	1,561	5,986
Total Indirect Emissions (Scope 2) (tonnes CO ₂ -e)	60,731	9,356	70,088
Total Energy Consumption (GJ)	359,402	155,931	515,334

Australia

TOTAL SCOPE 1 AND 2 EMISSIONS	FY24	FY23	FY22
Number of Restaurants (ORE)	306 (301.6 ORE*)	300 (290.3 ORE*)	281 (273.2 ORE*)
Scope 1 GHG (tonnes CO ₂ -e)	4,425	2,981	2,859
Scope 2 GHG (tonnes CO ₂ -e)	60,731	57,795	63,067
Total Scope 1 and 2 GHG (tonnes CO ₂ -e)	65,156	60,776	65,926
Average GHG Emissions per restaurant (tonnes CO ₂ -e)**	216	209	241
Total Energy Consumption (GJ)	359,402	341,648	334,897
Average Energy Consumption per restaurant (GJ)***	1,192	1,177	1,226

* Operating restaurants equivalent (ORE) is considered a more representative measure of consumption than "average energy consumption per restaurant operating at year end".

** Total GHG emissions divided by the total number of ORE during the reporting period.

*** Total Energy Consumption divided by the total number of ORE during the reporting period.

ENERGY REDUCTION PROGRAM	FY24	FY23
Green Power Electricity	1,854,580	3,737,826
Solar Power	3,525,020 (183 sites)	3,723,935 (162 sites)

Europe

TOTAL SCOPE 1 AND 2 EMISSIONS	FY24
Number of Restaurants (ORE)	75 (73.02 ORE*)
Scope 1 GHG (tonnes CO ₂ -e)	1,561
Scope 2 GHG (tonnes CO ₂ -e)	9,356
Total Scope 1 and 2 GHG (tonnes CO ₂ -e)	10,917
Average GHG Emissions per restaurant (tonnes CO ₂ -e)**	150

* Operating restaurants equivalent (ORE) is considered a more representative measure of consumption than "average energy consumption per restaurant operating at year end".

** Total GHG emissions divided by the total number of ORE during the reporting period.

CFL ENERGY AND EMISSIONS BY SCOPE



SCOPE 3 EMISSIONS ESTIMATE

We estimate approximately 87% of Collins Foods' emissions are derived from Scope 3 emissions generated via our supply-chain, and approximately 13% are direct emissions. These estimates were generated based on our understanding of our supply chain, operations and how are customers consume our products. We acknowledge the increasing interest of stakeholders in value chain GHG emission measurements which reflect progress in economy-wide, systemic decarbonisation through corporate initiatives, and we are working to improve the transparency of our Scope 3 emissions.

As part of our continuing ESG journey, we continue to work towards net zero emissions by 2050 and look forward to working with our partners, suppliers, customers, and stakeholders as we progress. We will continue to remain focused on doing our part in reducing emissions and the impacts of climate change.

Our ambition for a zero-waste future drives us to rethink our processes, products and consumption patterns.

WASTE MANAGEMENT AND RECYCLING

OUR 2030 AMBITIONS

WE ARE WORKING TOWARDS ZERO WASTE DESPITE THE CHALLENGES OF THE NATURE OF OUR BUSINESS.

WE REGULARLY CONSULT WITH OUR SUPPLIERS AND CUSTOMERS ABOUT CHANGES THAT WE NEED TO MAKE TO REDUCE OUR WASTE AND THE IMPACT ON THE ENVIRONMENT FROM OUR PRODUCTS.

WE ARE CONSTANTLY DRIVING ENERGY, WATER AND WASTE EFFICIENCY TO REDUCE OUR CONSUMPTION AND IMPROVE OUR MARGINS.

WE RUN PROGRAMS TO ENCOURAGE OUR CUSTOMERS AND SUPPLIERS TO BE THOUGHTFUL WHEN DISPOSING OF OUR PRODUCTS.

WE ARE KNOWN FOR PLAYING OUR PART IN COMMUNITIES BECOMING ZERO WASTE SOCIETIES WHERE WE OPERATE MANAGING OUR OWN WASTE, WORKING IN OUR COMMUNITIES TO EDUCATE AND PROMOTE WASTE MINIMISATION TO REDUCE OUR IMPACT ON ENVIRONMENT.

7.2 WASTE MANAGEMENT AND RECYCLING

OUR KEY FY24 ACTIVITIES AND ACHIEVEMENTS

100% RECYCLING RATE FOR COOKING OILS, PAPER, CARDBOARD AND 100% ORGANIC WASTE.

100% OF COOKING OILS USED FOR BIOFUELS IN AUSTRALIA AND ENERGY PRODUCTION IN EUROPE.

The management of our waste plays an important role in achieving our sustainability vision. Our ambition of a zero-waste future drives us to rethink our processes, products and consumption patterns to minimise or eliminate waste.

As part of this, we are looking at our own practices as well as educating our customers on how to correctly dispose of waste and raising awareness of the impacts on oceans, forests and the biodiversity of our planet.

We are developing a roadmap for the full reuse and recycling of our products to achieve zero waste by 2050 and working to identify local waste recycling businesses that, with our support, could become economically viable at a local or regional level.

Our zero-waste journey includes both minimisation and usage of our wastage. We use the following waste hierarchy to prioritise the efficient use of resources:

1. **avoidance**, including action to reduce the amount of waste generated by households, industry and all levels of government
2. **resource recovery**, including re-use, recycling, reprocessing and energy recovery, consistent with the most efficient use of the recovered resources
3. **disposal**, including management of all disposal options in the most environmentally responsible manner.

Waste Composition Summary Table

COUNTRY	REUSED	RECYCLED	RECOVER ENERGY	TREATED ¹	DISPOSAL
Australia	Less than 2%	100% cooking oils, paper, cardboard and 100% organic waste	100% of cooking oil is used in biofuels post-treatment as fuel for heavy machinery and vehicles	Nil	5% mixed waste
Netherlands	Less than 2%	100% cooking oils, paper, cardboard and 100% organic waste	100% of cooking oils is used for energy	Nil	5% mixed waste
Germany	Less than 2%	100% cooking oils, paper, cardboard and 100% organic waste	100% of cooking oils is used for energy	Nil	5% mixed waste

¹ Collins Foods does not operate any treatment facilities. All waste is either: reused, recycled, used for energy recovery or disposed of via landfill. In Europe, no waste is disposed of via landfill. All waste that cannot be recycled or reused is converted to energy through an incineration process.

Food Waste

The main way we avoid food waste is the use of a ‘cook-to-order’ system. This means every meal is freshly prepared when a customer order is placed, ensuring our customers always receive excellent quality while minimising waste. Every restaurant is also equipped with state-of-the-art kitchen technology designed for rapid and efficient food preparation.

The small amount of food waste we generate is either donated to community organisations to provide meals for vulnerable members of the community or collected for organic recycling. Food waste provided to organisations to prepare meals is considered ‘reused’.

During FY24, we continued to improve our waste diversion rates, with 20.01% of waste diverted from landfill in Australia (up from 19.52% in FY23 and 18.34% in FY22) and 30.56% diverted from incineration in Europe.

Packaging Waste

Packaging represents Collins Foods’ largest area of waste generation. To achieve our goal of zero waste by 2050, we continue to advocate for and find innovative packaging alternatives while educating customers on how they should dispose of their packaging waste after they leave our restaurants.

Recycling

Our recycled waste includes cardboard, commingled recycling and packaged organics. Any cardboard packaging generated from our back-of-house operations is recycled. In FY24, Collins Foods recycled 3,067.94 metric tonnes of cardboard, 68.37 tonnes of commingled recycling and 189.20 tonnes of packaged organics.

Used Cooking Oil

100% of used cooking from our restaurants is repurposed for energy recovery. In Australia, 100% is used in biofuels post treatment as fuel for heavy machinery and vehicles. In Europe, 100% of used cooking oil is used for energy.

During FY24, 955,134 litres of cooking oil was collected from Collins Foods’ restaurants for upcycling.

Grease Traps

We ensure grease waste does not enter community sewerage systems. During FY24, 10,279,438 kilograms of waste from grease traps was collected and upcycled into products such as stockfeed.

“Every day, in the Netherlands alone, we throw away 19 million plastic cups and food packages, after using them just once. We should not be saddling future generations with the problem and we need to switch to reusables.”

VIVIANNE HEIJNEN,
State Secretary for Environment
(March 2022)



CASE STUDY:

OUR GIVING IMPACT: FOOD DONATIONS SUPPORT THOSE IN NEED

On 11 March 2024, we commenced our Food Donation project in the Netherlands to reduce waste and assist those in need in our communities.

Through this project, we donate food-safe surplus chicken to the Salvation Army (Leger des Heils), which distributes it to refugees, the elderly and families in need across the country. We aim to have 75% of our Dutch restaurants participating in FY25.



EUROPE

We have made it a priority in our European restaurants to target improvements to our wastage figures. Some of the initiatives in place include:

- projects aimed at increasing the recycling of residual waste using per restaurant yearly targets
- the introduction of sustainable packaging
- improved collection of recycled waste in our restaurants.

Alongside these initiatives, we have also been working together with our waste management suppliers to develop measurable KPIs to report.

European Union's Extended Producer Responsibility Regulations

From 1 January 2024, the European Union's Extended Producer Responsibility implemented regulations to reduce single-use plastics. This included reduction measures for takeaway cups and food containers in force for on-site consumption at work, festivals, cafés and restaurants. Foodservice businesses and other venues are to wash cups and trays for reuse. There are very few exceptions to the ban, such as hospitals but only under certain circumstances.

Collins Foods is proud to lead the way within the food service industry, operating in full compliance across all our European restaurants as of 1 January 2024. We implemented new procedures for recycling our drink cups in restaurants, which yielded a 76% return rate.

AUSTRALIA

In Australia, steps taken during FY24 to reduce packaging wastage included:

- introducing a new lid for soft drink cups in all Western Australian restaurants, which means plastic straws are no longer necessary
- providing paper straws with our FCBs (Frozen Carbonated Beverages),
- replacing plastic cutlery with wooden cutlery
- ceasing the use of flags.

With these initiatives, our customers are using 50,000 less plastic items per year. We plan to continue to remove plastic from our supply chain.

FY24 WASTE DATA

WASTE STREAM	AUSTRALIA	EUROPE	GROUP TOTAL
Solid Waste			
Total Solid Waste (tonnes)	14,027	4,292	18,319
Waste Diversion* (tonnes)	2,807	1,312	4,119
Waste Diversion Rate	20.01%	30.56%	22.48%
Number of Restaurants	264	75	
Grease Traps (lt)			
	9,997,065	1,185,064	11,182,129
Number of Restaurants	305	75	
Used Cooking Oil (lt)			
	672,461	282,373	955,134
Number of Restaurants	305	75	

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

Australia

WASTE STREAM	FY24	FY23	FY22
Solid Waste			
Total Solid Waste (tonnes)	14,027	13,297	12,626
Waste Diversion from Landfill (tonnes)	2,807	2,596	2,315
Waste Diversion from Landfill Rate	20.01%	19.52%	18.34%
Number of Restaurants	264	252	239
Grease Traps (lt)			
	9,997,065	9,350,228	8,937,160
Number of Restaurants	305	300	281
Used Cooking Oil (lt)			
	672,461	610,225	665,390
Number of Restaurants	305	300	281

Europe

Financial year comparison data will be provided for Europe from FY25.



GOVERNANCE

CONDUCTING OURSELVES WITH ETHICS AND INTEGRITY, MANAGING RISK AND FULFILLING OUR OBLIGATIONS



Transparency, integrity and ethical conduct are fundamental to our business ethos. We uphold the highest standards of corporate governance to ensure accountability and trust among our stakeholders. Our governance framework encompasses robust policies and procedures to promote integrity, compliance and ethical behaviour at all levels of our organisation.

We are committed to upholding human rights throughout our value chain, from farm to fork. This includes fair labour practices, promoting diversity and inclusion,

and respecting the rights of workers in our supply chain. By adhering to ethical principles and standards, we strive to build a sustainable future for all.

In this section we present our progress towards achieving our ambitions for the following material issues:

- Labour law
- Ethical supply chain.

We also outline our overarching approach to governance and sustainability-related governance practices.

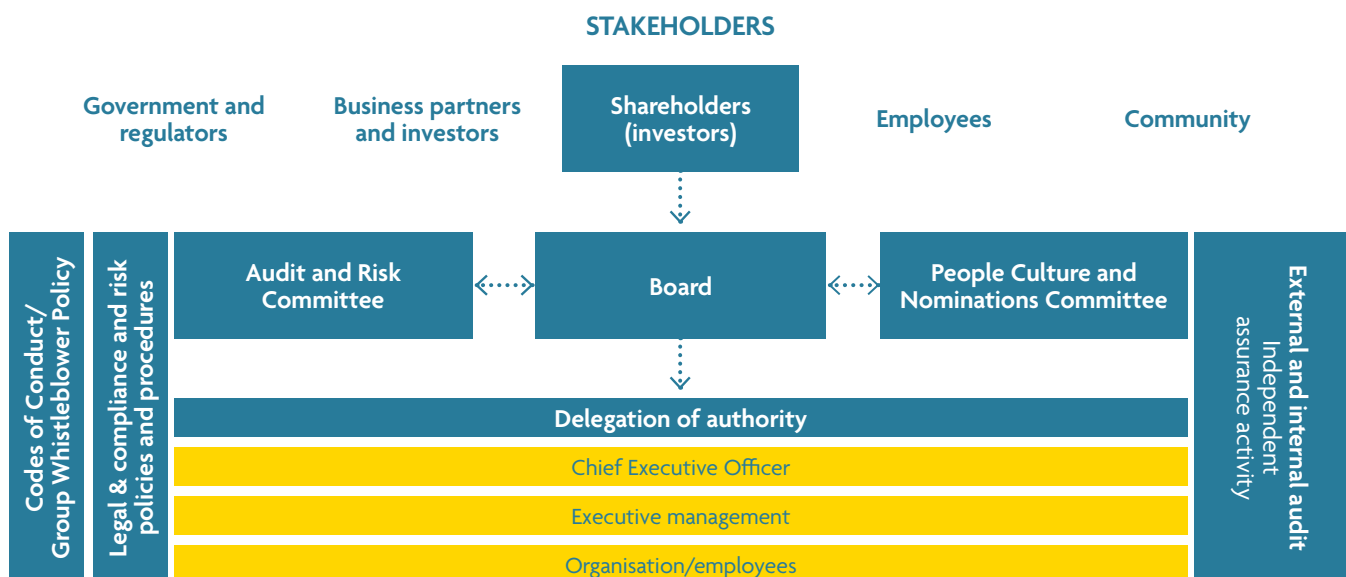
Collins Foods' Board and management adopt high standards of corporate governance.

ETHICS AND INTEGRITY

We are committed to maintaining ethical standards in our business activities. Our Group Code of Conduct and our Supply Chain Code of Conduct describe the standards of behaviour required of Directors and team members in their conduct of business. We expect our team members to conduct themselves with openness, honesty, fairness and integrity, and in the best interests of the group in all business transactions and dealings with others — including their colleagues, shareholders, joint venture partners, suppliers, creditors, financiers, the financial markets, governments and our customers. In particular, the Code of Conduct requires awareness of, and compliance with, laws and regulations relevant to Collins Foods' operations, including Workplace Health and Safety, risk management, privacy, and employment and diversity practices.

As an ASX-listed corporation, we respect and support the integrity of the market where investors trade in Collins Foods' shares and from which we access capital. Accordingly, the Board has created a framework for managing Collins Foods, including adopting relevant internal controls, risk management processes and corporate governance policies and practices that it believes are appropriate for Collins Foods' business and that are designed to promote the responsible management and conduct of Collins Foods.

An overview of Collins Foods' corporate governance practices is set out in our corporate governance statement, published at www.collinsfoods.com. Other corporate governance framework policies relate to whistleblowers, securities trading, how and when we communicate externally with our stakeholders (continuous disclosure), remuneration, risk management, modern slavery, diversity and inclusion (including our annual workplace gender equality report), the protection of personal information, and the amount of tax paid by Collins Foods. These are also published at www.collinsfoods.com.





GOVERNANCE, RISK AND COMPLIANCE PROGRAM

Since May 2021, we have published an overview of our governance practices against the fourth edition of the ASX Corporate Governance Council's (Council) Corporate Governance Principles and Recommendations each year at our website: www.collinsfoods.com. These practices are reviewed regularly and continue to be developed and refined taking account of best practice.

Our Board, Board committees and executive-level management committees, delegations of authority for decision-making, management structures and related reporting provide risk-based oversight and decision-making across all our operations:

- The Board provides strategic direction for our business and represents the interests of our shareholders through the creation of sustainable value via a focus on our team, customers and community.
- The Board is supported by its committees in carrying out its responsibilities. Charters are available at www.collinsfoods.com. The Board Audit and Risk Committee has oversight of risks and compliance on behalf of the Board.
- The Board has delegated responsibility for the day-to-day management of operations to our Chief Executive Officer (CEO). The CEO may, in turn, delegate authority to members of the Executive Leadership Team, or executive-level management committees as appropriate.

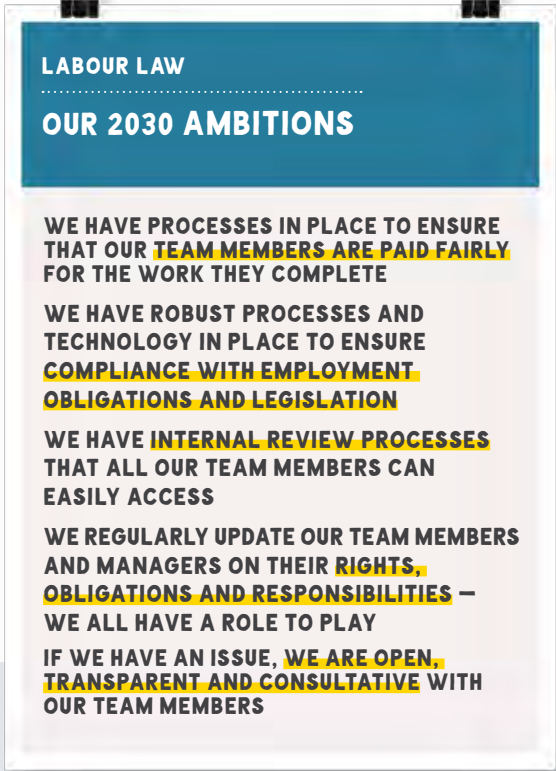
- The CEO, supported by the Group Chief Risk Officer, oversees enterprise-wide risk management via the Executive Risk and Compliance Committee.

Risk is an inherent part of our business. The effective management of risk is central to the protection of our team and customers, and our sustained performance. We have adopted the 'Three Lines' model to manage risk across each line of accountability:

- **First Line** — Businesses own risks and obligations, and the controls and mitigation strategies that help manage them.
- **Second Line** — A functionally segregated Risk function develops risk management frameworks, defines risk boundaries, provides advice and objective review and challenge regarding the effectiveness of risk management within the first line businesses, and executes specific risk management activities where a functional segregation of duties and/or specific risk capability is required.
- **Third Line** — An Internal Audit function which monitors the end-to-end effectiveness of risk management and compliance with the Risk Management Framework. The Internal Audit function performs its role in compliance with the International Standards for the Professional Practice of Internal Auditing and assesses compliance annually in accordance with the established Quality Assurance and Improvement Program.

Our material risks are set out in each of our annual reports published at www.collinsfoods.com.

We create a work environment that respects and supports all team members.



8.1 LABOUR LAW

OUR KEY FY24 ACTIVITIES AND ACHIEVEMENTS

ROBUST RISK MANAGEMENT AND GOVERNANCE PROCEDURES

ONGOING TRAINING AND COACHING FOR MANAGERS AND TEAM MEMBERS

A key part of our operations is to create a work environment that respects and supports all our team.

We assess both direct and indirect human rights risks throughout our value chain as part of our internal enterprise risk management procedures, which inform corrective actions and/or updates as impacts arise and change.

As a significant employer of children (as defined by United Nations) with more than 50% of our workforce being under 18 years of age, we remain committed to effectively mitigating the following risks:

- physical and psychological incidents such as aggression from customers, inappropriate behaviour from team members and customers and exposure to safety hazards such as heat in our kitchens
- youth team members' non-compliance with policies and procedures

- perceived power imbalance between older team members/managers and younger team members
- young team members potentially having a low level of psychological resilience/tools to manage complex interactions with other team members and customers.

The following programs were conducted during FY24 to mitigate these risks:

- Modern Day Slavery statement aligned with current legal requirements
- internal reporting and escalation process for wage and employment condition checking
- on-going training and coaching of all managers with team members under 18 years of age
- refresher training on legislative obligations for both managers and team members relating to time management, break management and other obligations.

We acknowledge that during the year we were named as a party to a class action in Australia on behalf of certain team members who worked at KFC restaurants between 4 December 2017 and 4 December 2023. The class action alleges that they were not provided with paid 10-minute rest breaks pursuant to certain industrial instruments. This matter remains ongoing at the time of this report. We reiterate our commitment to our obligations under the Fair Work Act and KFC National Enterprise Agreement, including the obligation to allow employees take the paid rest breaks to which they are entitled.

8.2 ETHICAL SUPPLY CHAIN

OUR KEY FY24 ACTIVITIES AND ACHIEVEMENTS

ANNUAL AUDITS OF QUALITY SYSTEMS, FOOD SAFETY, ENVIRONMENTAL IMPACT, WAREHOUSES, DISTRIBUTION PRACTICES AND ANIMAL WELFARE OF OUR LARGEST SUPPLY CHAIN PARTNERS WITH OUR AUSTRALIAN FRANCHISOR, YUM! BRANDS INC

CONTINUED SEDEX MEMBERSHIP

~98% SPEND WITH LOCAL SUPPLIERS IN AUSTRALIA

~95% SPEND WITH LOCAL SUPPLIERS IN EUROPE

Every day, we work to enhance capability within our supply chain to further our vision of being the world's best restaurant operator.

We are committed to sourcing high-quality ingredients that are grown, raised and harvested with respect for people, animals and the land. Our approach is to source responsibly raised or grown ingredients in all aspects of our supply chain, including how workers are treated, crops are grown, animals are handled, and the environment is impacted.

ETHICAL SUPPLY CHAIN
OUR 2030 AMBITIONS

WE ENSURE THE BEST PRACTICE ADOPTION OF OUR MODERN SLAVERY POLICY ACROSS ALL OUR SUPPLIERS.

WE AIM TO USE LOCAL SUPPLIERS AND LOCAL FARMERS WHEREVER POSSIBLE.

WE EXAMINE THE SUPPLY CHAIN WE INTERACT WITH TO PINPOINT 'WHITE SPACE' OPPORTUNITIES WHERE WE CAN SPEARHEAD LOCAL BUSINESS GROWTH.

WE HAVE SYSTEMS AND PROCEDURES TO MANAGE OUR SUPPLY CHAIN EFFECTIVELY AND DRIVE COST EFFICIENCIES.

WE FULLY ADOPT AND IMPLEMENT OUR POLICIES AND PROCESSES TO ENSURE COMPETITIVENESS, PROVIDE OPPORTUNITIES FOR NEW LOCAL SUPPLIERS AND PLAY OUR ROLE IN STAMPING OUT MODERN-DAY SLAVERY.

We view our suppliers as key stakeholders within our wider system and expect them to abide by the same ethical, legal and socially responsible business practices. At a minimum, our suppliers are required to abide by all applicable laws, codes or regulations regarding wages and benefits, worker's compensation, working hours, equal opportunity, worker and product safety, as well as the published standards for their industry. All food, packaging and product distributors will also be required to hold a Global Food Safety Initiative (GFSI) recognised certification by January 2025.

Our suppliers have always been subject to assessments, audits and inspections, with each supplier being audited at a minimum of once per year as part of the YUM! Brands Inc approved supplier program. Violations and evidence of noncompliance lead to a range of corrective and potentially disciplinary actions, including termination of the supplier relationship, if warranted, based on the severity of the finding. Preference, however, is given to engaging with suppliers and working collaboratively to address areas of concern and effect real change. While responding to identified issues is important, we are committed to building a more proactive response to managing ethical risks within our supply chain.

Our continued membership with Sedex is a demonstration of our commitment to working with suppliers to create more responsible and sustainable business practices. Sedex provides additional visibility of supplier risk through assessment of labour standards, health and safety, business ethics and environment using both self-assessment and third-party audits to determine potential and actual exposure. We are focused on working with suppliers to mitigate risk exposures and improve disclosure and reporting.

We are also committed to supporting local suppliers wherever possible. In Australia, approximately 98% of our spend is with local core suppliers. In Europe, our local spend is approximately 95%.

2024 SUPPLIER DATA	% LOCAL SPEND
Local Australian core suppliers	Approximately 98%
Local European core suppliers	Approximately 95%

We source high-quality ingredients that are grown, raised and harvested with respect for people, animals and the land.



ASSURANCE STATEMENT



Independent Limited Assurance Report on identified Subject Matter Information in Collins Foods Limited's Sustainability Report 2024

To the Board of Directors of Collins Foods Limited

The Board of Directors of Collins Foods Limited engaged us to perform an independent limited assurance engagement in respect of the identified Subject Matter Information listed below in Collins Foods Limited's Sustainability Report 2024 for the period 1 May 2023 to 28 April 2024 (the 'Subject Matter Information').

Subject Matter Information and Criteria

We assessed the Subject Matter Information against the Criteria. The Subject Matter Information set out below needs to be read and understood together with the Criteria which are also defined below. The Subject Matter Information and the Criteria are as set out below:

- Average (scope 1 and scope 2) Greenhouse Gas (GHG) Emissions per operating restaurant equivalent (ORE) in Australia for the period 1 May 2023 to 28 April 2024 (216 tCO₂-e per ORE)
- Average (scope 1 and scope 2) GHG Emissions per ORE in Europe for the period 1 May 2023 to 28 April 2024 (150 tCO₂-e per ORE)
- Waste Diversion from Landfill Rate in Australia for the period 1 May 2023 to 28 April 2024 (20.01%)
- Waste Diversion from Incineration Rate in Europe for the period 1 May 2023 to 28 April 2024 (30.56%)

The criteria used by Collins Foods Limited to prepare the Subject Matter Information is set out in section 'Basis of Preparation and Glossary' within Collins Foods Limited's Sustainability Report 2024 on pages 76 to 79 (the 'Criteria').

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

Our assurance conclusion is with respect to the period 1 May 2023 to 28 April 2024 and does not extend to information in respect of earlier periods or to any other information included in, or linked from, the Collins Foods Limited's Sustainability Report 2024.

Responsibilities of Collins Foods Limited management

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

- determining appropriate reporting topics and selecting or establishing suitable criteria for measuring, evaluating and preparing the underlying Subject Matter Information;
- ensuring that those criteria are relevant and appropriate to Collins Foods Limited and the intended users; and

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- designing, implementing and maintaining systems, processes and internal controls relevant to the preparation of the Subject Matter Information which is free from material misstatement, whether due to fraud or error.

Our independence and quality control

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

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

Our responsibilities

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

Our engagement has been conducted in accordance with the Australian Standard on Assurance Engagements (ASAE) 3000 *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* and ASAE 3410 *Assurance Engagements on Greenhouse Gas Statements*. Those standards require that we plan and perform this engagement to obtain limited assurance about whether anything has come to our attention to indicate that the Subject Matter Information has not been prepared, in all material respects, in accordance with the Criteria, for the period 1 May 2023 to 28 April 2024.

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

In carrying out our limited assurance engagement we:

- made inquiries regarding the processes and controls for collecting and reporting the Subject Matter Information;
- performed analytical review procedures over the Subject Matter Information and obtained explanations from management regarding unusual or unexpected variations;
- agreed data for waste diverted from landfill and incineration to the underlying data reports and calculations;
- assessed the reasonableness of waste density assumptions applied in calculating the Waste Diversion from landfill and incineration;
- assessed the appropriateness of the scope 1 and 2 GHG emission factors and methodologies applied in calculating the total scope 1 and 2 GHG emissions, and tested the arithmetical accuracy of the GHG emission calculation;



- reconciled a sample of scope 1 and 2 GHG emissions to relevant underlying records and calculations;
- assessed the appropriateness of any material estimates made in preparing the Subject Matter Information;
- reconciled the restaurant numbers used in the calculation of Average scope 1 and scope 2 GHG emissions to the underlying records for the reporting period;
- reviewed the Subject Matter Information to assess whether it has been prepared as described in the Criteria; and
- considered the disclosure and presentation of the Subject Matter Information.

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

Inherent limitations

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

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

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

Our limited assurance conclusion

Based on the procedures we have performed, as described under 'Our responsibilities' and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information has not been prepared, in all material respects, in accordance with the Criteria for the period 1 May 2023 to 28 April 2024.

Use and distribution of our report

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

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



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

A handwritten signature in cursive script that reads "PricewaterhouseCoopers".

PricewaterhouseCoopers

A handwritten signature in cursive script that reads "Michael Crowe".

Michael Crowe
Partner

Brisbane
25 June 2024



APPENDICES

Appendix 1

REPORTING FRAMEWORKS AND DISCLOSURES

As part of our developing maturity journey and in preparation for the Australian Sustainability Reporting Standards – Disclosure of Climate-related Financial Information, our approach to reporting in FY24 has been informed by the following reporting frameworks to drive transparency and confidence in our ESG and Sustainable Development Reporting Program:

- Global Reporting Initiative (GRI)
- Task Force on Climate-related Financial Disclosures (TCFD) Carbon Disclosure Program
- Sustainability Accounting Standards Board (SASB)
- United Nations Global Compact.

Appendix 2

BASIS OF PREPARATION AND GLOSSARY

INTRODUCTION

The purpose of this document is to set out the basis preparation, and glossary for the key environmental, social and governance (ESG) metrics that have been included but not limited to the scope of PwC’s limited assurance engagement within Collins Foods Limited’s FY24 ESG disclosures. Collins Foods’ FY24 ESG disclosures are those contained within Collins Foods’ FY24 Sustainability Report Dataset.

The disclosures encompass the operations of Collins Foods in Australia, the Netherlands and Germany. Collins Foods employs the concept of operational control to delineate the scope of our sustainability data and disclosures. This approach aligns with the definition of reporting boundaries under the Greenhouse Gas (GHG) Protocol, ensuring a comprehensive and standardised reporting of our environmental impact. Data is not reported in instances where Collins Foods does not have operational control, such as waste diversion for a tenancy within a mixed food court, restaurants serviced by the Sunshine Coast Council in Australia, or restaurants’ waste disposal managed by landlord or local municipality in the Netherlands and Germany.

METRICS COVERED

Greenhouse Gas Emissions:

- Average (scope 1 and scope 2) Greenhouse Gas Emissions (tonnes CO₂-e) per operating restaurant equivalent (ORE) for the year ended 28 April 2024 in Australia.
- Average (scope 1 and scope 2) Greenhouse Gas Emissions (tonnes CO₂-e) per operating restaurant equivalent (ORE) for the year ended 28 April 2024 in Europe (the Netherlands and Germany).

Waste:

- Waste diversion from landfill (%) for the year ended 28 April 2024 in Australia.
- Waste diversion from incineration (%) for the year ended 28 April 2024 in Europe (the Netherlands and Germany).

GLOSSARY

INDICATOR OR TERM	DEFINITION
ASX	Australian Securities Exchange
AVERAGE ENERGY CONSUMED	Total energy consumed divided by the number of restaurants operated by Collins Foods as at the end of the relevant reported period. Uses FY21 restated, FY22 and FY23 figures
AVERAGE GHG EMISSIONS	Total Scope 1 and Scope 2 GHG (tonnes CO ₂ -e) divided by the operating restaurant equivalent (ORE).
BBL	Beroeps Begeleidende Leerweg
CDP	Carbon Disclosure Project
COLLINS FOODS	Collins Foods Limited, Level 3, 485 Kingsford Smith Drive, Hamilton, Brisbane, Queensland 151 420 781 (ASX: CKF)
CSRD	Corporate Sustainability Reporting Directive
D&I	Diversity and Inclusion
ESG	Environmental, Social and Governance
FOOD COURT RESTAURANT	A restaurant operating within a mixed food court or with two or more competing businesses and sharing waste collection services .
FOOD RECOVERY	Cooked food donated to food recovery programs in Australia.
GENERAL WASTE	Solid waste that is sent to landfill or incineration and not included in Waste Diversion. It excludes used cooking oil, grease traps and recycled waste.
GHG EMISSIONS	Greenhouse gas (GHG) emissions. GHG emissions are reported in tonnes of CO ₂ -equivalent. The most recent National Greenhouse Accounts Factors (NGAs) published by the Department of Climate Change, Energy, Environment and Water were used to derive the Scope 1 and 2 GHG emissions in Australia. In the Netherlands, the latest list of CO ₂ emission factors used was updated by Milieu Centraal, Stimular, SKAO, Connekt and the central government. In Germany, the CO ₂ Information Sheet published by Federal Funding for Energy and Resource Efficiency in the Economy has been used.
GPG	Gender Pay Gap (GPG). A measurement derived from WGEA reporting that measures the difference between the average earnings of women and men in the workforce
GRI	Global Reporting Initiative
GROUP CODE OF CONDUCT	The Collins Foods Group Code of Conduct outlining the standards of responsibility and ethical conduct expected of directors and employees of the Group, and where relevant and to the extent possible, consultants, secondees and contractors of the Group
GROUP SECURITIES TRADING POLICY	The Collins Foods Group Securities Trading Policy outlining procedures which apply to trading in Collins Foods' securities by directors and restricted employees
ISSB	International Sustainability Standards Board
KFC	Kentucky Fried Chicken
LOCAL SUPPLIER	A supplier of goods or services located within the same country as where the good or service is supplied.
LOST TIME INJURY	An injury that requires one full shift away from work and is lodged as a lost time workers compensation claim, but does not include journey claims

INDICATOR OR TERM	DEFINITION
LTIFR	Lost Time Injury Frequency Rate calculated using the formula: (number of Lost-Time Injuries/total hours worked) x 1,000,000
NGER	National Greenhouse and Energy Reporting
MWH	Megawatt Hours
ORE	Operating Restaurant Equivalent (ORE) Number of operating days of all restaurants divided by the number of days in the reporting period
OSH	Ownership Share Plan
PERIOD 13	The thirteenth four-week accounting period in the reporting year
QSR	Quick Service Restaurant (QSR) offering food items delivered through quick service
RECORDABLE INJURIES	Any injury requiring professional medical treatment
RECYCLED WASTE IN AUSTRALIA	Represents recycled cardboard, commingled recycling, packaged organics and food recovery diverted from landfill
RECYCLED WASTE IN EUROPE (THE NETHERLANDS AND GERMANY)	Represents recycled paper and cardboard, food and organic waste. It excludes food recovery
RSC	Restaurant Support Centres (RSC) located in Australia, the Netherlands and Germany
SCOPE 1 GHG EMISSIONS	<p>Scope 1 GHG emissions are the release of GHG into the atmosphere as a result of operations owned or controlled by Collins Foods (direct GHG emissions) and includes fleet, natural gas, liquified petroleum gas (LPG) and refrigerant emissions in Australia and Europe (the Netherlands and Germany).</p> <p>Fleet: In Australia, Scope 1 GHG emissions from the consumption of vehicle fleet (diesel, E10, petrol) is all actual data from our service suppliers. In Europe, Scope 1 GHG emissions from the consumption of vehicle fleet (diesel, E10, petrol, electric) is all actual data from our service suppliers.</p> <p>Natural Gas and LPG: In Australia, where invoice data is unavailable, Scope 1 GHG emissions from the consumption of natural gas have been estimated using either a seasonal adjustment based on the same period in prior year, a daily average based on actual consumption from a known date range, extrapolated for the period where data is unavailable or, where no data is available, created an estimate based on a restaurant in the same state with similar sales. In the Netherlands, Scope 1 GHG emissions from the consumption of natural gas was obtained from periodical meter reading and extrapolated to the entire reporting period. In Germany, all natural gas data was obtained from the calendar year annual invoice and extrapolated to the entire reporting period. Where no actual data was available in Europe, an estimate was created based on the annual gas usage cost and the average price per unit.</p> <p>Refrigerants: Refrigerant GHG emissions from our restaurants include HFC-134a, R404A, R410A, HFC-507A and R290 released from our fridges, freezers and HVAC units. For both Australia and Europe, the annual consumption of refrigerants has been estimated on the basis of data obtained from two of our service providers responsible for a number representative of our Australian stores, and extrapolated across the remainder of our Australian and European stores. Refrigerant consumption has been converted into CO₂-e using global warming potentials sourced from the most recent National Greenhouse Accounts Factors (NGAs) published by the Department of Climate Change, Energy, Environment and Water.</p>

INDICATOR OR TERM	DEFINITION
SCOPE 2 GHG EMISSIONS	<p>Scope 2 GHG emissions are indirect GHG from the consumption of purchased electricity by each KFC or Taco Bell restaurant (excluding the RSC) in Australia and Europe.</p> <p>Scope 2 GHG emissions are reported net of renewable energy purchases.</p> <p>In Australia, where invoice data is unavailable, Scope 2 emissions from the consumption of electricity have been estimated using either a seasonal adjustment based on the same period in prior year, a daily average based on actual consumption from a known date range, extrapolated for the period where data is unavailable or, where no data is available, created an estimate based on a restaurant in the same state with similar sales.</p> <p>In Europe (Netherlands and Germany), most electricity usage data is obtained from energy consumption monitoring system. When no live data was available, the invoice data was used. If no actual data was available, an estimate was created based on a restaurant in the same area with similar sales.</p>
SCOPE 3 GHG EMISSIONS	<p>Scope 3 GHG emissions are indirect GHG indirect emissions other than Scope 2 emissions. They occur outside of the boundary of our organisation in Australia and Europe, such as:</p> <ul style="list-style-type: none"> • upstream — employee commuting and business travel • downstream — transportation of our customers to and from our restaurants, and supply chain partners.
SENIOR EXECUTIVE	Senior executives includes managers who hold roles designated as senior executive roles, as well as Key Management Personnel
SUPPLIER CODE OF CONDUCT	The Supply Chain Management Code of Conduct that outlines the rules and standards of conduct that apply to third parties in Collins Foods' food production and supply chain
SUPPLY CHAIN MANAGEMENT COUNCIL	A council formed and managed by the KFC franchisor whose members are comprised of representatives from the franchisor and franchisee community
SF	Sustainability Factor
SASB	Sustainability Accounting Standards Board
TBI	Taco Bell International
TNFD	Task Force on Nature-Related Financial Disclosures
TOTAL SOLID WASTE	Total solid waste represents solid waste streams, including general waste and recycled waste. It excludes used cooking oil and grease traps
TRIFR	Total Recordable Injury Frequency Rate (TRIFR) calculated using the formula: (number of Recordable Injuries/total hours worked) x1,000,000
UN SDGS	United Nations Sustainability Development Goals
VOC	Volatile organic compound
WASTE DIVERSION FROM LANDFILL	The redirection of waste from landfill by means of food recovery and recycling for KFC and Taco Bell restaurants in Australia. It is calculated as recycled waste and food recovery as a percentage of total solid waste. It excludes food court restaurants and restaurants serviced by the Sunshine Coast Council, as Collins Foods does not have operational control over waste collection services for these restaurants.
WASTE DIVERSION FROM INCINERATION	The redirection of waste from incineration by means of recycling waste for KFC restaurants in Europe (Netherlands and Germany). It is calculated as recycled as a percentage of total solid waste. It excludes the restaurants that waste disposal is controlled over by landlord and local municipality, as Collins Foods does not have operational control over waste collection services for these restaurants.
WGA	Workplace Giving Australia
WGEA	Workplace Gender and Equality Agency (WGEA), an Australian Government statutory agency created by the Workplace Gender Equality Act 2012 charged with improving gender equality in Australian workplaces
WHS	Workplace Health and Safety

Appendix 3

POLICIES AND PROCEDURES SUPPORTING OUR SUSTAINABILITY GOVERNANCE PROGRAM

Further information on the materiality factors addressed in this Collins Foods' Sustainability Report is available from the following sources.

COLLINS FOODS LIMITED WEBSITE	
Collins Foods Limited website	https://www.collinsfoods.com/
Corporate Governance Statement	https://www.collinsfoods.com/wp-content/uploads/2023/07/20230728-Final-Corporate-Governance-Statement-June-2023.pdf
Workplace Gender Equality Report	https://www.collinsfoods.com/wp-content/uploads/2023/08/WGEA-2022-2023-Public-Report.pdf
Diversity and Inclusion Policy	https://www.collinsfoods.com/wp-content/uploads/2023/06/Diversity-and-Inclusion-Policy-CFL-POL-CG-005-v4-with-HR.pdf
Group Code of Conduct	https://www.collinsfoods.com/wp-content/uploads/2019/04/Group-Code-of-Conduct-March-2019-CFL-COD-CG-001-v2.pdf
Group Communications Policy	https://www.collinsfoods.com/wp-content/uploads/2022/02/Group-Communications-Policy-February-2022-CFL-POL-CG-004-v3.pdf
Group Continuous Disclosure Policy	https://www.collinsfoods.com/wp-content/uploads/2022/02/Group-Continuous-Disclosure-Policy-February-2022-CFL-POL-CG-006-v3.pdf
Group disclosure guidelines	https://www.collinsfoods.com/wp-content/uploads/2022/04/Group-Disclosure-Guidelines-February-2022-CFL-GUI-CG-001-v5.pdf
Group Risk Management Policy	https://www.collinsfoods.com/wp-content/uploads/2022/12/Group-Risk-Management-Policy-Nov-2022-CFL-POL-CG-001-v4.pdf
Group securities trading policy	https://www.collinsfoods.com/wp-content/uploads/2020/05/Group-Securities-Trading-Policy-March-2020-CFL-POL-CG-003-v4.pdf
Remuneration Policy	https://www.collinsfoods.com/wp-content/uploads/2023/11/CFL-POL-CG-008-Remuneration-Policy.pdf
Transparency code report	https://www.collinsfoods.com/wp-content/uploads/2022/02/Tax-Transparency-Code-Letter-FY2021.pdf
Modern Slavery Statement	https://www.collinsfoods.com/wp-content/uploads/2023/10/CFL-Modern-Slavery-Statement-2023_Final_Corporate-Website.pdf
KFC AUSTRALIA WEBSITE	
Modern Slavery Statement	https://assets.ctfassets.net/crbk84xktnsl/6krEEU4njUolPF4R4nuoTG/3e6d4f02f45043027447212c98c68b1c/Modern_Slavery_Statement_-_Final_-_1_Jan_2022_-_31_December_2022.pdf
Social Impact Report	https://www.kfc.com.au/social-impact

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Thank you for your interest in our Sustainability Report.

We are proud of our evolving journey. We made great strides in FY24, and we look forward to continuing this progress in 2025.

This Sustainability Report is produced as a digital publication. Please consider the environment before printing.