

# JOY FOR TOMORROW

2022 Sustainability Report



Bernadeth Carandang, a youth smallholder farmer from Cavite, Philippines, is harvesting fresh tomatoes used in meals enjoyed by Jollibee customers, thru the support of our Farmer Entrepreneurship Program

# CONTENTS

- 07** President & CEO's Message
- 08** Message from the CSO
- 10** About Us
  - 11 Our Businesses
  - 12 Jollibee Group through the Years
  - 13 Awards and Recognition
- 16** Joy for Tomorrow
  - 17 About Joy for Tomorrow
  - 18 Our Approach
  - 19 Materiality
  - 20 Joy for Tomorrow Framework
  - 22 Our Commitment to the U.N Sustainability Development Goals

# FOOD

- 26** **FOOD SAFETY**
  - 27 Food Safety in Our Operations**
    - 27 Stores
    - 29 Manufacturing
    - 30 Logistics
  - 27 Food Safety for Vendors**
    - 09 Accreditations, Certification and Audits
    - 09 Learning and Competency Programs
- 34** **FOOD QUALITY**
  - 35 Customer Satisfaction**
    - 35 Voice of the Customer
    - 35 Customer Satisfaction Survey
    - 36 Feedback Management System
    - 37 Food Related Awards
  - 41 Responsible Sourcing**
- 42** **NUTRITION AND TRANSPARENCY**
  - 43 Nutritional Content**
    - 43 Artificial Ingredients**
      - 44 New Product Developments
    - 45 Access to Allergen and Nutritional Content Information**
      - 46 Research & Development

# PEOPLE

- 50** **EMPLOYEES WELFARE**
  - 51 Equal Opportunities**
  - 54 Employment Opportunities for Vulnerable Sector**
    - 55 Hiring & Retention
  - 56 Zero Discrimination**
  - 57 Training and Development**
  - 59 Employee Engagement**
    - 59 Employee Engagement Activities
    - 60 Compensation and Benefits
    - 62 Occupational Health and Safety
    - 63 Freedom of Association and Collective Bargaining
- 64** **FARMERS LIVELIHOOD**
  - 65 Access to Training**
    - 65 Farmer Entrepreneurship Program
    - 67 FEP Impacts
  - 69 Access to Fair Market**
    - 69 Sacred Heart Savings Cooperative: Opening Doors for the Youth To Enter Farming
    - 70 Lamac Multi-Purpose Cooperative: Delivering Directly to Multiple Buyers
    - 71 Kalasag Multi-purpose Cooperative: Giving A New Meaning to "Farm to Table"



- 72** **COMMUNITY SUPPORT**
  - 73 Food Relief**
  - 75 Youth Education Scholarships**
  - 77 Community Engagements**
- 78** **GOOD GOVERNANCE**
  - 79 Governance Structure**
    - 79 Sustainability Ingrained in our Governance
    - 82 Board Remuneration
  - 83 Code of Business Ethics**
    - 84 Anti-Corruption Policies
    - 84 Conflict of Interest
    - 85 Whistleblower Protection
    - 86 Ethical Standards Audit
    - 86 Professional Development for the Global General Counsel and Ethics Head
  - 87 Finance**
    - 88 Strategies for Mitigating Financial Risks
    - 88 Finance and Employees
    - 89 Tax

# PLANET

- 94** **Packaging & Recycling**
  - 95 Reduction of Single-Use Packaging Materials at our Manufacturing Sites
  - 95 Packaging Initiatives in our Restaurants
- 96** **Waste Reduction**
  - 97 Food Loss and Waste Reduction
- 101** **Energy Efficiency**
  - 97 Energy and Emissions
  - 109 Water



- 116** **Appendix**
- 138** **GRI Content Index**
- 146** **SASB Content Index**
- 148** **TCFD Index**

# Key Highlights

## FOOD



**17**  
Brands



**82**  
**Global Net Promoter Score**  
exceeding benchmark of 50



**15,014**  
**Food Service Cleanliness & Condition Audits**  
conducted in restaurants worldwide



**100%**  
Of stores, commissaries, and logistics **audited**

## PEOPLE



**19,224**  
Employees



Over **700**  
**smallholder farmers**  
directly delivering to the Jollibee Group



**187,079**  
Total Training Hours



Hit **70th**  
**percentile**  
of Gallup's Q12 Percentile Ranking, a measure of high employee engagement



**1,827,356**  
**Safe Person Hours**  
across Main Offices, Stores, and Supply Chain



Over **9.7 Million Meals**  
distributed thru FoodAID for calamity and disaster response, since 2020



**59%** Women in management and **51%** of total workforce

## PLANET



**38%**  
**Cumulative Reduction in Food Loss and Waste in our Manufacturing Sites**  
by the End of 2022 Against the 2020 Baseline



**3-7%**  
**Reduced Consumption From the Grid**  
in Each Store with Installed Solar PV Panels



**21.5%**  
**Reduction in Energy Use Ratio** Versus a 2020 Baseline in **Manufacturing**



**23%**  
**Reduction in Water use Ratio** Versus a 2020 Baseline in our **Philippine Manufacturing Sites**



# President & CEO's Message

2-22

Dear Shareholders,

**Our societies across the world, as well as our planet, continue to face developmental challenges. Global conflict, rising inflation, climate change, and numerous social and economic inequities have compelled us to be more deliberate with our actions, not just to solve today's problems, but also to ensure a better life and world for future generations.**

The past three years have taught us that if we put our minds and hearts into solving seemingly insurmountable challenges, we can achieve anything. During this time, much was sacrificed, yet much was learned. We should not waste the lessons we've learned from the pandemic and should act now, more than ever, to bring about the changes that our societies and our planet require and deserve.

For us at the Jollibee Group, our challenge is how to sustain our success while creating a positive impact to our society and our planet. As one of the fastest-growing restaurant companies in the world, and with our vision to become one of top companies in our industry, we recognize that the Jollibee Group has a significant role and responsibility in impacting positive change. And while we have made substantial strides over the years towards this effect, it is only recently that we have integrated them into a cohesive sustainability framework that unites the entire organization toward a shared goal.

We call our global sustainability framework "Joy for Tomorrow," which serves as our roadmap as we work to strengthen our corporate stewardship further. The framework provides a clear direction for our company's sustainability efforts, management approach, and targets, and aligns our sustainability trajectory with the United Nations' Sustainable Development Goals.

**We share the details of our framework in this first-ever Global Sustainability Report, which also highlights the efforts and the gains we've made toward our pursuit of a more sustainable business.**

We understand that assessing our impact is a continuous process of ambition and refinement. We will track the success of our strategies over the coming years, and periodically review our material topics and stakeholder engagement process. We will set

agile goals and targets to help us significantly impact society and the environment in more meaningful ways.

As an important stakeholder, we shall keep you informed of our progress in our sustainability journey.

**ERNESTO TANMANTIONG**  
President & CEO

# Message from the CSO <sup>2-3</sup>



*“Joy For Tomorrow is our roadmap to achieving the triple bottom line of people, planet, and profit. It represents our belief system of doing business right.”*

For 45 years, we at the Jollibee Group have dedicated ourselves to excellence and innovation. We are taking this commitment a step further by making more deliberate efforts to become a more sustainable business. With great joy, we are sharing with you the progress we’ve made toward this pursuit through our first-ever global sustainability report. This report covers our global company-owned operations (stores, commissaries, and logistics) from January 1 to December 31, 2022.

We are delighted to officially launch our Global Sustainability Agenda: Joy for Tomorrow through this report. Our Global Sustainability Agenda serves as our roadmap for achieving the triple bottom line of people, planet, and profit. It represents our belief system in conducting business more ethically. It is our strategic framework for setting responsible goals based on our company’s impact and holding ourselves accountable for meeting these metrics. It is a call to action for everyone in the Jollibee Group, amid the pursuit of our sustainability pillars of Food, People, and Planet. It is our commitment to future generations to preserve and improve natural resources from which they can benefit.

This report represents the passion and dedication of our teams in the Jollibee Group who have committed themselves to our sustainability goals. This is a testament to how far we have come and how much further we can go. We hope that through this report, we can inspire our business units, partners, and customers around the world to embrace the greater responsibility we all share for our planet and our communities.

Jollibee Group has reported in accordance with the GRI Standards for the period January – December 2022.

Your feedback on this report and our sustainability agenda is important to us. Please share your comments and suggestions thru our website and other channels. We look forward to hearing from you.

**Mr. Jose Ma. A. Miñana, Jr.**  
Chief Sustainability and Public Affairs Officer  
7/F Jollibee Plaza, 10 F. Ortigas Jr. Road, Ortigas Center  
Pasig City 1605, Philippines

Jollibee Foods  
CORPORATION

## JOY FOR TOMORROW

2022 Sustainability Report



Bernadeth Carandang, a youth smallholder farmer from Cavite, Philippines, is harvesting fresh tomatoes used in meals enjoyed by Jollibee customers, thru the support of our Farmer Entrepreneurship Program.

## About the Cover

In the Jollibee Group, strong values are just as important as business acumen and operations skills, and we have a strong track record of doing what’s right. We are focused on creating a great company – one that brings joy to everyone. Sustainability plays a big part in our overall business strategy as we strive to make a difference on issues ranging from delivering safe and delicious food to our customers, responsibly utilizing the planet’s resources, providing opportunities for our employees personal and professional growth,

and building an inclusive supply chain that enables even our smallholder farmers to participate in the company’s economic success. We have identified a wide range of sustainability opportunities and challenges, and we’re committed to addressing them responsibly and with an appropriate sense of urgency.

For our first-ever cover, we are featuring Bernadeth Carandang, a youth farmer who is a member of our Farmer Entrepreneurship

Program, which supports over 700 small holder farmers in directly delivering various produce to the Jollibee Group. This imagery represents our commitment to drive sustainability in every part of our value chain from farm to fork, because we believe that this is how we can truly bring the joy of eating to everyone, not only for today, but also for tomorrow.

### Standards used

- Global Reporting Initiative (GRI)
- Sustainability Accounting Standards Board (SASB)
- United Nations Sustainable Development Goals (U.N. SDGs)
- Task Force on Climate-Related Financial Disclosures (TCFD)



## About Us

2-1, 2-2

**Jollibee Foods Corporation (also known as Jollibee Group) is one of the fastest-growing restaurant companies in the world. It operates in 34 countries, with over 6,300 stores globally with branches in the Philippines, United States, Canada, the People's Republic of China, United Kingdom, Italy, Spain, Vietnam, Brunei, Singapore, Saudi Arabia, United Arab Emirates, Qatar, Oman, Kuwait, Bahrain, Indonesia, Costa Rica, Egypt, Panama, Malaysia, South Korea, India, and Australia.**

Jollibee Group has eight wholly owned brands: Jollibee, Chowking, Greenwich, Red Ribbon, Mang Inasal, Yonghe King, Hong Zhuang Yuan, Smashburger; five franchised

brands: Burger King, Panda Express, PHO24, and Yoshinoya in the Philippines, and Tim Ho Wan in certain territories in China; 80% ownership of The Coffee Bean and Tea Leaf; 60% ownership in the SuperFoods Group that owns Highlands Coffee and PHO24; and 51% ownership of Milksha, a popular Taiwanese bubble tea brand.

Jollibee Group, through its subsidiary Jollibee Worldwide Pte. Ltd. (JWPL), owns a 90% participating interest in Titan Dining L.P., a private equity fund that owns the Tim Ho Wan brand. It also has a joint venture with the Tim Ho Wan Group to open and operate Tim Ho Wan restaurants in Mainland China. Jollibee Group also has a business venture with award-winning Chef Rick Bayless

for Tortazo, a Mexican fast-casual restaurant business in the United States.

Jollibee Group was named the Philippines' most admired company by the Asian Wall Street Journal for ten years. It was also honored as one of Asia's Fab 50 Companies and among the World's Best Employers and World's Top Female-Friendly Companies by Forbes. In 2020, Gallup awarded the Jollibee Group the Exceptional Workplace Award, making it the first Philippine-based company to receive the distinction.

Jollibee Group has grown brands that bring delightful dining experiences to its customers worldwide, thus spreading the joy of eating to everyone.



## Our Business

2-6

Jollibee Group was founded in the Philippines and registered with the Philippine Securities and Exchange Commission (SEC) on January 11, 1978. Our parent company and its subsidiaries are primarily in fast-food restaurant development, operations, and franchising of quick-service restaurants (QSRs).

**We have a diverse portfolio of brands and businesses that cater to the needs of our customers. Our core business is developing, operating, and franchising QSR brands. We offer a wide range of affordable and delicious dishes that welcome and embrace customers of all ages and from all walks of life.**

The company's success in the fast-food restaurant industry depends on food quality, service, price-to-value ratio, store location and ambiance, and efficient operations.



### Vision

To be one of the Top 5 Restaurant Companies in the World



### Mission

To serve great-tasting food, bringing the joy of eating to everyone.

## Our Values



### Customer Focus

We provide great taste and superior value to all our customers. We treat our customers with sincere service and a warm smile. We take part in creating an exceptional customer experience.



### Speed with Excellence

We plan, decide, and act quickly. We set challenging goals and execute well. We constantly find ways to improve and innovate.



### Humility to Listen and Learn

We seek, welcome, and value feedback. We acknowledge and learn from our mistakes. We aspire to learn from people from all walks of life.



### Spirit of Family and Fun

We take care of each other and bring out the best in everyone. We are true to our name: hard-working and happy. We recognize individuality and foster teamwork.



### Integrity

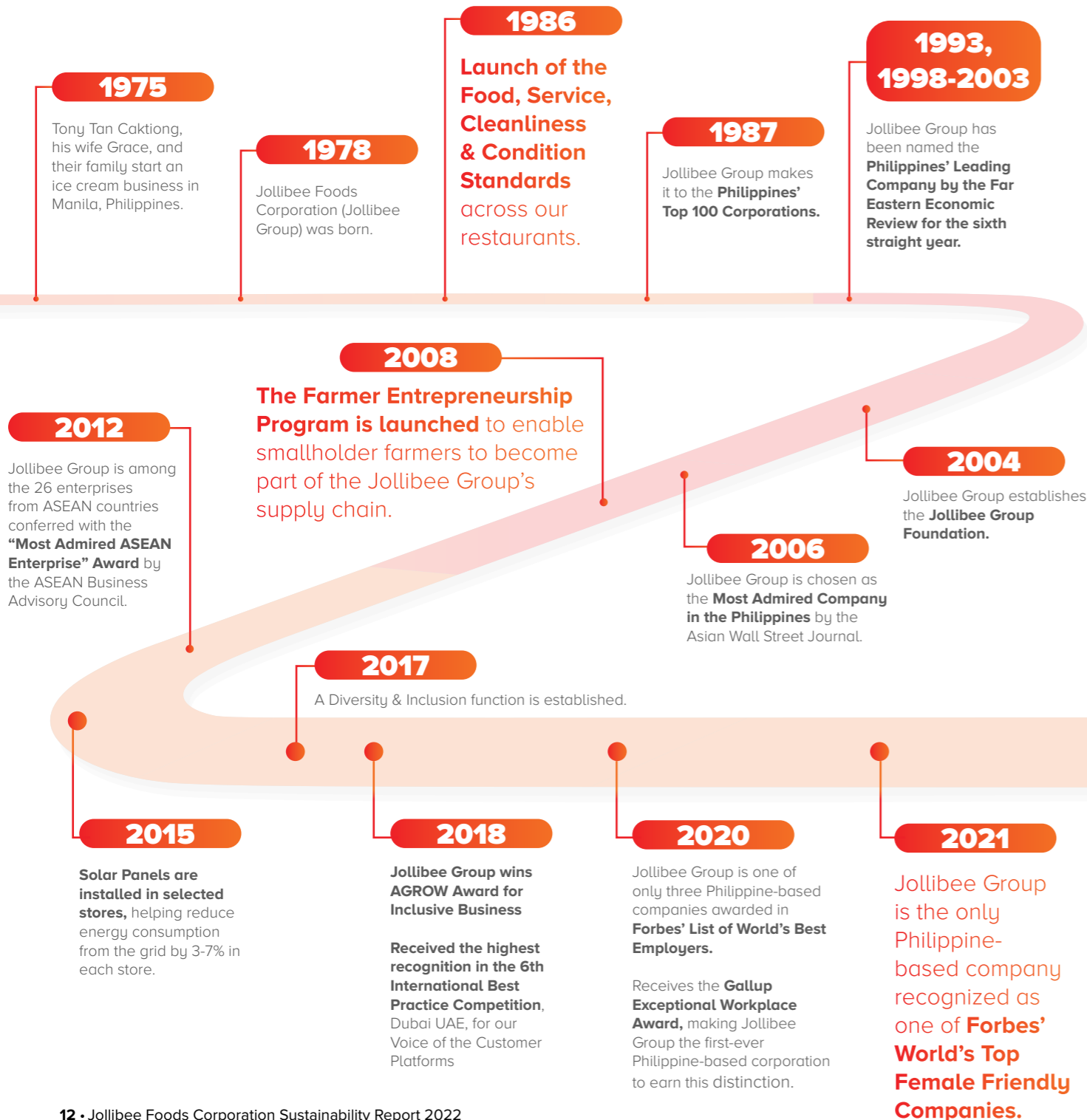
We live by honesty, and we do what is right all the time. We act as responsible stewards of the company. We speak our minds constructively when needed.



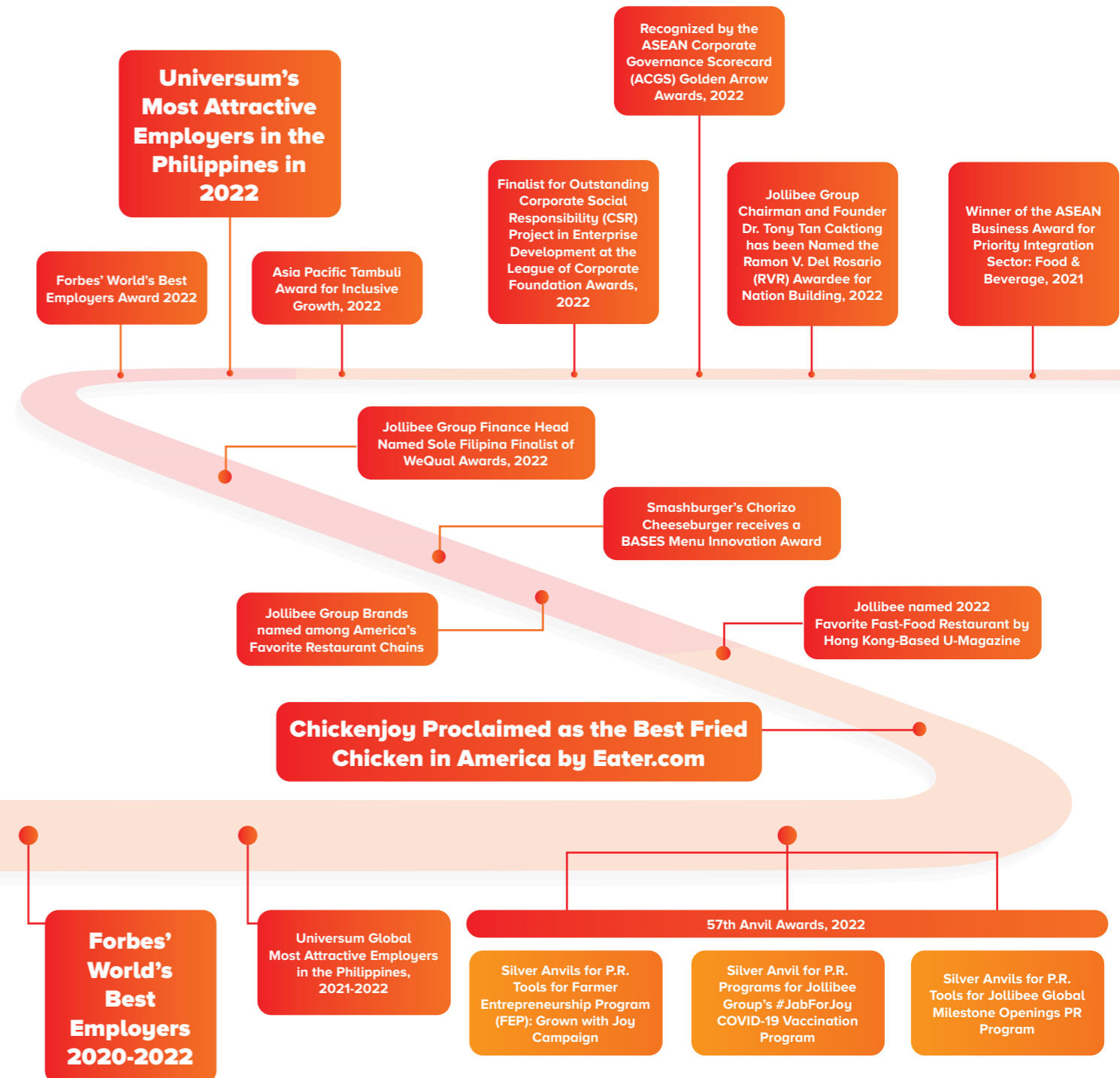
# Jollibee Group Throughout the Years

Jollibee Group has come a long way from humble beginnings. We are proud of our rich heritage, but we are more excited about our future. Our employees, customers, and business partners are the primary reasons for our success.

As a constantly evolving company, we champion collaboration and innovation and greet change openly. We believe in giving back to our communities as a way to move forward and expand our reach. Today, we have grown into one of the most recognizable fast-food brands in the world, with over 6,300 stores across 34 countries and 17 different brands.



# Awards & Recognitions



The Jollibee Group  
**Sustainability Agenda**

# JOY FOR TOMORROW

Bringing the joy of eating for everyone  
today, and for tomorrow



## FOOD

We serve food  
people trust



## PEOPLE

We help make  
people's lives better



## PLANET

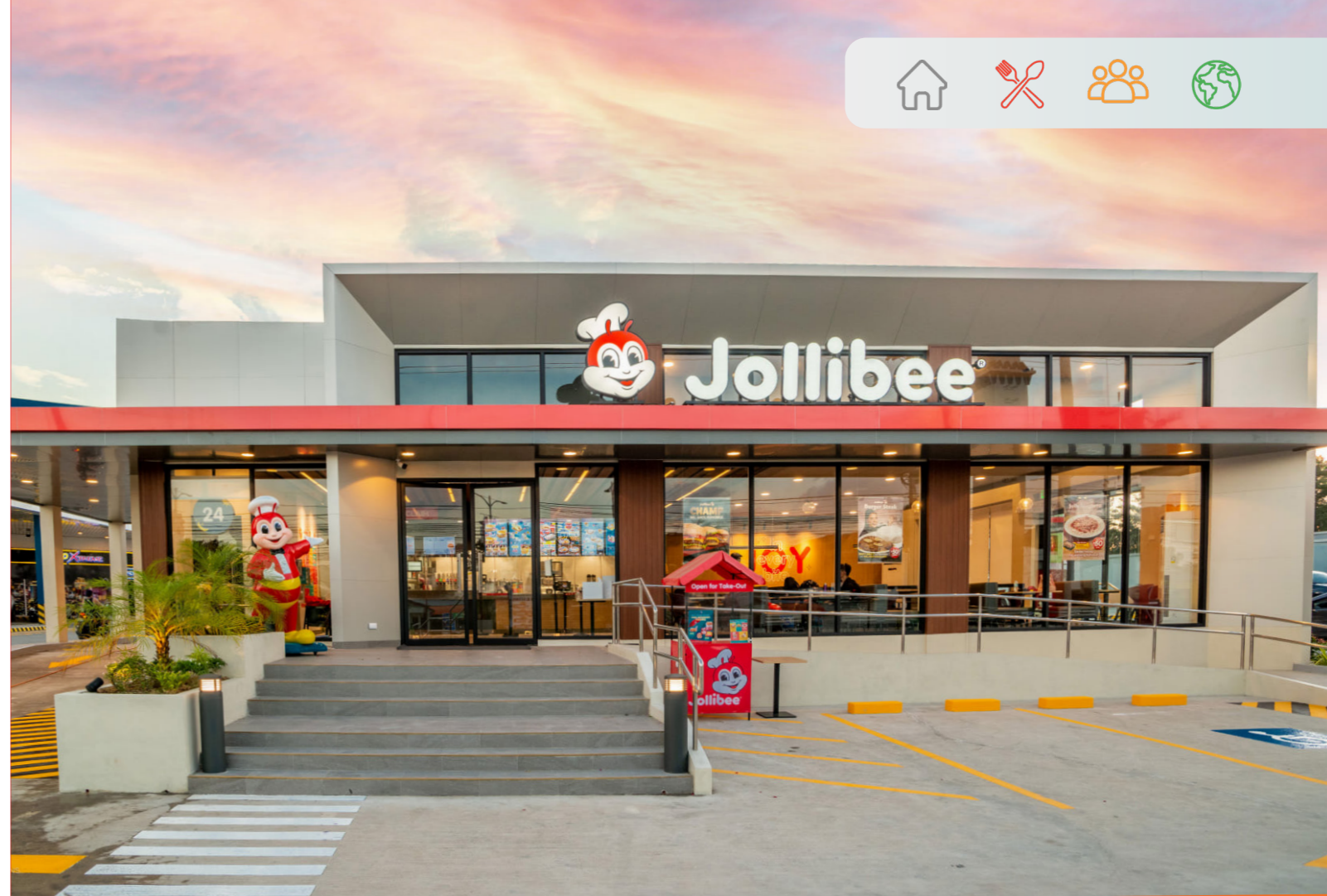
We treat the  
planet responsibly



The Jollibee Group Sustainability Agenda

# JOY FOR TOMORROW

Bringing the joy of eating for everyone today, and for tomorrow



## About Joy for Tomorrow

Our mission to spread joy through great-tasting food has always been a cornerstone of the Jollibee Group. Since day one, we have firmly believed that when we are joyful in our work, we can better serve delicious food and bring joy to more communities wherever we go.

Because we primarily operate to make our customers happy, we must ensure that our current actions and decisions will not in any way compromise our ability to maintain the highest standards of food and service for generations to come.

We acknowledge that the world is rapidly changing in unprecedented ways. The challenges we face are reflected in the evolving needs of our customers and community

of partners who desire greater vigilance in our use of resources and social impacts. So as we continue **to offer great-tasting products and exceed customer expectations, we must also safeguard the natural and social resources that enable us to sustain our mission for the long term.**

All these ideals are embodied in our sustainability agenda: Joy for Tomorrow. Through this collective call to action, we stand firm by our mission to continue bringing the joy of great-tasting food to everyone – today and in the future.

We have grown into a leading global brand through responsible stewardship, adherence to the highest standards, and commitment

to long-term value. As such, we pledge to continue bringing the same hard work and dedication to our sustainability efforts as we have put into growing our company and brands.

**With Joy for Tomorrow as our anchor and compass, we are consolidating all our sustainability efforts into a more cohesive and strategic program with common goals across our group.**

Empowered by this shared purpose, we will address and overcome the risks inherent in our operations and use of resources through strategic goals and commitments to propel Jollibee Group toward a sustainable future.

## Our Approach

3-1

Our approach to sustainability is comprehensive and integrated. To formulate our Sustainability Agenda, we first identified the critical environmental, social, and governance issues which are most impacted by our business, and critical to our operations as well. We then looked at the most pressing needs of our industry and society, and our various stakeholders. The intersection of both scopes resulted in our focus areas. By filtering our material issues through this dual lens, we ensured that our focus areas captured the entire panorama of our operations and impacts on society at large.

In addition, this process helped us view the steps we have already been taking toward sustainability, allowing us to streamline our efforts further and create more ambitious common goals, even as we continued to address current challenges.



### 1. Understanding the Sustainability Context

Our group mapped out our various stakeholders, and identified key areas where our company impacts them from an economic, social, and environmental standpoint. These impacts could be positive or negative, short or long term, and direct or indirect. We also studied the U.N. SDGs to understand how our company's impacts and value-creation process contribute to achieving global targets.

### 2. Identifying Material Topics

Amongst the identified impact areas towards economic, social, and environmental concerns, we determined which issues had the most significant impact, and thus most material to our sustainability plan. We consulted key representatives from several business divisions, who expressed the concerns of their respective stakeholders. We examined our impacts, risks, opportunities, and the necessary capitals for different areas of our operation. Together with our senior management, we were then able to identify our group's sustainability drivers and aspirations. This step further helped us see how we could integrate sustainability into our business strategy and how that would help drive long-term value creation for all our stakeholders on shared values.

### 3. Measuring Performance and Defining Management Approaches

We embarked on a two-pronged approach in defining and measuring our performance: create the baseline and set targets. Our group collected baseline data for each of the critical issues from 2019 to 2021 from our Philippine operations. Data collected includes in-depth information on impacts, risks, opportunities, and subsequent management strategies. The measures were aligned with Global Reporting Initiatives requirements. Performance measurement continues annually as a critical element of sustainability management. Since then, we've continuously improved our methodologies through gap analysis and organizational mapping for systematic data collection. We have expanded our scope to include all of Jollibee Group's global units. Still, we also acknowledge that future editions of this report can benefit from a more comprehensive data-collection system, which we are already planning to pursue in the next reporting cycle. Using more robust group-wide data, we will refine our approaches to managing critical issues in our different areas of operation in the succeeding editions of this report.

## Materiality

3-2

Assessing materiality is an iterative process to monitor our evolving impacts on the environment and society. Results can inform us of our effectiveness in various impact areas and how we can better engage our stakeholders about these impacts. With our expanded scope in 2022, we used a web-based form for key representatives worldwide to re-evaluate our identified material topics and their level of impact on the business and stakeholders.

MATERIALITY ISSUES		
<b>FOOD</b> We serve Food People Trust	Food Safety	Continue to <b>serve great tasting and safe foods</b> through rigorous <b>audits and certifications</b> yearly, across all our <b>stores, commissaries and logistics</b>  Ensure food safety systems are in place <b>starting from the source</b> of our ingredients through <b>audits and certification</b> across all our <b>vendors</b>
	Food Quality	<b>Responsibly source key ingredients</b> from suppliers  Ensure <b>customer satisfaction</b> with the overall restaurant experience, including food quality and service
	Nutrition & Transparency	Provide customers with a variety of options, by ensuring that our brands offer <b>meal choices</b> that are in line with <b>JFC's Global Nutritional Criteria</b> , and the World Health Organization's dietary guidelines, starting with Jollibee Key markets.  Remove <b>artificial flavors, added colors from artificial sources, Partially Hydrogenated Oils (PHOs), and Transfat</b> from our main menu products, as well as <b>reduce artificial preservatives where possible</b> , starting with the Jollibee key markets.  Provide consumers <b>access to information</b> on allergens and nutritional content  Accelerate our Commitment to <b>Responsible Marketing</b> of Products
<b>PEOPLE</b> We Help Make People's Lives Better	Employee Welfare	Provide all employees with <b>training and development</b> that empowers them to achieve career milestones  Target for <b>high employee engagement</b> as we aim for everyone's experience in the organization to be an optimal and joyful one  Provide <b>equal opportunities</b> across diverse sets of people, regardless of gender, ethnicity, age, and vulnerability  Foster a <b>zero-discrimination</b> environment  Provide <b>employment opportunities</b> to vulnerable sectors
	Farmers Livelihood	Provide farmers with <b>access to training</b> and education  Source vegetables directly from smallholder farmers, providing more farmers <b>access to fair market</b>
	Community Support	Provide <b>food relief</b> and <b>support</b> to communities in need  Provide additional underprivileged youth with growth opportunities through <b>educational scholarship</b>
	Good Governance	Uphold <b>good governance</b> , respect human rights, and exercise ethical practices across the organization
<b>PLANET</b> We Treat the Planet Responsibly	Packaging & Recycling	Improve <b>packaging sustainability</b> across our operations
	Waste Reduction	Reduce <b>food loss</b> and <b>waste to landfill</b> in the <b>manufacturing</b> process, and <b>reduce food waste in stores</b>
	Energy & Water Efficiency	Reduce <b>energy consumption</b> in the manufacturing process  Execute <b>energy-saving initiatives</b> to reduce energy consumption in our stores  <b>Reduce water consumption</b> in the manufacturing process

# JOY FOR TOMORROW



## COMPANY VISION:

**Jollibee Group** to be among the **top 5** restaurant companies **in the world**



## COMPANY MISSION:

To serve **great-tasting food**, bringing the **joy of eating** to **everyone**



## SUSTAINABILITY PURPOSE:

Joy For Tomorrow: Bringing the **joy of eating** for everyone **today**, and for **tomorrow**

### FOOD

We serve food people trust

### PEOPLE

We help make people's lives better

### PLANET

We treat the planet responsibly

FOOD			PEOPLE				PLANET		
Food Safety	Food Quality	Nutrition & Transparency	Employee Welfare	Farmers Livelihood	Community Support	Good Governance	Packaging & Recycling	Waste Reduction	Energy & Water Efficiency
<p>Continue to <b>serve great tasting and safe foods</b> through rigorous <b>audits and certifications</b> yearly, across all our <b>stores, commissaries and logistics</b></p> <p>Ensure food safety systems are in place <b>starting from the source</b> of our ingredients thru <b>audits and certification</b> across all our <b>vendors</b></p>	<p><b>Responsibly source key ingredients</b> from suppliers</p> <p>Ensure <b>customer satisfaction</b> with the overall restaurant experience, including food quality and service</p>	<p>Provide customers with a variety of options, by ensuring that our brands offer <b>meal choices</b> that are in line with <b>JFC's Global Nutritional Criteria</b>, and the World Health Organization's dietary guidelines, starting with Jollibee Key markets.</p> <p>Remove <b>artificial flavors, added colors from artificial sources, Partially Hydrogenated Oils (PHOs), and Transfat</b> from our main menu products, as well as <b>reduce artificial preservatives where possible</b>, starting with the Jollibee key markets.</p> <p>Provide consumers <b>access to information</b> on allergens and nutritional content</p> <p>Accelerate our Commitment to <b>Responsible Marketing</b> of Products</p>	<p>Provide all employees with <b>training and development</b> that empowers them to achieve career milestones</p> <p>Target for <b>high employee engagement</b> as we aim for everyone's experience in the organization to be an optimal and joyful one</p> <p>Provide <b>equal opportunities</b> across diverse sets of people, regardless of gender, ethnicity, age, and vulnerability</p> <p>Foster a <b>zero-discrimination</b> environment</p> <p>Provide <b>employment opportunities to vulnerable</b> sectors</p>	<p>Provide farmers with <b>access to training and education</b></p> <p>Source vegetables directly from smallholder farmers, providing more farmers <b>access to fair market</b></p>	<p>Provide <b>food relief and support</b> to communities in need</p> <p>Provide additional underprivileged youth with growth opportunities through <b>educational scholarship</b></p>	<p>Uphold <b>good governance</b>, respect human rights, and exercise ethical practices across the organization</p>	<p>Improve <b>packaging sustainability</b> across our operations</p>	<p>Reduce <b>food loss and waste to landfill</b> in the <b>manufacturing process</b>, and <b>reduce food waste in stores</b></p>	<p>Reduce <b>energy consumption</b> in the manufacturing process</p> <p>Execute <b>energy-saving initiatives</b> to reduce energy consumption in our stores</p> <p>Reduce <b>water consumption</b> in the manufacturing process</p>
			   	   	    				  

# Our Commitment to the U.N. Sustainable Development Goals

2-22



Jollibee is committed to positively impacting our local communities and the world. This unwavering commitment to global sustainability is the driving force of our sustainability agenda, anchored on the U.N.'s Sustainable Development Goals.

Our sustainability programs focus on improving the quality of life of the communities we serve and contributing to a sustainable future. We are committed to building a better world for everyone, one meal at a time.





# FOOD

We Serve Food That People Trust

**Food safety, quality, and nutrition are our anchors in earning the trust of our customers as we serve great-tasting food loved by millions**

Our main product is food that nourishes and gives joy to people. Over the past 45 years, we have had the privilege of serving millions of loyal customers. We are aware that this level of trust that was earned by us is based on three key factors: food safety, food quality, nutrition and transparency. These pillars serve as our roadmap as we continue to serve great-tasting food that people enjoy and trust.

We ensure the quality and safety of our products from farm to fork. With our organization's experience, and use of cutting-edge technology, we have advanced tremendously through the years. Our Quality Management Division works closely with all our business units, partners, vendors, and franchisees to implement best-in-class food safety and quality practices. We likewise promote proactive compliance with Food Safety and Quality regulatory requirements across all operations.



## Food Safety In Our Operations

FB-RN-250a.1  
414-2

To ensure the food we serve is safe for every customer, we conduct Quality and Safety inspections in all areas of our operations – stores, manufacturing, and logistics. This

process guarantees all incoming raw and packaging materials and outbound finished goods conform to quality specifications and consistency standards.



### Stores

#### Food Service, Cleanliness and Condition Risk Management

416-2

Addressing food safety and quality violations is a priority for all our brands. We have a well-defined process to respond swiftly and appropriately to different levels of non-compliance to food standards and the criticality or severity of the non-compliance. This process allows us to safeguard our customers' and employees' health

and safety while protecting our reputation as a business.

**Guiding us in responding to food safety and quality issues is the FSC Risk Management Framework, which is based on ISO 31000. All our business units are required to use the framework to incorporate risk management in the**

different levels of the organization. We also progressively evaluate and improve our Food Safety and Quality (FSQ) Governance framework by validating and verifying FSQ compliance across the organization while advocating the reasons for change and promoting opportunities for continual improvement.

# FOOD SAFETY

Protecting public health and maintaining customer trust are of paramount importance for a global company with an untarnished reputation for excellence. This is why food safety is already part of our DNA. Across all our brands, we go to great lengths to ensure that all our practices – from food production and handling to processing and distribution – fully protect our customers from contaminants or adverse food-related issues.

### FSC AUDITS

We require our restaurants to employ best management practices in five areas: Food, Service, Cleanliness, Condition, and Food Safety. To assess our performance, we require all Jollibee Group stores across the globe to undergo onsite Food, Service, and Cleanliness audits, also called the FSC Validation system, which employs a customer-first mindset. Our Global Quality Management Division or third-party partner agencies conduct these audits annually.



In 2022, we conducted:



**Over 15,014**  
**Food Service Cleanliness & Condition Audits**  
across our stores worldwide



**Over 125,628**  
**online training hours**  
focused on Food Service Cleanliness Condition

### Yearly FSC Star Awards

**Achieving the highest quality of food, service and cleanliness is a way of life for all employees of Jollibee Group.** Delivering this on a consistent basis, day in and day out regardless of the challenges in our stores, our teams endeavor to provide consistent excellent FSC. This daily effort requires the best from each individual and team. Which is why we match our recognition program, called the Annual FSC Star Awards, with the amount of effort needed to deliver FSC. It is the most prestigious and coveted recognition program within the Jollibee Group and is a testament to our unwavering commitment to Food Quality and Safety. This event started in 1988, two years after the launch of FSC standards in Jollibee. Since then, the annual awards have been adopted by JFC brands worldwide and continue to be a source of pride and motivation for improvement for our stores.



### World Food Safety Day

In June 2022, we celebrated World Food Safety Day through webinars and activities designed to address food safety challenges and their impact on human health. With the theme “Safer Food, Better World,” this learning and advocacy series of events was held in line with the World Health Organization’s observance of World Food Safety Day, now on its fourth year. The World Health Organization and Food & Agricultural Organization (WHO-FAO) even featured Jollibee Group’s series of activities on their website. According to the WHO, “if we are to ensure sustainable safe food, it must be produced and consumed within sustainable food systems” – an ideal shared by Jollibee Group.

Safer Food, Better Health

# WORLD FOOD SAFETY DAY 2022

## SAVE THE DATES

**07 JUN Webinar**  
Listen to our industry experts as they talk about Cleanliness maintenance in the face of manpower issues during the pandemic.

**08 JUN It's A Match!**  
Experience learning while having fun as we launch a Food Safety themed game

**09 JUN 45 Sec Food Safety Challenge**  
Can't get enough of doing challenges? Now is your turn to do one and the best part is you get to share your own Food Safety Best Practices. Stay tuned!

### Manufacturing

We are committed to achieving world-class manufacturing standards and providing safe and quality products to our customers by ensuring that our manufacturing, storage and product-delivery systems meet the highest food safety and quality standards and conform to statutory, regulatory and mutually agreed customer requirements.



### Food Safety Certifications

FB-RN-430a.1

We conduct and adhere to internal and external product quality and safety audits and standards in line with our commitment to applying industry best practices. All Jollibee Group manufacturing plants, also known as commissaries, have a well-established Hazards Analysis and Critical Control Points (HACCP) System, a systematic approach to identifying and correcting potential hazards in manufacturing.

**As of 2022, 100% of our commissaries have their own internal audit system adhering to at least one external globally-recognized standard such as Food Safety System Certification (FSSC), Safe Quality Foods (SQF) standard, ISO22000 etc.**

Our internally developed standard, the “Food Safety Quality Management System” (FSQMS), is based on FSSC 22000, and internal standards on process and specifications of commissaries. The FSQMS is a risk-based assessment that ensures the effectiveness of food safety and quality systems and consistency of execution. It also focuses on potential risks and corresponding controls that will drive actionable process improvements and business continuity. All of our manufacturing sites globally undergo our FSQMS audit yearly which is conducted by Quality Management as part of the governance and validation system of Jollibee Group from farm to fork.

We also ensure that the majority of our commissaries have third-party certifications, which help us align our supply chains with global food safety standards. 94% of our commissaries have certifications from audits conducted by third-party auditors (outside JFC) based on Global Food Safety Initiative (GFSI) recognized schemes such as FSSC and SQF. Some on HACCP and ISO 22000.

In addition, Jollibee Worldwide Services-Logistics (JWSL) Bicutan, the distribution arm of Jollibee Group in the Philippines, holds multiple Food Safety and Quality Systems Certifications, namely FSSC-Q, ISO Quality Management System, Transported Asset Protection Association Facility Security Requirement Level A (TAPA), and Occupational Health & Safety Standard.

**We ensure that all our manufacturing sites undergo stringent certifications and audits on quality and safety.**

Certification on Product Quality & Safety Standards	Description	% of Sites
Internal Audits	JFC Food Safety & Quality Management System	100%
Second Party Audits	JFC Food Safety & Quality Management System, based on FSSC 22000 and internal processes	100%
Third-Party Certification Audit	GFSI-Recognized Standards such as FSSC 22000, SQF, and other standards HACCP, ISO 22000	94%

## Contingency plans and control systems

To minimize supply and internal manufacturing risks, our manufacturing facilities provide multiple backups for continued normal operations. In the event of machine component failure in any of our production lines, sufficient backup capacities are always available from other machines.

Similarly, backup capacity is available for our utility equipment for downtimes or extended power interruptions. These include the commissaries' electricity, steam, water, compressed air, LPG, and refrigeration systems. All of our

plants' utility systems are constantly maintained and monitored to ensure high availability and reliability.

All our commissary sites in the Philippines, which produce the majority of our products globally, are regularly assessed on their Business Continuity Plans (BCP) to ensure that critical business functions proceed in cases of plant interruptions. In the event of calamities, including fire, typhoons, and other geo-hazards, our sites are adequately equipped and ready to respond with properly trained emergency response teams.

Jollibee Group's Quality Management and Manufacturing Sites are represented in the Philippine Chamber of Food Manufacturers, Inc. the principal organization of the manufacturers and distributors of food products in the Philippines. This group is responsible for providing consumers with safe, nutritious, affordable processed food products that comply with local and international standards and regulations.

## Logistics

Meeting food safety standards is crucial in our food products' transport, storage, and distribution.

To consistently provide products that meet customer and regulatory requirements, we ensure that 100% of our third-party logistics providers in the Philippines have earned ISO 9001 Quality Management Systems certification. They also meet the criteria set in TAPA, thereby preventing supply pilferage and theft. We also conduct regular fire safety audits for our distribution centers to assess fire risks in warehouses and trucker audits to evaluate trucker capabilities in upholding product quality, security, and integrity during deliveries. All three of our logistics centers in China have undergone Year End Inventory count audits conducted by Ernst & Young.



## Food Safety Verification System

Jollibee Group implements an agile supply chain audit system. Using a risk-based and flexible methodology, our teams are able to thoroughly verify the food safety and quality systems of our suppliers, commissaries, and distribution centers. We likewise conduct annual risk assessments to determine the mode of audit, which can be onsite,

remote, blended, or based on desk or document submission (e.g., video calls at the production line). We tailor fit the mode of audit based on the store's needs, as well as the season or external conditions during the audit period.

In 2022, we introduced an annual Food Safety Assessment program,

enabling area managers to help remotely evaluate each store's performance. The program, which covers 100% of Jollibee Group's stores, requires sampling of materials for traceability during an audit.

## Food Safety for Vendors

FB-RN-430a.3, 414-1

### Accreditation, Certification and Audits

#### Vendor Accreditation

Jollibee Group utilizes Ivalua as its global integration and collaborative procurement platform. This online system was chosen to achieve four next-level goals: improve global governance, ensure overall food safety and standard quality, build sustainable supply and provide the overall best value for stakeholders. The Ivalua platform features

comprehensive and fully digitized processes in end-to-end procedures including supplier accreditation, database management, and performance tracking. The system also empowers both the purchasing team and the suppliers to monitor suppliers' actions from accreditation to delivery performances.

# 100%

of JFC Vendors  
have undergone  
JFC's rigorous  
Accreditation Process







## Learning and Competency Programs

Our vendors must undergo learning and competency programs to update their knowledge of food safety systems. The required training programs we offer for external vendors are summarized in the table below:

- I JFC Vendor Food Safety and Quality Management System (FSQMS) Expectation** - JFC FSQ standards for audit and Quality Assurance, held annually
- I New Supplier FSQMS Orientation** - Onboarding Introduction of JFC QM Supply Chain to gain knowledge of our Vendor Quality Management, Food Safety and Quality Management system standards, and Agile Audit System
- I Orientation to Veeva** - Orientation on how to use the Veeva platform, which houses the e-QMS system. This is part of our digitization initiative to elevate the QMS processes, which includes the Audit System, Nonconformity and CAR system, and Recall and Document Control System for submission of requirements.
- I Quarterly JFC Supplier Onboarding** - Provides an overview of JFC, Procurement, and Source-to-Pay policies and processes of JFC, including supplier performance assessment (which includes Quality Rating)
- I HACCP Program Development Workshop** – training support provided to small & medium -scale food suppliers to enable them to comply to JFC FSQ requirements
- I 8Ds of Problem-Solving** – to improve vendors' capability to address root causes of FSQ non-conformities and define effective corrective action plans
- I Good Agricultural Practices** – training course provided to fresh produce farmers in partnership with the Department of Agriculture to help them qualify in the JFC vendor accreditation process.

## Vendor Certification and Audits

308-1, 308-2, 414-1, 414-2

The Jollibee Group requires all vendors to undergo audits and certifications to ensure that food safety systems are in place, starting from sourcing ingredients. 100% of our vendors are assessed at least once a year thru our Food Safety and Quality Management System (FSQMS). FSQMS is an internally-developed standard where all vendors are assessed based on risk analysis that incorporates performances from previous years.

Our vegetable farmers must have the necessary certifications and comply with Good Agricultural Practices (GAP). Meanwhile, our poultry, meat, and egg suppliers must comply with Good Animal Husbandry Practices (GAHP). These audits and certifications assure us that our vendors' farms are well-maintained and can consistently produce safe and quality agricultural products.

**We also require vendors to secure certification from external sources such as those recognized by The Global Food Safety Initiative**

**(GFSI), including FSSC22000, BRC, HACCP, and ISO 9001.**

Moreover, to continue doing business with JFC, external suppliers need to have a HACCP system in place and be certified by a third party. In 2022, 91% of our suppliers had third-party certifications.

**By the end of 2023, all of our food and packaging vendors will be required to comply with sustainability and HALAL requirements, which will be part of JFC's 2023 FSQMS standards.**

**We ensure that our vendors undergo internal and external certifications and audits yearly.**

FB-RN-250a.1

Certification & Audits for Vendors*	Description	% of Vendors
Internally Developed Standards	JFC Food Safety Quality Management System	100%
External Standards	Global Food Safety Initiative (GFSI) Recognized Standards such as FSSC, BRC, HACCP, ISO	91%

\*Global & Local Suppliers



# FOOD QUALITY

Food quality is at the core of operations at Jollibee Group. Everything we do is designed to make our customers happy, so we take all the steps needed to strengthen responsible sourcing from farm to fork. We ensure that our suppliers provide the highest quality ingredients, so we can consistently achieve the high food standards our customers have come to expect from our brands.

## Customer Satisfaction

### Voice of the Customer

At Jollibee Group, customer satisfaction will always come first. From ensuring food quality to achieving service excellence, our goal is to provide a remarkable restaurant experience that brings joy to our customers. That is why listening and learning from our customers is vital to our everyday operations.

The Voice of the Customer (VOC) is a critical element of Jollibee Group's quality management to protect our customer relationships. **We carefully listen to customer feedback, understand their good or bad experiences, and**

**learn from their expectations and assumptions.** We capture the VOC via the Customer Satisfaction Survey (CSAT) and the Feedback Management System.

### Customer Satisfaction Survey

We initially administered CSAT surveys in paper format but responded to customers' changing behaviors using various online platforms across Jollibee's brands. As a result, we already achieved 100% deployment of Online CSAT Survey platform, across JFC brands globally.

The survey includes two key metrics to gauge customer satisfaction and loyalty: Net Promoter Score (NPS) and Overall Customer Satisfaction. **An indicator of the possibility of repeat business, the NPS measures the likelihood of customers recommending our brand, products, and services to a family, relative, or friend. On the other hand, the Overall Customer Satisfaction metric quantifies how well our brand meets or surpasses customer expectations.**

In 2022, the Jollibee Group recorded remarkable Net Promoter Scores, surpassing the industry benchmark of 50. This achievement shows that our customers are satisfied with their experience and loyal to Jollibee's global brands.



**Our Global Net Promoter Score of 82 surpassed the industry benchmark of 50, showcasing our customers' satisfaction and loyalty to our brands worldwide**

*\*included in the scope are 10 of our 17 key brands globally*



## Feedback Management System

416-1, 417-2

JFC has omni-channels to capture feedback from complaints, commendations, inquiries, and suggestions. These include in-store surveys, in-app surveys, delivery websites, email intercepts, and social media.

As captured feedback allows us to assess customer experience in different touchpoints, we further improve our established procedures and guidelines to increase the feedback we generate while ensuring that they are communicated to the proper resolution owner/s within 24 hours. **Our enhanced feedback procedures allow us to implement effective customer recovery and execute appropriate actions for involved parties.**

416-2

Customer Health & Safety*	2022
Number of substantiated complaints on product or service health and safety	5238
% of complaints addressed	93.63

\*included in the scope are Philippines, China, Middle East and Asia, and North America operations

417-2, 417-3

Marketing and Labeling*	2022
Number of complaints on marketing and labeling	385
Number of complaints on marketing and labeling addressed	98.96

\*Philippines

## Food-related Awards

### Chickenjoy Proclaimed as the Best Fried Chicken in America by Eater.com

Jollibee Chickenjoy has been named "the best chain fried chicken in America" by Eater.com, an international food website by Vox Media. The distinction comes after Jollibee's Chickenjoy bested over 15 global brands in four rounds of contests.

On Jollibee's win, Eater.com's Special Projects Editor, Lesley Suter, wrote: "The subtly seasoned skin is as tectonically crunchy as advertised, if loosely attached in such a way as to be able to slide off an entire hunk with one bite... **But the real surprise here was the chicken itself: satisfyingly light, flavorful in a 'tastes like chicken' sort of way, and supremely moist.**"



Customer Management*	2022
Total number of complaints captured**	126,503
Total number of invalid complaints	25,498
Total number of valid complaints	49,289
Food (as product)	10,404
Customer service	32,165
Safety	662
Store cleanliness	1,256
Others	4,802
Total number of complaints addressed	122,855
CPMT (complaints per million transactions)	181
% complaints over number of transactions	0.018%
Feedback closure rates	90

\*included in the scope are Philippines, China, EMEA and North America operation

\*\*Total number of complaints captured covers January - August 2022 data

## Jollibee named 2022 Favorite Fast-Food Restaurant by Hong Kong-Based U-Magazine

Homegrown restaurant brand Jollibee was named by Hong Kong-based publication U-Magazine as the “Favorite Fast-Food Restaurant” in Hong Kong, following a voting process involving over 30,000 respondents.

U Magazine is a popular travel and lifestyle magazine in Hong Kong covering various topics, including the food scene in the city. It has held the U Favorite Food Awards for 16 years to recognize Hong Kong’s food service industry leaders. This year’s awards centered on the theme “Delicious and Enjoyable,” which signifies the importance of delicious food in uniting people’s national conditions and sharing happiness.

**Jollibee now operates 20 stores in Hong Kong, successfully winning over the local Hong Kong market.**



## Jollibee Group Brands named among America’s Favorite Restaurant Chains

**Jollibee, Chowking, Smashburger, and The Coffee Bean & Tea Leaf (CBTL) made it to the list of America’s Favorite Restaurant Chains for 2023.**

Newsweek, a premier news magazine and website, together with global data firm Statista, named all four brands as among the best in their selected categories. The 2023 ranking was determined based on the results of an independent survey among over 4,000 customers and employees of restaurant chains in the United States. The respondents were asked to indicate which restaurant chains they would recommend among three ethnic cuisines and 13 dish categories.

The three ethnic cuisines include Chinese, Italian, and Tex-Mex; while the 13 dish categories consist of BBQ, burgers, chicken, coffee/tea/baked goods, ice cream/frozen yogurt, juice and smoothies, noodles and ramen, pizza, sandwiches, seafood, soup, steak, and Sushi.

Jollibee was cited in the chicken category, Smashburger for burgers, CBTL for tea and coffee, and Chowking for Chinese cuisine Category.

The survey respondents rated their experience with the restaurant chains using these nine assessment criteria: taste, cleanliness, hygiene and COVID-19 measures, transparency about ingredients, location, dealing with environmental issues, accessibility, service quality, and treatment of employees.





The Jollibee Group continues to spread Pinoy pride in the US! Newsweek, a premier news magazine and website, together with global data firm Statista, named Jollibee, Chowking, Smashburger, and The Coffee Bean & Tea Leaf (CBTL) as among the best in their selected categories.

 <b>Jollibee</b>  <b>Chicken Category</b>	 <b>Smash BURGER</b>  <b>Burger Category</b>	 <b>COFFEE BEAN &amp; TEA LEAF</b>  <b>Coffee and Tea / Baked Goods Category</b>	 <b>Chowking 超群</b>  <b>Chinese Cuisine, and Noodles and Ramen Category</b>
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

## Smashburger's Chorizo Cheeseburger receives a BASES Menu Innovation Award



With the ongoing effects of the pandemic on consumer behavior, most consumers are becoming more conscious and mindful of their decisions and its impact on their lifestyles.

Restaurant brands are faced with the challenge of making products that are attractive to the ever-changing consumer.

The BASES North America Menu Innovation Awards of NielsenIQ recognize and celebrate standout restaurant innovations that continue to win over consumers.

Among its winners is **Smashburger's Chorizo Cheeseburger in collaboration with Chef Rick Bayless.**

Smashburger's first-ever Mexican-inspired burger is made with Certified Angus Beef, topped with V&V Supremo's all-natural Mexican-style pork chorizo, and layered with melted cheddar cheese, house-made jalapeño pico de gallo, lettuce, and mayo, and served on a toasted chipotle bun.

Winners of the BASES Menu Innovation Awards are examples of how restaurants dedicate time to understanding what consumers need and exploring ways to connect with them.

## Responsible Sourcing

JFC is committed to responsible sourcing key food categories that are materially important to our business and can impact our people, food and planet goals.

**In 2023 we will create and deploy a responsible sourcing program for focused categories: Poultry, Beef, Packaging (Fiber, Resin), Palm Oil, Coffee, Dairy, and Agricultural products (vegetables). Our focus will be on creating a baseline and setting targets and goals for future years by partnering across our value chain.**





# NUTRITION & TRANSPARENCY

Balancing great taste with nutritional value is essential to our vision of a sustainable future. To bring the joy of eating to everyone today and tomorrow, we commit to enhancing our products' nutritional content, limiting artificial ingredients, and widening our customer's access to accurate product information and ethical marketing practices.

## Nutritional Content

FB-RN-260a.1, FB-RN-260a.2, FB-RN-260a.3

Our utmost commitment is to serve great-tasting, safe food that people trust. **Our strategy revolves around continuously improving the nutrient profile of our products, offering choices, and providing better transparency in line with our customers evolving needs.**

**Our goal is to provide customers** with a variety of options by ensuring that our brands offer meal choices that are in line with JFC's Global

Nutritional Criteria, and the World Health Organization's dietary guidelines, starting with Jollibee Key markets.

We will track our progress through JFC's Global Nutritional Criteria, which is measured by the number of meal options that are 750 calories or less. We will also identify sodium, sugar, and fat reduction initiatives per the World Health Organization's

dietary guidelines for adults. In addition, we are in the process of expanding our scope across our brands globally.

As part of our internal review, we have identified 20 new meals that have a calorie count of 750 or less, which we will begin to offer in key Jollibee Markets in 2023. We are in the process of expanding our scope across our brands globally.



## Artificial Ingredients

We require our operations worldwide to comply with regulatory requirements on food and nutrition. **Moreover, we strive to continue improving the nutrient profile of our food by removing or reducing artificial ingredients.**

We aim to remove artificial flavors, added colors from artificial sources, Partially Hydrogenated Oils (PHOs), and Trans-fat from our main menu products, as well as reduce artificial preservatives where possible, starting with Jollibee's key markets. Today, all Jollibee products are free of Trans-fat and PHOs. We are in the process of expanding our scope across our brands globally.

### New Product Developments

Jollibee Singapore started its plant-based product initiative by introducing the Jolly Zero Beef Burger, a plant-based burger, as a limited-time offer. **It was our top 2 selling burger during its launch month and won the Vegan Great Taste Award from People for the Ethical Treatment of Animals (PETA).**



**jack & annie's**

Smashburger in the US recently announced its partnership with Jack & Annie's, an alternative meat brand also based in Colorado, to introduce its limited edition plant-based burger. They are testing a **jackfruit-based veggie burger that can be substituted for any traditional protein option in all Smashburger menu items**, at locations in New York, New Jersey and Colorado.

## Access to Allergen and Nutritional Content Information

Another aspect of ensuring food safety is managing our products' allergen and nutritional contents and providing accessible disclosure to guide customers in their food choices.

Our Allergen Management Program provides customers with information on our products' allergen and nutritional content. The JFC Allergen Management Program sets the holistic framework for controlling allergenic materials across Jollibee Group's Food Chain and providing customers with the necessary information.

Allergen Management is now part of the Food Safety Assessment done by our Quality Management department. As a result, we started evaluating our products' allergen and nutritional contents and creating an allergen matrix that allows us to quickly determine which of our products contain significant allergens.

**All our Philippine brands' allergen information is accessible through their respective websites.** Moreover, we conducted training programs in our Philippine stores and commissaries to empower front-line personnel and managers to readily and adequately answer customers' allergen-related queries. The training covered the program's rationale, allergen management

concepts, communication spiels, food allergens, intolerance characteristics, and other related policies. We also established store protocols for the operations team to follow in responding to allergen inquiries or complaints.

**Our North America and Europe brands declare allergen content as required by law in these regions. In the United Kingdom, our stores started the implementation of calorie labeling in menu items in 2022. In North America, all the nutritional information and calorie counts for all our brands are available in the restaurant and accessible through the brand website.**

Across all our brands in China, all pre-packaged food used has nutrition labels.

For our North America-Canada stores, we will implement the Canada front-of-package (FOP) nutrition symbol for retail products that meet or exceed the threshold for the daily value of saturated fat, sugar, or sodium. This new policy will take effect by 2026.





## Research and Development

To fulfill our long-term commitment to providing safe and nutritious food to customers, our company invests in research and development (R&D). Combining culinary arts and food science to achieve superiority in food innovation, our R&D departments worldwide support our mission to develop and serve delicious, quality, safe, sustainable, best-tasting food with good value for money that everyone can enjoy.

**Our R&D teams focus on improving our products, integrating classic home flavors of various cuisines, and optimizing kitchen and service operations.**

R&D contributes to the overall strategies of JFC through the following initiatives:

- Ensuring quality from suppliers
- Creating new innovative products
- Establishing product standards
- Promoting sustainability for long-term business viability
- Supporting network and business channels expansion to accelerate growth
- Building world-class research and development capabilities grounded in JFC values and culture

In the product development process, Jollibee Group listens to the voice of different stakeholders, including:

- **Suppliers:** Materials availability and capability of suppliers
- **Commissary:** Capability of manufacturing/commissary to make the food product consistently
- **Stores:** Procedures or restaurant systems that need to be developed to improve or optimize kitchen procedures and equipment
- **Customers:** Consumer acceptability. Results of in-store surveys are presented to R&D for insights and solutions.

In response to stakeholder feedback, our R&D departments create strategic initiatives and action plans that address the concerns of different stakeholders.

We continue strengthening our research and development team by implementing regular talent reviews and providing learning opportunities, including food science, food engineering, and business competency training.

We also ensure that subject matter experts are involved in the research and development of all our brands. For example, we have food technologists, bakery scientists, and nutritionists who are all experts in Flour Technology, Cake and Bread Technology, Dairy Science, Chocolate Technology, Food Science, and Commercial Baking.

**We have a strong team of R&D experts assigned to every country and brand globally. JFC also provides technical R&D support to suppliers and all commissaries around the globe.** For the North American region, JFC prioritizes expanding and upgrading the R&D research center and testing kitchens for Jollibee, Red Ribbon, and Chowking.

# OUR FOOD GOALS

PILLAR	FOCUS AREAS	JOLLIBEE GROUP	
		GOALS	STATUS
FOOD	 Food Safety	Continue to serve great tasting and safe foods through rigorous audits and certifications yearly across all our stores, commissaries, and logistics	<b>100% of our stores, commissaries, and logistics worldwide</b> undergo various internal and/or third-party assessments yearly.  Scope: Covered in the scope are 12/17 key brands for stores, 16/16 manufacturing plants, and 3/6 Logistics Centers
		Ensure food safety systems are in place starting from the source of our ingredients thru audits and certification across all our vendors	<b>100% of our global vendors</b> worldwide undergo an internal audit at least once a year, and 91% have undergone a third-party certification  Scope: Global Vendors
FOOD	 Food Quality	Responsibly source key ingredients from suppliers	In 2023, we will create and deploy a responsible sourcing program for focused categories: <b>Poultry, Beef, Packaging (Fiber, Resin), Palm Oil, Coffee, Dairy, Agricultural products (vegetables).</b> Our focus will be on creating a baseline and setting targets and goals for future years by partnering across our value chain.
		Ensure customer satisfaction with the overall restaurant experience, including food quality and service	We achieved a global average <b>Net Promoter Score of 82</b> , with all our brands individually exceeding the global industry benchmark of <b>50</b>  Scope: Covered in the scope are 10/17 key brands
FOOD	 We serve Food People Trust	Provide customers with a variety of options, by ensuring that our brands offer meal choices that are in line with JFC's Global Nutritional Criteria, and the World Health Organization's dietary guidelines, starting with Jollibee Key markets.	As part of our internal review, we have identified <b>20 new meals that have a calorie count of 750 or less</b> , which we will begin to offer in key Jollibee Markets in 2023. We are in the process of expanding our scope across our brands globally.  Number and variety of meals vary per country
		Remove artificial flavors, added colors from artificial sources, Partially Hydrogenated Oils (PHOs), and Transfat from our main menu products, as well as reduce artificial preservatives where possible, starting with the Jollibee key markets.	Scope: Jollibee Key Markets Philippines, North America, Vietnam, UK  Main menu items
		Provide consumers access to information on allergens and nutritional content	Today, all Jollibee products worldwide are free of Transfat and PHOs. We are working towards expanding our scope across our brands globally.  Scope: Jollibee Key Markets Philippines, North America, Vietnam, UK  Main menu items
		Accelerate our Commitment to Responsible Marketing of Products	The allergen information and nutritional information for all our brands in the USA are accessible thru their websites or stores. In the Philippines, all allergen information for key brands are available thru their websites or stores.  Scope: North America - 6/6 brands Philippines - 7/11 brands  Excluded: EMEAA, China
FOOD	 Nutrition & Transparency	Provide consumers access to information on allergen and nutritional content	Scope: North America - 6/6 brands Philippines - 7/11 brands  Excluded: EMEAA, China
		Accelerate our Commitment to Responsible Marketing of Products	TBC: We are mindful of responsible marketing practices and comply with the local laws and regulations on marketing communication compliance within the country in which we operate.  Scope: Wholly Owned Brands (8)



# PEOPLE

We Help Make People's Lives Better

**We foster an inclusive work environment for the growth and development of our employees, farmers, and communities.**

As we live out our mission of serving great-tasting food, we also nourish the lives of the people we work with—from the employees who help run our business to the farmers who provide fresh produce for our supply chain. Recognizing their invaluable role in advancing our sustainability agenda, we care for employees and farmers

by respecting their rights and fostering an inclusive work environment for their growth and development. Through our programs on farmers' livelihood, food relief, and educational scholarships, we extend joy and hope to more individuals by helping improve the quality of life in our communities.





## Equal Opportunities

**Embedded in the company Values and Code of Business Ethics is our commitment to Diversity and Inclusion (D&I).** The Jollibee Group provides equal opportunities across diverse sets of people, regardless of gender, ethnicity, age, religion, and vulnerability. We respect the dignity of all persons, accord respect to all individuals and do not tolerate any disrespect, discrimination, harassment, violence or intimidation. We strive to be inclusive, we do not discriminate, and we embrace diversity. We make decisions based on merit, as well as recognize and respect differences in cultures and beliefs.

In addition, we endeavor to maintain a working environment that is free from any form of harassment, intimidation, and discrimination.

We institutionalized the D&I function to surface and eliminate unconscious biases in the employee lifecycle and customer experience journey. For our operations in North America, we updated our recruitment process by ensuring that our job postings and images reflect a diverse, multicultural approach. We also aim to significantly increase the diversity in our workforce in Europe, the Middle East, Asia, and

Australia (EMEAA) by reflecting the markets in which we operate.

We prohibit unlawful discrimination against applicants, prospective applicants, or employees based on but not limited to: race, sex (including pregnancy, lactation, childbirth, or related medical condition), religious creed, marital status, national origin or ancestry, age, citizenship status, physical or mental disability, genetic information, sexual orientation, gender, gender identity, gender expression, military or veteran status, or any other applicable status protected by federal, state, provincial or local law.



# EMPLOYEE WELFARE

We provide equal employment opportunities to everyone based on merit and ability. As a global company, the Jollibee Group considers equity and inclusion a driver of long-term growth. To foster a zero-discrimination work environment, we ensure diversity in hiring, promote an inclusive culture, and provide all employees with training and development opportunities that empower them to achieve career highs.

**Cynthia Castro, Finance Head of Jollibee Group's Philippine Region and Jollibee Philippines, was the sole Filipina to reach the final round of the Asia Pacific-Finance Category of the 2022 WeQual Awards.**

For its efforts in promoting strong career advancement opportunities for women and correcting gender inequities, Jollibee Group was awarded as one of **Forbes' World's Top Female-Friendly Companies** in 2021. JFC was the only Philippine-based company that made it to the list, which highlights companies leading the way in supporting women inside and outside their workforces. The list reflects the top companies that received the highest total scores from their employees' ratings on various gender-related topics such as pay equity, parental leave, corporate responsibility, marketing campaigns, and public perception, as well as their willingness to recommend their employers to others.

In the 2022 **WeQual Awards**, the Finance Head of Jollibee Group's Philippine Region and Jollibee Philippines, Cynthia Castro, was recognized by WeQual among the global finalists. Castro was the sole Filipino to reach the final round of the award's Asia Pacific-Finance Category. The WeQual Awards were created to accelerate gender parity at the top tier of the largest companies in the world. All entries are anonymously assessed to guarantee objectivity in the evaluation process. In addition, WeQual finalists gain access to the WeQual network, which seeks to support and facilitate career progression among women through peer-to-peer coaching and forums. Affirming its commitment to being a best-in-class workplace, Jollibee Group continues to encourage an environment that provides growth and holistic support to female employees worldwide.



**Women comprise 59% of our management position and 51% of the workforce.** These roles span regional and global functions in General Management, Legal Services, Business Technology, Research & Development, Quality Management, Marketing, and Jollibee Worldwide Services, among many others. Beyond embodying a culture where women can thrive,

the Jollibee Group has policies to support and protect women's welfare inside and outside the workplace.

Aside from providing special leaves for women, the company also has a policy that provides leave privileges for solo female parents. The company recognizes the need to protect the family and its members, particularly women and

children, from violence and threats to their safety and security. In the Philippines, the company provides paid leave benefits to female employees to allow them to attend to medical and legal concerns related to safety and violence.

**"It wasn't long before I decided to return to Jollibee in 1993 as an Area Manager. JFC has values aligned with mine and a culture that I didn't find in the other company,"**  
- Beth Dela Cruz

Dela Cruz started as a Jollibee management trainee in 1986 and later became a store manager before leaving to pursue a career in another company.

In 2020, she was named one of the Top 50 Most Influential Women in the US Foodservice Industry.



L-R: Atty. Valerie Amante, VP and Global General Counsel & Ethics Head; Beth Dela Cruz, President for Philippine Brands in North America; and Wally Mateo, VP & Global Quality Management Head

**"Women leaders thrive and succeed in the company because we are not treated as 'women leaders' but as leaders. I am also a Person with a Disability. Just like gender, this has never been a point of discussion. It is always about merit,"**  
- Atty. Valerie Amante

Amante was cited as the first Philippine In-House Counsel of the Year in 2016 by Asian Legal Business.

**"JFC has a culture that allows us to demonstrate our technical capabilities and lead transformational changes. I was empowered to drive the growth and maturity of the company in food safety, quality assurance, and customer experience management."**  
- Wally Matteo

Under her leadership, Jollibee Group's Central Quality Management team won the International Best Practice Competition in Abu Dhabi in 2018. Mateo was also named Quality Manager of the Year by the Philippine Society of Quality.



## Hiring and Retention

FB-RN-310a.1  
2-7, 401-1

**We make room for diverse individuals with the skills, capabilities, and potential to succeed in varied functions—from the crew to leadership positions.**

To achieve this, we implement fair hiring practices and maintain a healthy level of turnover. Currently, we have a total of 19,224 employees across Philippines, China, Vietnam, United Kingdom, USA (Philippine Brands), and Canada (Philippine Brands).

In 2022, along with COVID-19 pandemic restrictions, new

challenges emerged, such as candidates' travel restrictions and evolving work set-up preferences. We used insights from roundtable discussions and employee surveys to address these challenges and strengthen our employee value proposition. We improved our talent acquisition process by adapting virtual job interviews for a safe and efficient hiring process. We also created a mobile-friendly version of online exams to encourage candidates limited by travel restrictions or lack of technological equipment.

As our employees are the most credible source of information regarding our work culture and environment, we coached our store members to become our employer brand ambassadors. Our team members are encouraged to share their experiences working at Jollibee Group. In line with this, we implemented employee referral programs in some areas of operation.



## Employment Opportunities for Vulnerable Sectors

We endeavor to create positions and adapt job functions to accommodate qualified members from our society's vulnerable sector, including underprivileged youth, elderly persons, and persons with disabilities.

Our Access, Curriculum, Employability (ACE) Scholarship Program, thru the Jollibee Group Foundation, involves partnerships with technical-vocational skills training institutions to mentor indigent out-of-school students on Quick Service Restaurant Operations (QSRO) and Agro-entrepreneurship to gain employment.

**Since 2005, over 2,200 underprivileged youth in the Philippines have been supported with scholarships, which help open up employment opportunities inside or outside the company.**

In our largest brand in China, Yonghe King, 40% of the total on-the-job staff came from the disabled community in 2022. We have training programs to remove age discrimination in the workplace. Moreover, to keep elderly workers up-to-date with the latest technologies, we provide continuous learning that equips them with various tech-oriented opportunities. Likewise, we hired 69 persons

with disabilities across all our China brands in 2022.

In the Philippines, Jollibee, Chowking, Greenwich, Burger King, and Red Ribbon partnered with local government units to provide jobs to qualified elderly and differently-abled individuals. They also teamed up with the Foundation of These-Abled Persons, Incorporated (FTI) and the Saint Brother Jaime Hilario Institute of De La Salle-College of Saint Benilde to develop and implement training programs to educate their employees on how to effectively communicate and interact with differently-abled workers, particularly the deaf.

# Zero Discrimination

FB-RN-310a.3  
202-2, 405-1, 406-1

As we provide equal opportunities for all, we strengthen our efforts to fight any form of workplace discrimination against age, health status, disability, gender identity, race, class, ethnicity, and religion, among others. To promote a zero-discrimination environment, we educate employees on the value and benefits of a diverse and inclusive workplace through training on Unconscious Bias (UB), Diversity, Equity, and Inclusion Training, across different parts of the workforce.

Acknowledging the need to expand our zero-discrimination initiatives and training to the rest of the Jollibee Group outside the Philippines, we started rolling out learning sessions on Diversity, Equity, and Inclusion, and Inclusive Leadership for our leaders in selected countries globally.

In addition to this global direction, our operations in Spain will be guided by the Spanish government's Equality Plan.

As women empowerment is part of our Zero Discrimination strategy, in China, we continued conducting the "Private Board of Love," an initiative that started in 2021 to promote equality and empowerment for women in the organization.

Through this company activity, high-performing female employees gather to share their life and work experiences and inspire other female coworkers to excel.

## Training Programs conducted to promote zero-discrimination

	<b>Unconscious Bias training for operations leaders</b>
	<b>Inclusive Leadership training</b>
	<b>Diversity, Equity, and Inclusion training</b>
	<b>Inclusive language communications materials</b>
	<b>Unconscious Bias training for store leaders and recruiters</b>
	<b>Diversity Policy dissemination Onboarding</b>
	<b>Equal Opportunity Employer Questionnaire for Onboarding</b>



# Training and Development

404-2, 404-3

Recognizing the importance of the continuous skills development of our employees, we invest time and resources in a comprehensive employee training and development program that empowers employees to achieve career milestones. In addition, we promote internal progression and development by strengthening our employees' skill sets. We also offer more apprenticeship opportunities to grow our talent base.

### Jollibee Group's Talent Philosophy focuses on five main areas:

- We believe that all of our talents are important and that each talent contributes differently to JFC;
- All of our talents are expected to deliver sustained high performance for the Group's continued success;
- We provide differentiated development opportunities for everyone to support their current needs and prepare them for their future roles;
- HR and Line Managers partner with our employees to ensure the achievement of talent outcomes; and
- We support our talents' careers through regular and transparent communication.

We conduct regular talent reviews to keep our employee training relevant and effective. This human resource practice enables us to understand the status of our current employees, examine the likelihood of their departure, plan development opportunities that can help retain them, and set up cross-training initiatives to promote flexibility within the workforce. Some programs include:

- I Individual Development Plan (IDP)** - 100% of our employees in the Philippines and North America follow an IDP, where each employee goes through development intervention through Exposure, Experience, Environment, or Education (4Es).
- I Mainstream Leadership and Technical Training Programs** – provides leadership and technical skills competency training for employees in the Philippines.
- I Accelerated Development Program** – includes the Future Leaders Program (for high potential fresh graduates or FLP), the Emerging Leaders Program (ELP) for Officers or Restaurant Managers, the Leap Advancement Program (LEAP) for Managers and Area Managers, and Leadership Enrichment through Accelerated Development (LEAD) for Senior Managers and Directors in the Philippines.
- I Holistic Integrated Career Advancement Program** - this is a fast-track developmental program for talents in the Philippines who exhibit high potential and performance. It allows key talents to develop and demonstrate priority

leadership competencies two levels higher than their current roles.

- I Road to King** – an online platform and mobile application was developed to make training and development planning more accessible and convenient. Through this mobile app, 100% of team leaders in China, management trainees, supervisors, associate managers, and senior associate managers completed their customized career development path.
- I Leadership Top 50** - Specialized weekly training and learning session for the top 50 talents in China.
- I JFC China Debate Competition** – an opportunity for young talents in China to showcase their skills in an interactive and fun competition.
- I Love Gatherings** - a venue for female leaders in JFC China to convene and foster strong support systems within the organization.
- I Emerging Leaders program** – conducted in Vietnam to develop key talents in the organization.
- I Area Manager Development Program** – reached 100% completion for the development and growth of Area Managers in Vietnam
- I Crew Certifications** – In the UK, 100% of the crew received certification in

their mother station, and at least 50% cross trained in another station. In Spain, we achieved 100% certification of all crew in the mother station.

**Moreover, we provided training and learning opportunities across the organization depending on the functions and brands unique needs.**

For example, our Research and Development employees attended technical, leadership, and soft skills training and seminars, industry trade shows, and educational and networking conferences. Chowking staff underwent training in traditional Chinese Cuisine. For Greenwich and Red Ribbon, we provided employee technical training on bread, processed meats, and ingredient/flavor technology. Yonghe King conducted raw materials sensory training. In North America, we designed and delivered training programs for new product promotions and operations initiatives of Smashburger, and ensured a 90% certification rate for new team members within the first 30 days of hire.

## Employee Engagement

An engaged workforce plays a vital role in living out our mission to bring the joy of eating to everyone. In addition, an optimal and joyful experience in the organization helps motivate our people to perform better.

activities that promoted camaraderie and fostered company pride.

team building, business reviews, a Loyalty Employee Award, and sports events. In Spain, our employees enjoyed fun activities and bonded over quarterly breakfasts. For our employees in Canada, we conducted regular town hall meetings, thematic events, a National Convention, and employee awards ceremonies.

In 2022, **JFC hit the 70th percentile of Gallup's Q12 Percentile Ranking**, which includes respondents from over 18,000 employees from Philippines, North America, and EMEA - a testament to our highly engaged workforce.

### Employee Engagement Activities

**To measure and maintain high employee engagement, we use Gallup's Q12 employee engagement framework and other surveys to measure engagement across various markets.** Then, we use the data from these surveys to plan and implement a targeted action plan for a better employee experience.

During this reporting year, we conducted various engagement

In the Philippines, we implemented the My Virtual Happy Plan, a framework for customized engagement addressing the holistic needs of employees. We also continued the Global CEO Hour, one of Jollibee Group's notable company-wide initiatives launched in 2021. In this event, CEO Ernesto Tanmantiong reconnects with employees and communicates business updates and plans. In China, we organized town hall meetings to update our employees on company matters and achievements and to recognize top-performing employees. In Vietnam, engagement activities included



#### The Jollibee Group received the Gallup Exceptional Workplace Award in 2020

The award recognizes organizations with the most engaging workplace cultures and puts their employees' strengths and development as their paramount priority. Only given to 38 organizations worldwide, the Jollibee Group was the first-ever Filipino organization to earn this award.

#### For three straight years since, the Jollibee Group bagged the Forbes' World's Best Employers Award from 2020 to 2022.

The Jollibee Group is not only the highest-ranked Philippine-based company in the 2022 listing but also the highest-ranked restaurant company in the world. The award was based on employees' willingness to recommend their employer and their satisfaction with their employer's COVID-19 responses, economic footprint, talent development, gender equality, and social responsibility activities.





### Jollibee Group was ranked among Universum's Most Attractive Employers in the Philippines

in 2022, in a survey of over 9000 college students across 53 universities in the country. Universum Global is an internationally recognized employer branding specialist founded in Sweden with 30 years of experience helping many of the world's best employers attract and retain talent. They conduct the Universum Talent Survey, one of the world's most extensive independent career studies, held annually in different countries.

## Compensation and Benefits

FB-RN-310a.2  
202-1, 401-2, 401-3, 405-2

Acknowledging that fair compensation and benefits contribute to greater job satisfaction, **Jollibee Group strives to provide a total compensation and benefits package that is competitive and at par with the market.** Accordingly, we regularly update our salary structure and consider mandatory wage guidelines and market practices in determining salaries. We also benchmark our benefit structure with industry standards and adjust accordingly to stay within the industry average.

In the Philippines, on top of government-mandated benefits, our employees receive benefits for health and wellness, meals, loans, and transportation. Health

and wellness benefits include a Medical Plan, Outpatient-Medical Reimbursement, Leaves, Insurance, Health & Wellness Reimbursement, and Club Membership. Examples of meal benefits are meal allowance, employee discount, and party discount. For Loans, the organization offers emergency, tuition fee, car maintenance, and dental loans. We also offer mileage and transportation reimbursement, car allowance, and a company car benefit. In addition, our employees enjoy monetization of unused leaves, retirement funds, company stock options, further education opportunities, telecommuting, and flexible working hours.

To boost employees' morale and ensure their safety during the pandemic, the Jollibee Group provided benefits on top of regular pay. For instance, we offered special compensation to employees in areas with high COVID-19 cases. Those that were temporarily not allowed to work were likewise given a special allowance for their daily needs. Additional benefits during the pandemic were the provision of vitamin supplements, telemedicine services, alternative work arrangements, and the Flexible Benefits Program, where certain benefits can be converted into points that could be used to purchase e-vouchers from online markets.

In the United States, Smashburger started conducting wage analysis and developing a wage tool for managers to ensure equitable pay. We embedded into our process a benchmarking stage to provide further analysis of pay equity for all new hires and promotions. In Vietnam, our employees also enjoy various health benefits. We also provided subsistence assistance to employees unable to work due to COVID-19.

In key European markets, we completed salary studies to ensure that we will be competitive against the market as we expand to new areas.

Both our UK (2018) and Spain (2021) businesses are still considered new. Prior to opening these markets, we completed salary studies to ensure that we would be competitive against the market and more prominent competitors. Pay is generally reviewed annually. Both follow the minimum wage requirement and mandatory leaves set by the government. Jollibee UK invested in an HR system, and one of its advantages is implementing changes in salary seamlessly. Jollibee UK operates a voluntary contributory pension scheme. The scheme enables employees to save for retirement using their own money, together with tax

relief and contributions from the company. Employee discounts will be introduced to Jollibee UK this year, aiming to encourage employees to experience the "Joy of Eating" first-hand and enjoy our products together with families and friends.



## Occupational Health and Safety

402-1, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8

Part of prioritizing the welfare of our people is ensuring their health and safety in the workplace. To avoid work-related health problems, we encourage safe working practices by strictly implementing our Occupational Health and Safety (OHS) protocols, which cover all our direct employees and indirect hires in our supply chain.

To maintain the relevance and effectiveness of our OHS protocols, we regularly conduct safety audits as part of our Hazard Identification, Risk Assessment, and Control across our operations globally. We identified various work-related hazards such as slips, trips, and falls; falling objects; contact with high-temperature equipment; manual lifting/pulling/pushing of heavy objects; and electrical hazards.

To minimize and control the probability or impact of these risks, we adhere to safety standards and regulations in our stores, manufacturing, and logistics. We likewise ensure the accessibility of occupational health services, including annual physical examinations and health check-ups. During paid working hours, we also require our employees to undergo free OHS-related training such as the Basic Occupational Safety and Health (BOSH) Training for Safety Officers, OSH seminars, electrical safety program, first aid training, safety protocols refreshers, wellness seminars, ISO 45001 awareness training, risk assessment training, COVID-19 cascade, fire brigade training, and fire safety awareness training.

On top of our OHS protocols, Jollibee Group implements various initiatives to ensure the health and safety of employees during the COVID-19 pandemic, such as hybrid or flexible work arrangements, telemedicine services, and the provision of vitamin supplements. We also provide subsistence allowance to employees who are not reporting to work due to closed stores, plant, or logistic sites or an excess headcount in open stores. We also provide confidential short-term counseling services to help employees address mental health concerns during the pandemic.



## Freedom of Association and Collective Bargaining

2-30, 407-1

At Jollibee Group, we want our people to raise their concerns and negotiate working conditions freely. We respect their freedom of association and fundamental right to collective bargaining. A Collective Bargaining Agreement (CBA) covers 11% of our PH employees across business units and 100% of our employees in Vietnam and China: CBA covers Hong Zhuang Yuan and Tim Ho Wan employees and our main office in China and Yonghe King have the worker's congress. This CBA results from an extensive negotiation process between

our workers and management regarding wages, hours, and terms and conditions of employment.

In our Philippine operations, the general provisions included in the CBAs are:

- | Wage Increase
- | Wage-Related Benefits (Overtime Pay, Rest Day Premium, Holiday Pay, Night Differential)
- | Bonuses
- | Leaves
- | Medical and Hospitalization Benefits
- | Loyalty/Service Awards
- | Retirement
- | No Strike-No Lockout
- | Union Security
- | Grievance Machinery
- | Labor Management Cooperation
- | Reproductive Health
- | Family Planning
- | Education







## Access to Training



# FARMERS LIVELIHOOD

203-1, 413-1

As the first link in the food supply chain, farmers are a major contributor not only to our business but also to the world's food supply and overall economic growth. Recognizing their invaluable role in society, we aim to empower farmers to thrive in the local and global marketplace. We help them increase productivity and profitability by providing them with training opportunities and access to a fair market. Supporting the livelihood of farmers contributes to strengthening the agricultural value chain and building more resilient and sustainable communities.

## Farmer Entrepreneurship Program

Jollibee Group Foundation's (JGF) Farmer Entrepreneurship Program (FEP) was formed to help smallholder farmers improve their livelihood and increase their income by directly supplying institutional markets such as the Jollibee Group.

Even before FEP was launched, the company had already ventured to source directly from Philippine farmers. However, it was difficult to find farmers that had the capacity to directly engage markets because they lacked access to innovative production technology and business development services. Perhaps even deeper than the lack of access was the lack of trust. Farmers distrusted company processes that are unfamiliar to them and the reliability of companies as markets.

It was also hard for companies to trust the farmers' ability to meet requirements in terms of the quality, quantity, and timeliness of supply.

In addition, there were instances of pole-vaulting / side-selling reneging on contracts by selling to spot buyers at a higher price, which became particularly problematic in building confidence among value chain partners.

We learned that a stack of interventions is needed to help farmers develop the appropriate mindset and business acumen to successfully engage the company and other corporate markets. Furthermore, these support initiatives need close cooperation and coordination among different stakeholders such as local government units, non-government organizations, financing institutions, academic institutions, and the farmers themselves. Within the Jollibee Group, multiple business units like Procurement, Research and Development, Commissaries, Logistics, and Finance also need to collaborate

to strengthen its inclusive business practices, ensuring farmers are given the right assistance for them to participate in its economic success. It is essential that these different players are tapped to play distinct roles in supporting the farmers, with the Foundation acting as a bridge and convener.

To illustrate, to help farmers increase their crop volume and overall quality, JGF worked with the PUM Netherlands Senior Experts, various seed companies, and Jollibee Group's own Research and Development team to find appropriate onion and bell pepper varieties that will meet the company's requirement, and which can be more easily produced by the farmers. At the same time, the Jollibee Group's Procurement team has set internal targets and goals to ensure that these volumes produced by our FEP farmers are prioritized. They

also extend additional guidance in accreditation process. Recently, JGF has partnered with Banko—the micro-finance arm of the Bank of the Philippine Islands—to launch a financing program that provides FEP farmers access to a low-interest loan product. All these are a testament to JGF’s approach of thinking in systems, harnessing our core strengths, and working collaboratively.

Other developments in the program include:

**I PhilGAP Certification**

We assist farmer cooperatives in securing Philippine Good Agricultural Practices (PhilGAP) certification, enabling them to meet Jollibee Group’s food safety standards and sustain their business relationship with the company. To comply with the company’s guidelines for suppliers, farmers need to renew their PhilGAP certification every two years.

**I Online Agro-entrepreneurship Course**

We partnered with Xavier University-Ateneo de Cagayan to launch an online course called Agro-entrepreneurship for Inclusive Value Chains. This course helps build the competency of agri-extension workers from local government units, non-government organizations and academic institutions on the eight-step Agro-Enterprise Clustering Approach so they can organize and train more farmers for collective marketing.

**I Partnership with the Department of Agriculture**

JGF entered into a partnership with the Department of Agriculture (DA) to promote the Agro-Enterprise Clustering Approach as a complementary strategy in its Farm and Fisheries Clustering and Consolidation Program. We have various tools

to ensure that employees stay informed of our JFC Code of Business Ethics—new hire employees access the COBE policy as part of their onboarding while learning for active and existing employees is reinforced through various channels.

JGF also signed a memorandum with the Department’s Agricultural Credit Policy Council (ACPC) to make agri financing more accessible to FEP farmers, as well as provide agro-entrepreneurship training to qualified ACPC members.

**I Agritech Projects**

**Weather Forecasting**

We partnered with IBM’s “The Weather Company” to develop technology that provides weather insights, which enable farmers to monitor rainfall and flooding to mitigate weather-related risks and costs. It provided accurate community-level, daily weather forecast. We also worked with Central Luzon State University to analyze and interpret the data. The project, which covered 12 barangays in San Jose, Nueva Ecija, and Alcala, Pangasinan, empowered farmers in their crop management decision-making.

**Soil Testing**

In 2022, we conducted Soil Health Regeneration Training for five farmer groups in Ilocos Sur, Pangasinan, Nueva Ecija, and Occidental Mindoro. This provided soil insights into the production practice of FEP sites. Soil samples were sent to the Netherlands for testing and results and practical recommendations were cascaded to the FEP sites.

**Varietal Trials**

To help farmers find varieties that best fit their farming environment, we worked with experts from the Netherlands, various seed companies, and Jollibee Group’s Research and Development team to conduct trials for onion and bell pepper varieties. Two farmer groups will use these onion varieties for the 2022-2023 onion season. For green bell peppers, the Jollibee Research and Development department approved the Sultan F1 variety.

**Livelihood Recovery**

To help 241 Lamac Multi-Purpose Cooperative farmers recover from Typhoon Odette’s effects, we provided farm inputs, an agro-enterprise training refresher, and a short course on financial literacy under our Farmer Livelihood Recovery Program.

**Engagement of Local Implementing Partners**

Cultivating partnerships with individuals and organizations sharing our mission of empowering farmers is critical to FEP’s success. In 2022, a total of 14 local implementing partners (LIP) sustained their efforts to help farmer groups deliver to the Jollibee Group and other institutional markets. Six FEP field facilitators and eight farmer leaders strengthened their capacities as resource persons for the online agro-entrepreneurship course. Furthermore, to acquire and develop cutting-edge technologies for smallholder farmers, we partnered with East-West Seed Company, Harbest Agribusiness Corporation, and Lately, Everybody Needs Analytics (LENA).

**FEP Impacts**

203-2

Since the program started in 2008, a total of 17 small holder farmer groups, composed of more than 700 farmers, have directly delivered their produce for various brands of the Jollibee Group. In addition, we have trained over 3,000 farmers to directly engage in agri value chains. The company currently sources about 15% of its vegetable requirements from FEP farmers, giving them a stable market for their produce and emboldening them to dream of better lives. **Today, the white onions, green bell peppers, tomatoes, calamansi, ginger and other vegetables that the company uses in Jollibee, Chowking, Greenwich, and Mang Inasal come directly from our FEP farmers.**



**17**  
**SmallHolder**  
**Farmer Groups**

**700**  
**Farmers Delivered**  
**Directly to**  
**Jollibee Group**

**3,000**  
**Farmers Trained**

**7M**  
**USD Sales**  
**Generated**

**15%**  
**of Jollibee**  
**Group’s Annual**  
**Vegetable**  
**Requirements**



**In 2022, the Jollibee Group received the Asia Pacific Tambuli Award for Inclusive Growth for its Farmer Entrepreneurship Program.**

The APAC Tambuli Awards recognizes campaigns on effective brand purpose across the globe. Organized by the University of Asia and the Pacific's School of Communication, the awards introduced the corporate purpose categories. Under Corporate Purpose, the Inclusive Growth category recognizes a brand **“providing the means and opportunities for the marginalized sectors in society to be part of the company’s success in a sustainable way.”**



**Jollibee Group Foundation’s (JGF) online course “Agro-entrepreneurship for Inclusive Value Chains” was a finalist for the Outstanding Corporate Social Responsibility (CSR) Project in Enterprise Development at the 2022 League of Corporate Foundations Guild Award**

JGF developed this course with Xavier University – Ateneo de Cagayan to increase the number and capability of field facilitators who help smallholder farmers improve their livelihood.

As of May 2022, 167 participants from 84 institutions have completed the introductory course, training over 1,500 farmers on agro-entrepreneurship.

**Access to Fair Market**

**Sacred Heart Savings Cooperative: Opening Doors for the Youth To Enter Farming**

In the Philippines, the majority of farmers are aging, with 40 to 45 years of age considered young for a farmer. Following this, there is a need for more members of the youth to take part in agriculture.

Among the organizations supporting youth farmers is Sacred Heart Savings Cooperative.

SHSC, a multi-purpose cooperative based in Ilocos Sur, joined Jollibee Group Foundation’s Farmer Entrepreneurship Program (FEP) in 2013. As FEP’s local implementing partner, SHSC partnered with local farmers, including the Tagudin Agro-Entrepreneurs Association.



**In the 57th Anvil Awards 2022, we received the Silver Anvil Award for P.R. Tools for our marketing campaign called the “Farmer Entrepreneurship Program (FEP): Grown with Joy.”**

The Anvil Awards recognize outstanding public relations programs, tools, and practitioners. The campaign aimed to increase awareness of the program among the youth, particularly Gen Zs and millennials under 34 years old. It told a true and inspiring story from the point-of-view of an FEP Farmer. It was the first-ever consumer digital campaign and was produced by JGF together with our partner agency.



However, to ensure sustainability, the group felt it was important to get younger members onboard. So, in 2019, the cooperative launched a youth farming initiative to encourage individuals aged 18-30 to venture into farming.

“Kapag may interested talaga, ine-encourage namin sila para ipagpatuloy...andito lang kami para suportahan sila.” (*We encourage and support those who are interested to pursue farming*) says Stephanie Labcaen, Business Development Center Head.

Youth farmers more strongly take the opportunity to attend training courses about agriculture and join government or non-government agriculture-related programs. They apply new technologies and farm techniques to improve

their production lines. Youth farmers also transact directly with organizations that can help them with capital for their production. They also make simple business plans for how they run their farms.

Part of their learning came from taking part in FEP.

“Sa pamamagitan ng FEP, mas napahusay nila ang kanilang abilidad sa pamamalakad ng kanilang bukirin,” (Thru FEP, they improved their farming skills and capabilities) said Labcaen.

She adds that youth farmers were able to buy farm equipment from the income they earned from their farms. The training also helped them to better transact with the market even without the technical officers of the cooperative.

According to youth farmer Patrick Andaya, farming is a good way to help one’s family. It is also necessary to ensure a steady food supply.

Andaya says, “Ang gusto kong sabihin sa iba pang mga youth na gustong pumasok sa agrikultura ay huwag nilang ikahiya ang pagiging magsasaka, dahil agrikultura ang pangunahing kailangan ng mga tao [para sa] bigas, mga gulay, at iba pa.” **(What I would like to tell other youth who are interested in agriculture and farming to pursue it with pride, because agriculture products like rice and vegetables, among others, provide the basic needs of society.)**

southern regions of Cebu ensures that the MPC meets their buyers’ required delivery times.

**“It’s a big blessing for us to sell and deliver our vegetables to Chowking, Jollibee, and other buyers. It made life easier,” said FEP farmer Timotea Panaginip in Tagalog.**

Of course, changing demands may sometimes mean farmers need to increase their produce,

which requires a bigger budget.

Lamac MPC general manager Maria Elena Limocon said: “Our mission is to respond to the needs of vulnerable sectors, especially the farmers. We become their financial intermediary when they need to increase their production. For that, we have our lending and savings component.”

Thanks to FEP, farmer members have observed an income increase

by learning how to use production loans and enabling them to receive patronage funds and even dividends from their cooperative.

Farmer leader Ligaya Miras said: “*Naging confident kaming farmers bilang members ng FEP. Hindi lang farmer ang tingin ko sa sarili ko ngayon. Isang ‘agro-preneur’ na po.*” (We became confident as farmer members of FEP. We don’t just see ourselves as farmers, we are now agro-entrepreneurs.)

## Lamac Multi-Purpose Cooperative: Delivering Directly to Multiple Buyers

Farmers have traditionally sold their produce to middlemen or consolidators, not directly to the end-users. But with the Jollibee Group Foundation’s Farmer Entrepreneurship Program (FEP), farmers now have a process to deliver directly to restaurants, including big chains like the Jollibee Group.

Take the Lamac Multi-Purpose Cooperative, based in Pinamungajan, Cebu, for example.

Lamac MPC’s Business Development Center handles receiving bids from farmer clusters that correspond to their available vegetables for the day. They deliver stocked orders from the previous day and pick up vegetables from Sudlon and Dalaguete for packing and delivery the following day.

The cooperative’s trucks carry 1,000 tons of vegetables for delivery throughout Cebu. The simultaneous departure of trucks that cover the northern and



## Kalasag Multi-purpose Cooperative: Giving A New Meaning to “Farm to Table”

Although the Philippines is an agricultural country, farmers are among the poorest in the land. But for farmers in Nueva Ecija, a long-standing partnership with Jollibee Group Foundation offered a chance to break the cycle of rural poverty.

Under the Farmer Entrepreneurship Program (FEP), the farmer members of the Kalasag Multi-Purpose Cooperative have been earning a steady income stream supplying white onions and hot peppers to the Jollibee Group since 2009.

With the support of partners such as the Local Government Unit of San Jose City, Nueva Ecija, Kalasag was able to sell over 730 metric tons of white onions to the Jollibee Group in 2017. **The farmers’ gross income more than doubled from PHP3.1 million in 2008 to PHP7.6 million in 2010 as the Jollibee Group bought the onions at a higher price and introduced them to other buyers.**

The higher income allowed the farmers to pay off debts and invest in machinery, creating



conditions that would enable them to shift away from subsistence production. Today, they are farmer-entrepreneurs.

**“We would not have reached this far if it weren’t for the agencies that supported us. They were the ones who encouraged us to work for a better life,”** Kalasag Chairman Arnold Dizon said in Filipino.

As the pioneer group for FEP, Kalasag’s success shows that, with the right support, smallholder farmers can become suppliers of big companies.

**“We recognize the importance of supporting our farmers and are committed to fostering more inclusive business practices throughout our value chain to provide greater opportunities for smallholder farmers to participate in our economic success. This is an ongoing process that requires continuous adaptation, innovation, and learning through close collaboration with all stakeholders who share our mission/”** said Jai Rastogi, JFC’s Chief Procurement Officer.



## Food Relief

In the Philippines, Jollibee Group FoodAID consolidates our relief and rehabilitation efforts. Since 2013, the group has responded to calls for disaster assistance and provided affected communities with immediate access to food.

Harnessing the Jollibee Group's expertise in producing and

distributing food items that are easy to prepare and store, we helped communities in disaster-stricken provinces and regions during the COVID-19 pandemic. **Since the pandemic broke out in 2020, the company has distributed more than 9.7 million meals and other food products to communities**

**in need and frontliners, in coordination with franchisees and various other partners.**



# COMMUNITY SUPPORT

Amid the recent pandemic and natural disasters, we continue our mission to build partnerships and capacity for community resilience. Leveraging our food production and distribution expertise, we respond to the immediate need for food among the communities we support. We also continue providing educational scholarships to give underprivileged youth access to education.



At the height of the pandemic, the reach of FoodAID was expanded through Project Karinderya (local eateries), an initiative that Jollibee Group Foundation implement in partnership with Kasagana-Ka Development Center Inc., Kabuhayan sa Ganap na Kasarinlan Credit and Savings Cooperative (KCoop) and co-funded by Deutsche Investitions- und Entwicklungsgesellschaft (DEG) and Temasek Foundation of Singapore.

Instead of providing food rations directly to families, we tapped karinderyas or neighborhood food stalls whose owners were clients of KCoop, a microfinance institution, to be the food provider. Beneficiaries were given food vouchers which they exchanged for meals for their family from a participating karinderya near them for 30 days. JGF leveraged on the Jollibee Group's expertise on food management and taught karinderya owners about food preparation, food safety, and customer service.

In addition to providing meals, which helped address the issue of hunger that was aggravated by the pandemic. We have various tools to ensure that employees stay informed of our JFC Code of Business Ethics—new hire employees access the COBE policy as part of their onboarding, while learning for active and existing employees is reinforced through various channels.

**By the end of the project, a total of 290 karinderyas were mobilized to serve 347,880 meals to 5,800 families.**

In November 2022, we reached out once again to 70 karinderya owners to provide them with a refresher on food safety and cleanliness to help them sustain their businesses.

In China, thru our "Canteen for the Elderly" project, 4 Yonghe King stores in Central & Southern Region created selected menu products for the elderly, which are availed thru dine-in coupons, in partnership with the government.

**Over 10,800 meals were provided in 2021.** Moreover, we created the "Light Chasers Project", in partnership with Tencent, to provide subsidized food support to minority groups like sanitation workers. From October 2021 to January 2022, we provided over **3,168 low-cost subsidized meals.** We also extended the opportunity for our customers to participate in this initiative, and thru their donation on check-out and online platforms, we provided an additional 2,106 meals.

In North America, we donated meals to support our first responders such as police, hospitals, fire stations during the COVID-19 pandemic in 2020. Coffee Bean and Tea Leaf donated a percentage of sales to first responders during the pandemic. In 2021 and 2022, we sponsored mobile vaccination clinics set up on location at our stores to help drive and provide vaccinations to our employees and guests in the community.



## Youth Education Scholarships

We provide support for the education of disadvantaged youth through the Jollibee Group Foundation's Access, Curriculum, Employability (ACE) Scholarship Program. **The program has supported over 2,200 underprivileged youth since the program started in 2005.** In partnership with technical-vocational skills training institutions and community-based organizations, we provide scholarships to equip young people with the knowledge and skills essential to secure employment or engage in entrepreneurial pursuits. **Over 500 underprivileged youth have been supported with these technical-vocational skills courses since 2019.**





In partnership with Anihan Technical School in Calamba, Laguna, we provide Quick Service Restaurant Operations (QSRO) training. We also encourage and train the youth to become agro-entrepreneurs. Accredited by the Technical Education and Skills Development Authority (TESDA), the Agro-enterprise National Certificate II Course that we co-developed with Don Bosco Training Center Mati is taught by four training centers: Sacred Heart Savings Cooperative in Ilocos Sur, Don Bosco Agro-Mechanical Technology Center in Albay, Lamac Multi-Purpose Cooperative in Cebu, and Don Bosco Mati in Davao Oriental. **In 2022, 145 scholars participated in the course.**

## Community Engagements

During this reporting year, we established partnerships with several organizations in the Philippines that share our values and objectives in line with our mission to create a positive impact on society.

Among the organizations we engaged with in 2022 were the Ahon sa Hiras, Inc. (ASHI) and AGAP Farmers Association. These partnerships allowed us to provide coaching sessions for farmers in Magalolon, Kalayaan, Laguna and Sulib, Pangil, Laguna. Discussions focused on maximizing every delivery trip, developing new products for raw materials like ginger, and opening new retail channels like grocery stores. We also partnered with the local government of Magallanes, Cavite and the Magallanes-Samahang Magsasaka ng Kay-Apas at Medina Agriculture Cooperative (MAG-SAMAKAME) to conduct Jollibee's test marketing assessments for the cooperative's tomatoes. We also introduced to them bell pepper as a new crop to cultivate.

For farmers in Tagum, Davao del Norte, we conducted coaching sessions on enterprise strategy and market development with a focus on financial systems in partnership with Green Habits Agriventures Inc.

In partnership with the Tulay sa Pag-Unlad, Inc. (TSPI) and Alfonso Castañeda Vegetable Growers Association (ALCAVEGA) in Nueva Vizcaya, we did test marketing preparations to teach farmer groups how to deliver their tomatoes and bell peppers to Jollibee. The Greenwich Research and Development team also visited the site to understand how their tomatoes are grown, harvested, and delivered. In addition, we conducted a test marketing assessment of tomatoes delivered to Jollibee by the Balagtasin Farmers Association in San Luis, Batangas.



**Furthermore, we empowered farmers across the country through our Agro-Enterprise Clustering Approach (AECA), an eight-step process aiming to equip smallholder farmers with business skills for a more sustainable livelihood.** In partnership with the Department of Agriculture (DA), we conducted coaching sessions on AECA implementation for RAFI

Microfinance and Lamesa Farmers Association in Balamban, Cebu; DA Regional Field Office and the local government of Alcala, Cagayan; Central Luzon State University, Farmer Clusters from the local governments of Muñoz and Talavera; and DA RF30 and CAUT Farmers Field School Marketing Cooperative of San Fernando Pampanga.





## Governance Structure

Our board structure and processes reflect the organization's commitment to the highest standards and principles of good governance, ethics, integrity, and competence.

### Board of Directors

2-9, 2-10, 2-11

With their expertise and experience, our Board members lead Jollibee Group in protecting the interests of all stakeholders while upholding transparency and accountability in all of the company's financial and business dealings.

The Board of Directors, as of the end of 2022, is composed of 9 members lead by the Board Chairperson, Tony Tan Caktiong (Executive Chairman).



## Sustainability Ingrained in Our Governance

2-13 2-14

Sustainability is a critical component in achieving our vision to become one of the Top 5 restaurant companies in the world. We have embarked on a continuous process of evaluating our impact on the environment and society. As a result, we created a unit dedicated to sustainability and appointed a Chief Sustainability Officer as part of the Executive Committee.

### We have formalized an Environmental, Social and Governance (ESG) Council to oversee our sustainability efforts.

Members of the ESG Council include the Chief Sustainability and Public Affairs Officer, Chief Human Resources Officer, Chief Financial Officer, Chief Procurement Officer, Head of Supply Chain for commissary and logistics, Global General Counsel & Ethics Head, Compliance Officer, and Vice President and Head of Global Quality Management.

The council deliberates on key strategic areas and ensures that all levels within the organization are working towards our identified sustainability goals. Post holders report to the Chief Executive Officer (CEO), as the key ESG sponsor.

Ethics is overseen by the Board of Directors through the Board's Audit Committee, whose functions include oversight over the Global Ethics Council (and the Global Ethics Head, who sits as part of the council and reports to the council). The Board through the Audit Committee reviews ethics reports and the disposition of ethics issues, and assesses the effectiveness of the company's ethics program. The Global Ethics Council, chaired by a member of the JFC Board and its Audit Committee, and consisting of the highest ranking HR, Audit and Legal executives of the JFC Group, approves all ethics-related initiatives and policies of the JFC Group.

The Board also conducts an annual self-evaluation of its performance. Based on the Board's self-evaluation, improvements in board processes and organizational practices have been implemented. For example, the Board has issued a new standardized format for business reporting to the Board, to facilitate consistency and focus in the updates presented to the Board by the different regions and businesses.

On July 20, 2022, the Jollibee Group's Board approved the updated JFC Global Approval Limits. This empowers senior executives and other employees to make decisions within their scope of authority, including decisions on economic, environmental, and social issues.

# GOOD GOVERNANCE

Our mission to improve people's lives goes beyond caring for our employees and communities. At Jollibee Group, we value the interests of all our stakeholders—from our workers and customers to our investors, business partners, and the government. As such, we aim to uphold sound corporate governance principles that guide us in exercising ethical and sustainable business practices and protecting human rights.





The Jollibee Group was recently recognized by the **ASEAN Corporate Governance Scorecard (ACGS) Golden Arrow Awards**, acknowledging the restaurant company's push for more sustainable, responsible, and transparent business practices.

Organized by the Institute of Corporate Directors (ICD), the ACGS aims to raise the country's corporate governance standards and practices by recognizing companies that demonstrate observable conformance with the Philippine Code of Corporate Governance and internationally recommended corporate governance practices.

**“We are honored to be recognized by the ICD for good corporate governance, affirming our continuous efforts in strengthening our responsible business practices as an organization,”** said Jollibee Group President & CEO Ernesto Tanmantiong.

**“We are inspired to work even harder in further integrating ESG strategies into our actions and decisions so we can keep on serving great-tasting food and bring the joy of eating to our customers sustainably.”**

Tanmantiong leads an ESG Council within the Jollibee Group that was established to ensure alignment of business operations with the company's Sustainability Agenda.

“We continue to grow in our sustainability journey, and citations like the ACGS Golden Arrow Award validate our pursuit to do what is right for the company, our stakeholders, and the communities that we serve,” said Jollibee Group Sustainability and Public Affairs Officer Pepot Miñana Jr. “We share this recognition with all our teams and our business partners, and we will continue to collaborate with them in various aspects of our company's sustainability.”



**Jollibee Group was recently cited as the winner of the 2021 ASEAN Business Award for Priority Integration Sector: Food & Beverage**

The Priority Integration Sector Award Category recognizes outstanding performance by large ASEAN enterprises. Out of seven Priority Integration Sector awardees, Jollibee Group is the only Philippine-based company recognized in the said category.

The awards aim to showcase home-grown ASEAN globally competitive companies and spotlight promising Small and Medium Enterprises (SMEs).

“We thank the ASEAN people for warmly welcoming our food into

their families and homes, and recommending us to their friends and acquaintances in other parts of the world. This recognition inspires us all to do more and work even harder in our mission of serving great-tasting food, bringing the joy of eating to everyone,” shared Ernesto Tanmantiong, Chief Executive Officer of Jollibee Group.

“We share this honor with our teams in the Jollibee Group and our partners, past and present, who have worked hard alongside one another to bring us to where we are now. We truly believe that,

with ASEAN talent, we have what it takes to become one of the best in the world,” added Tanmantiong.

The ASEAN Business Awards Panel of Judges included representatives from all ASEAN member states – Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand, and Vietnam.

## Jollibee Group Chairman and Founder Dr. Tony Tan Caktiong has been named the 2022 Ramon V. Del Rosario (RVR) Awardee for Nation Building during the awarding ceremony held last July 25 at the Manila Polo Club, Makati

The RVR Award for Nation Building honors notable individuals worthy of emulation and who have demonstrated outstanding traits such as Entrepreneurial Spirit, National or Global Impact, Corporate Citizenship, and Social Responsibility.



Jollibee Group Chairman and Founder Dr. Tony Tan Caktiong (4th from right), together with his wife (5th from right) Grace Tan Caktiong, accepts the Ramon V. del Rosario Award for Nation Building. Joining them on stage are (from left to right): JCI Manila President Richard Lim, 2010 RVR Awardee Amb. Jesus P. Tambunting, PHINMA Chairman and CEO Ramon R. del Rosario, Jr., former Chief Justice Artemio V. Panganiban, Asian Institute of Management President, and Dean Dr. Jikyeong Kang, and Ambassador Jose L. Cuisia, Jr.

## Board Remuneration

2-19, 2-20

### JFC Management Stock Option Program (MSOP)

#### Program Description

The MSOP is an incentive program under the JFC Senior Management Stock Option Plan. It entitles participants to earn stock options, subject to meeting set eligibility criteria. It is designed to provide a yearly stock option grant program based on Company performance to complement the participant's annual total cash compensation and align the participant's interests with those of shareholders.

The MSOP Stock Options shall be issued to members of management committees and other key talents

within the JFC Group of Companies. This program also covers members of the Company's senior management as identified by the Chairman of the Board and Chief Executive Officer of the Company, including, without limitation, heads of Business Units and Corporate Functions.

### JFC Executive Long-term Incentive Program (ELTIP)

#### Program Description

The ELTIP is one of the programs under the JFC Senior Management Stock Option Plan. It is a performance linked program that entitles participants to earn stock options, subject to the achievement

of set medium to long-term goals. It is designed to provide stock ownership as an incentive to reinforce entrepreneurial and long-term ownership behavior for the participants and to provide a program that rewards superior performance in achieving medium to long-term goals.

The ELTIP Stock Options shall be issued to senior executives within the JFC Group of Companies. For this program, senior executives would include heads of business units, regional business units, and global functions of legal entities that are wholly owned by subsidiaries of JFC.

## Code of Business Ethics

2-23, 2-24, 2-25, 2-27, 205-1, 205-2, 408-1, 409-1

Jollibee Group sets a high standard of ethical conduct for our company and stakeholders. All directors, senior management, and employees are expected to abide by the COBE. Our Global Legal & Ethics team, with the support of Global Human Resources, disseminates the COBE and related policies to our Board and all employees, including the senior management across all regions. In addition, the employees submit yearly disclosure forms and declarations of compliance, together with copies of the policies, to serve as their refresher information.

Policy		Company Philosophy / Overarching statement
<b>Anti-Discrimination Policy</b>	Code of Business Ethics	We respect the dignity of all persons. We accord respect to all individuals and do not tolerate any disrespect, discrimination, harassment, violence or intimidation.
<b>Diversity and Inclusion Policy</b>	Code of Business Ethics	We strive to be inclusive. We do not discriminate, and embrace diversity. We make decisions based on merit. We recognize and respect differences in cultures and beliefs.
<b>Bribery and anti-corruption Policy</b>	Anti-Bribery and Corruption Policy	Our Anti-Bribery and Corruption Policy <a href="https://bucketeer-3eb16243-2c1c-43d2-be4e-1c2b3664d293.s3.amazonaws.com/2021/12/Policy-on-Anti-Bribery-and-Corruption-2021-updated.pdf">https://bucketeer-3eb16243-2c1c-43d2-be4e-1c2b3664d293.s3.amazonaws.com/2021/12/Policy-on-Anti-Bribery-and-Corruption-2021-updated.pdf</a> issued on Sept. 1, 2021 provides that Jollibee Foods Corporation (together with its Subsidiaries, the "JFC Group") conducts business with integrity, and is committed to doing business lawfully. Bribery and corruption are not only contrary to the JFC Group's values but will also expose both the employee and the JFC Group to fines, penalties, and/or imprisonment to the extent that these are prohibited by applicable laws, as well as reputational damage.
<b>Evidence of child labor provision in the internal policy</b>	Code of Business Ethics	We comply with laws and regulations in the territories where we operate. The various aspects of our business are governed by multiple laws and regulations, some spanning multiple territories. We ensure that our business practices are in accordance with such laws and regulations as they apply to us. Legal issues can be complex; in case of doubt as to the laws applicable to a particular course of action, please consult your territory's Legal department.  We respect the rights of all persons. We respect the rights of all persons as may be provided by law or contract.
<b>Evidence of forced labor provision in the internal policy</b>	Code of Business Ethics	We comply with laws and regulations in the territories where we operate. The various aspects of our business are governed by multiple laws and regulations, some spanning multiple territories. We ensure that our business practices are in accordance with such laws and regulations as they apply to us. Legal issues can be complex; in case of doubt as to the laws applicable to a particular course of action, please consult your territory's Legal department.  We respect the rights of all persons. We respect the rights of all persons as may be provided by law or contract.
<b>Evidence of Freedom of Association provision in internal policy</b>	Code of Business Ethics	We respect the rights of all persons. We respect the rights of all persons as may be provided by law or contract.



## Anti-corruption Policies

205-1, 205-2

At the Jollibee Group, eliminating corruption is vital to achieving sustainable long-term value for all our stakeholders. By ensuring that our business operations are ethical, we strive to keep the trust and respect of our communities and secure business continuity. As such, compliance with anti-corruption policies and practices is the responsibility of everyone at Jollibee.

**All ethics-related initiatives, programs, and policies of Jollibee Group are screened and approved by the Global Ethics Council.** Through this council, our directors and management participate in implementing anti-corruption policies and practices. Chaired by a member of the Board of Directors and the Board's Audit Committee, the Global Ethics Council is composed of the heads of the Human Resources, Internal Audit, and Legal functions of the Jollibee Group. Regional Ethics Councils are also established at the regional level.

## Conflict of Interest

2-15

As part of corporate governance best practices, we adhere to a policy on conflict of interest applicable to all members of the organization. **The Jollibee Group requires full disclosure of all interests, relationships, transactions, or activities that are potential sources of conflict of interest**, including but not limited to business dealings with the company, relationships with a competitor of the company, personal dealings, and personal relationships. Completion of the Conflict of Interest Disclosure Form is mandatory. The Jollibee Group mandates its employees to exercise prudence and sound judgment in disclosing actual or potential conflicts of interest.

### Cross-board Membership

Membership in the Board of other companies is disclosed in our Annual Report.

### Existence of Controlling Shareholder

The shareholding structure of the Jollibee Group is duly disclosed in the company's filings with the Philippine Stock Exchange (PSE) and the Securities and Exchange Commission (SEC). The company annually submits its General

Information Sheet (GIS) to the SEC 30 days after its Annual Stockholders' Meeting. This document contains the list of top stockholders and their shareholdings. The company also regularly submits its Public Ownership Report to the PSE, consisting of information on the shareholdings of its directors, officers, and substantial shareholders.

### Related Party Disclosures

As disclosed in our Annual Report, Tony Tan Caktiong, Ernesto Tanmantiong, William Tan Untiong, and Joseph Tanbuntiong are brothers. Ang Cho Sit is the brother-in-law of Tony Tan Caktiong. Antonio Chua Poe Eng is the brother-in-law of Tony Tan Caktiong, Ernesto Tanmantiong, William Tan Untiong, and Joseph Tanbuntiong. Grace A. Tan is the wife of Tony Tan Caktiong.

Some of the company's directors own franchises or have minority interests in companies that own and operate franchised stores of Jollibee Group. All such franchises are subject to contracts, which have been entered into on an arms' length basis and terms similar to those granted to other franchisees.

## Whistleblower Protection

2-16

In line with our goal to elevate and strengthen the culture of ethics within the organization, we encourage employees and non-employees to report possible violations of COBE and other policies of the Jollibee Group without fear of reprisal.

Through the Whistleblowing Policy, whistleblowers who report in good faith are entitled to remain anonymous. To this end, the **Jollibee Group has engaged the services of an impartial third-party hotline provider to receive and process whistleblower reports.** These reports will be treated confidentially, which will then be reported to the Jollibee Group without identifying information, should this be the whistleblower's preference. The whistleblower reports are raised directly to Global Legal & Ethics and the appropriate Ethics Council within the region concerned, and are monitored by the Global Ethics Council and the Audit Committee.

**To strengthen whistleblower protection, we also upgraded our existing ethics hotline from an internally monitored email address and mobile number to an externally managed ethics reporting system with global reach and world-class capabilities.** We now use the method of Integrity Counts of Whistleblower Security, a Canadian ethics reporting service company. The upgraded system can receive reports 24/7 from any region where the Jollibee Group operates, in the whistleblower's preferred language, and through the whistleblower's preferred channel (web, email, or toll-free telephone numbers available in the Philippines, United Kingdom, Italy, Spain, Vietnam, USA, Canada, China).

Additional toll-free numbers shall be added in further announcements. Consistent with the Whistleblowing Policy of the Jollibee Group, whistleblowers who file reports in good faith are entitled to protection from retaliation in any form, including without limitation discrimination, harassment, unwarranted disciplinary action, or unfair dismissal. The company shall take appropriate action against anyone who initiates or threatens

retaliation against those who have raised concerns under the Whistleblowing Policy, including disciplinary action and dismissal without limitation.

Whistleblower Policy may be accessed thru this link: [https://bucketeer-3eb16243-2c1c-43d2-be4e-1c2b3664d293.s3.amazonaws.com/2022/09/GLET-ETGL-P001-Whistleblowing-Policy\\_final-signed-1.pdf](https://bucketeer-3eb16243-2c1c-43d2-be4e-1c2b3664d293.s3.amazonaws.com/2022/09/GLET-ETGL-P001-Whistleblowing-Policy_final-signed-1.pdf)

2-26



## Speak Up

The Jollibee Group wants to ensure that its employees perform their duties and responsibilities ethically. All employees are bound to the company's Code of Business Ethics and the applicable Code of Conduct, and are required to report violations or suspected violations. If you suspect a violation, you can communicate it anonymously.

### Report The Incident

[integritycounts.ca/org/jollibeegroup](https://integritycounts.ca/org/jollibeegroup)

180011100798 (Toll Free)

[jollibee@integritycounts.ca](mailto:jollibee@integritycounts.ca)



**Jollibee Group**

**INTEGRITY COUNTS** IntegrityCounts, powered by WhistleBlower Security, is an independent third party administrator designated to provide you with confidential communications service worldwide.

## Ethical Standards Audits

We regularly conduct ethical audits to determine how the Jollibee Group conforms to the ethical standards of the industry and society. **Through our Internal Audit function, we monitor and validate the effectiveness of our ethics program and conduct audits for the operations of the company, suppliers, and other business partners.**

Internal audit examinations evaluate the adequacy and effectiveness of controls that cover the company's governance, all major operations and units, and key information systems. Aside from ensuring compliance with contracts, laws, rules and regulations, the audits also monitor the reliability and integrity of critical financial and operational information, the effectiveness and efficiency of major operations, and the protection of assets. Additionally, the audits help ensure corporate funds are not misappropriated towards illicit transactions, bribes, or kickbacks. Our financial controls are likewise subject to annual external audits.

The JFC Group Ethics and Compliance Organization may be found at the JFC corporate website at <https://jollibee.com/governing-documents/> under "Ethics and Compliance".

For more information on the JFC Group's Ethics and Compliance Program, which provides an overview of the integrated Ethics and Compliance Program ("E&C Program"), please see [https://bucketeer-3eb16243-2c1c-43d2-be4e-1c2b3664d293.s3.amazonaws.com/2023/01/GLET-ETGL-P005-JFC-Group-Ethics-Compliance-Program\\_for-posting.pdf](https://bucketeer-3eb16243-2c1c-43d2-be4e-1c2b3664d293.s3.amazonaws.com/2023/01/GLET-ETGL-P005-JFC-Group-Ethics-Compliance-Program_for-posting.pdf)

## Professional Development for the Global General Counsel & Ethics Head

2-17

Recognizing the crucial role of the Global General Counsel & Ethics Head in maintaining the highest standards of business ethics at the Jollibee Group, the company ensures that its Ethics leader is empowered to build and sustain a strong ethics program for the company. As such, we sponsored the membership of the Global General Counsel & Ethics Head and Compliance Officer to the Ethics and Compliance Initiative (ECI), an international best practice community of organizations committed to creating and

sustaining high-quality ethics and compliance programs. Moreover, we sponsored her professional development training, including the completion of the Managing Ethics in Organizations course at Bentley University/ECI and Elevating Ethics and Compliance course at ECI. The Jollibee Group is currently implementing the Ethics and Compliance Program, developed based on the learnings obtained by the Global General Counsel & Ethics Head from these courses.



## Finance

To ensure the sustainability of our business, we strive to deliver positive financial performance while creating value for society. In 2022, the Jollibee Group generated a net income attributable to equity holders of the parent company of PhP 4.54 billion.

The improvement in our financial performance is attributable to the successful execution of our business transformation program launched in May 2020. To enable the company to adapt to COVID-19 challenges, the program involved the permanent closure of four commissaries and a total of 486 stores (307 group-owned and 179 franchise stores) worldwide. We also significantly reduced headcount and operating

and general administrative expenses in its stores, supply chain facilities, and support group offices.

The Jollibee brand continues to expand in existing and new markets globally, targeting both the mainstream and Filipino population.

**In 2022, we opened 361 stores, 64 in the Philippines and 297 in other parts of the world. We also acquired Taiwan's well-loved milktea brand Milksha in February 2022.**

At the time of acquisition, Milksha had 264 stores, and we added 14 more Milksha stores (24 stores opened, offset by 10 closures) before the year ended.

Our new stores will adopt new models designed to address the evolving realities of food service, such as Cloud Kitchens, Delivery, and Take Out Only Stores. Through these new store models, we hope to expand in an accelerated yet more cost-efficient manner, especially in central but lower-rent areas. This will enable us to meet increasing demand while maintaining our food's safety and quality standards.

## Transparency in Financial Performance

To ensure prudent financial management, the Jollibee Group adheres to the company's policies on financial reporting. **We believe that one of the most effective ways to mitigate risks is to exercise transparency in all relevant financial transactions and show leadership accountability.**

We ensure the timely disclosure of the Quarterly (Unaudited) and Audited Consolidated Financial Statements to the Philippine Stock Exchange (PSE) and the Philippine Securities and Exchange Commission (PSEC). We provide a more detailed explanation of our Management Discussion and Analysis, which is disclosed to the PSE and the SEC as part of the SEC Form 17-Q (Quarterly Report) and SEC Form 17-A (Annual Report)

to help investors and analysts get a clearer, more detailed, and informative view of the company's performance. Finally, we practice regular engagements with investors and analysts through one-on-one meetings, teleconferences, quarterly investors' and analysts' briefings, broker-hosted conferences, and Annual Stockholders' Meeting. We likewise share press releases on the company's quarterly financial performance on our internal online employee communication portal, corporate website, and through email. Our Chief Financial Officer also joins the CEO's Hour to provide our employees with a brief update on the company's financial performance.

## Strategies for Mitigating Financial Risks

201-2

The Jollibee Group has a centralized cash flow management, allowing the company to have a complete overview of each business unit's current and future cash position to anticipate any financing requirement and reassessment of investments. We also continue to expand and strengthen our relationship with local and international banks to establish significant credit facility lines, allowing easy and immediate access to liquidity. Further, we maintain a sufficient cash buffer to aid subsidiaries in unprecedented events.

Through cash flow forecasting, we actively monitor and assess our leverage ratios to ensure compliance with our debt financial covenants. In addition, we prioritize the allocation of capital in investments/expansions with the highest expected returns versus the cost of capital and investments, in line with the vision and strategic goals of the company.

Financial resources are managed through the allocation of existing funds to investments or the expansion of subsidiaries. Each business unit is reviewed periodically to come up with recommended changes in direction, whether to focus on operational improvements or expansion. This includes a review of profitability, balance sheet position, and financial ratios before any additional funds are allocated to the business. Any borrowing of an entity, whether sourced internally or externally, is given funding subject to its commitment to a repayment plan.



## Finance and Employees

201-3

Recognizing the contributions of our employees to the company's success, the Jollibee Group ensures that employees' needs are met by providing allowances and benefits such as health plan and insurance coverage. We also give out performance bonuses and incentives to reward employees' remarkable performance at work.

We also have defined benefits for our retirement plans. The company's estimated defined benefit plan liability value is around PHP4.4 billion as of December 31, 2021. The plan can cover up to about half of its liabilities as of December 31, 2021. These estimates were based on the study of a reputable actuarial engaged by the company yearly. Estimates used for the actuarial analysis are market discount rates of between 3.7-5.2% and market salary increase rate of 6%. The latest estimate is at December 31, 2021.

The Jollibee Group and certain Philippine-based subsidiaries have a formal asset-liability matching strategy. The overall investment

policy and strategy of the retirement plans are based on the client suitability assessment, as provided by the trustee banks, in compliance with the Bangko Sentral ng Pilipinas requirements. There is no specific timescale for full coverage, but the Jollibee Group ensures that there will be sufficient assets to pay the retirement benefits as they fall due while attempting to mitigate the various risks of the plans.

**We contribute on an annual basis 75% of an employee's monthly salary as a contribution to the retirement fund. The Jollibee Group and its Philippine subsidiaries are the sole contributor to their existing retirement plans. Business units that follow the mandatory retirement benefit are also contributing to the accrual of their respective retirement liabilities. The retirement or pension plan of our employees in other countries is based on the prevailing practices in the country/region.**

## Tax

207-1, 207-2

**The Jollibee Group maintains 100% compliance with tax regulations using ethically sound and above-board approaches.** To achieve this, we ensure compliance with the tax requirements of the Philippines and jurisdictions where our subsidiaries operate. We also keep abreast of the issuance of tax authorities – both at the domestic level and cross-border. Likewise, we conduct regular checkpoints to ensure that the company and its subsidiaries' overall tax health is at acceptable levels. Lastly, we search for areas in the tax structure to maintain optimal levels of efficiency while maintaining compliance standards.

Embedded in the company's overall direction is our tax strategy, which

moves as one with our business and sustainable development strategies. Any major business decision goes through our Global Tax Team, guided by a concrete set of ethical guidelines with a straightforward procedure for reporting unethical or unlawful behavior. As head of the Global Comptrollership and Tax Team, our Chief Financial Officer reviews and approves tax strategies that significantly affect the Jollibee Group. For those with extraordinary impact requiring Board Approval, we present the strategy to the Chief Financial Officer, who endorses it to the Board of Directors.

Our subsidiaries in other regions maintain finance and tax teams that manage the tax compliance requirements of each entity. We engage a strong team of external tax preparers and consultants who work with us to ensure up-to-date compliance. Both the subsidiary tax teams and external consultants are managed by our Global Tax Team and supported by our Jollibee Worldwide Services-Tax Services Team. Our Global Tax Team and JWS-Tax Team likewise handle communications with the tax authorities in the Philippines. We are also assisted by external counsels, namely PwC, SGV & Co., and Salvador Llanillo and Bernardo.



# OUR PEOPLE GOALS

PILLAR	FOCUS AREAS	JOLLIBEE GROUP	
		GOALS	STATUS
<p><b>PEOPLE</b> We Help Make People's Lives Better</p>	<p>Employee Welfare</p>	<p>Provide all employees with <b>training and development</b> that empowers them to achieve career milestones</p>	<p>In 2022, we provided <b>187,079 total training hours</b>, thru our Mainstream Leadership Program and Accelerated Development Program. Moreover, <b>100% our employees follow an Individual Development Plan</b> in the Philippines and North America, where each employee goes through development intervention through Exposure, Experience, Environment, or Education. We also provide various training and learning opportunities across the organization globally, depending on the functions and brands unique needs.</p> <p><small>*Covered in the scope are Philippines, China, Vietnam, Spain, USA (PH Brands),and Canada (PH Brands)</small></p>
		<p>Target for high <b>employee engagement</b> as we aim for everyone's experience in the organization to be an optimal and joyful one</p>	<p>We utilize <b>Gallup's Q12 Percentile Ranking</b> to measure employee engagement across various markets, and have met our targets for 2022, with <b>JFC hitting the 70th percentile in 2022</b>. We also received Gallup's Exceptional Workplace Award in 2020, as the first in the Philippines and given to only 38 companies globally.</p> <p><small>*Covered in the scope is 93% of employees (close to 18,000 respondents) from Global Functions, Support Services, and businesses from the Philippines, North America, and EMEA</small></p>
		<p>Providing <b>equal opportunities</b> across diverse sets of people, regardless of gender, ethnicity, age, and vulnerability</p>	<p><b>Women make up 59% of our middle, senior, and top management positions</b>, and 51% of our total workforce. In 2021, we were one of only three Philippine companies who was part of Forbes' World's Top Female-Friendly Companies.</p> <p><small>*Covered in the scope are Philippines, China, Vietnam, United Kingdom, Spain, USA (PH Brands), and Canada (PH Brands).</small></p>
		<p>Foster a <b>zero-discrimination</b> environment</p>	<p>In 2022, we continued to conduct trainings in <b>Unconscious Bias, Inclusive Leadership, Diversity Equity and Inclusion</b>, and rolled-out a primer on Sexual Orientation, Gender Identity and Expression, among others, across our employees globally.</p> <p><small>*Covered in the scope are: Unconscious Bias (PH, China, UK), Inclusive Leadership (PH, USA, Canada), Diversity Equity &amp; Inclusion (USA, Canada), SOGIE (PH).</small></p>
		<p>Provide <b>employment opportunities to vulnerable</b> sectors</p>	<p>In the Philippines, Jollibee, Chowking, Greenwich, Burger King, and Red Ribbon partnered with local government units to <b>provide jobs to qualified elderly and differently-abled individuals</b> in 2020. Since the program started in 2005, the Jollibee Group Foundations ACE program, has supported over <b>2,200 underprivileged youth</b> with educational scholarships, which helped open up employment opportunities inside or outside the company. In our largest brand in China, Yonghe King, <b>14% of total on-the-job staff come from marginalized communities</b>, and we hired <b>69 persons with disabilities</b> across all our brands in China.</p>

PILLAR	FOCUS AREAS	JOLLIBEE GROUP	
		GOALS	STATUS
<p><b>PEOPLE</b> We Help Make People's Lives Better</p>	<p>Farmers Livelihood</p>	<p>Provide farmers with <b>access to training</b> and education</p>	<p>We have <b>trained 3,000 farmers</b> in directly engaging with agriculture value chains</p>
		<p>Source vegetables <b>directly from small holder farmers</b>, providing more farmers access to fair market</p>	<p>Through the Jollibee Group Foundation's Farmer Entrepreneurship Program, we sourced <b>15% of targeted JFC vegetable requirements directly from smallholder farmers</b>, with over <b>700 farmers</b> delivering directly to JFC. Since the program started in 2008, over 7M USD of sales has been generated.</p>
	<p>Community Support</p>	<p>Provide <b>food relief</b> and support to communities in need</p>	<p>Since the pandemic broke out in 2020, the <b>Jollibee Group Foundations FoodAID</b> program has distributed more than <b>9.7 million meals</b> and other food products</p> <p>In China's "<b>Canteen for the Elderly</b>" project, Yonghe King stores provided over <b>10,800 meals</b> in 2021 for the elderly who availed of the menu using special dine-in coupons, in partnership with the government.</p>
		<p>Provide additional <b>underprivileged youth</b> with growth opportunities thru <b>educational scholarships</b></p>	<p>The Jollibee Group Foundation's ACE program has supported over <b>2,200 underprivileged youth with educational scholarships</b> and aim to increase this moving forward</p>
		<p>Uphold <b>good governance, respect human rights</b>, and exercise <b>ethical practices</b> across the organization</p>	<p>We have various tools to ensure that employees stay informed of our JFC Code of Business Ethics--new hire employees access the COBE policy as part of their onboarding, while learning for active and existing employees is reinforced through various channels.</p> <p>The Jollibee Group was recently recognized by the <b>ASEAN Corporate Governance Scorecard (ACGS) Golden Arrow Awards</b>, acknowledging our efforts for more sustainable, responsible, and transparent business practices.</p>
	<p>Good Governance</p>		



# PLANET

## We Treat the Planet Responsibly

**Packaging & Recycling, Energy Management, Water Stewardship, and Waste Reduction are areas we examine and integrate into our daily operational parameters as we take a step ahead in treating our planet responsibly.**

With today's escalating environmental challenges, the Jollibee Group acknowledges that its responsibility to the planet has now gone from not doing harm to finding ways to do more good.

We began our journey by transforming our processes and products toward a more

resource-efficient future. We are committed to reducing our environmental footprint, operating with greater environmental purpose, and improving our systems worldwide toward this critical good.



# PACKAGING & RECYCLING

FB-RN-150.a.2  
301-1, 301-2

Recognizing the environmental impact of food packaging, we continue to improve our sustainable packaging across our operations. We are establishing capabilities in packaging innovation for improved product safety and quality, regulatory compliance, and sustainability. In line with this, we endeavor to use new technologies, systems, and processes to make our packaging eco-friendly. To help minimize waste and pollution, we practice reusing, recycling, and using more sustainable materials.

## Reduction of Single-Use Packaging Materials at our Manufacturing Sites

We continue to find alternatives to single-use plastics via the reduction, recovery, and recycling of plastics from raw materials packaging and primary packaging materials for premixes and finished goods. In 2022, we reduced single-use packaging materials through the following initiatives:

- ▮ Upsizing of containers for raw materials and returnable containers
- ▮ Downsizing of LDPE film and pre-packs PE film
- ▮ Upsizing of pre-pack batch sizes
- ▮ Recovery and recycling of plastic waste in collaboration with our third-party waste collector
- ▮ Use of Velcro or other means of pallet wrapping to replace cling-wrap
- ▮ Use of washable containers in lieu of single-use plastic
- ▮ Removal of inner plastic liners for holding materials in work in progress



## Packaging Initiatives in our Restaurants

Our goal is to reduce the negative environmental and social impacts of our packaging. As such, our Responsible Sourcing Program identified packaging as a key area that we aim to pursue. We comply with the laws and regulations in all the countries we operate. In addition, we also instituted programs for repurposing and recycling in some of our stores worldwide.

- ▮ Our “Skip the Straw” campaign in our Philippine brands is still ongoing, where marketing materials at our cashier tables are displayed to encourage customers to reduce plastic usage.
- ▮ Strawless drinks were introduced in select stores of Greenwich, Chowking, Jollibee, Mang Inasal, PHO24, and Panda Express in the Philippines, as well as in Jollibee Singapore, Jollibee Malaysia, and Jollibee Hong Kong.
- ▮ Bamboo stirrers for coffee have been implemented systemwide across our brands in the Philippines.
- ▮ Reusable wares are used by many of our restaurants worldwide.
- ▮ We encourage our customers in Hong Zhuang Yuan restaurants in China to bring their own tableware through incentives and discounts. We also encourage our consumers to save food and reduce waste through communication materials on the menu and other point-of-purchase items in stores.







# WASTE REDUCTION

FB-RN-150.a.1

By reducing waste in our operations, we hope to contribute to protecting natural resources and reducing greenhouse gas emissions. To minimize food loss in our manufacturing process and reduce food waste in our stores, we implement several sustainable measures that improve our overall production and consumption patterns.

## Food Loss and Waste Reduction

306-1, 306-2, 308-1

### Reduction of Food Loss and Waste in our Manufacturing Sites

In our manufacturing sites in the Philippines, improvements in Overall Equipment Effectiveness (OEE) and implementation of other LEAN Manufacturing projects resulted in a reduction of 5,566 metric tons of waste.

Our manufacturing sites achieved a cumulative **38% reduction in food loss as waste** vs. 2020 baseline

Some initiatives on **food loss and waste reduction** include:

- Usage variance improvement via reduction of manufacturing rejects
- Efficient Sales and Operations Planning & Production Planning optimization
- Improved Inventory Management and optimization to minimize lapsing risks with the Anaplan solution
- Material Circularity (reuse and recycling) with bio-remediation initiatives on meat wastes and mixed food waste
- Reuse of washable containers in lieu of single-use plastics as containers for work-in-process (WIP)
- Upsizing batch size preparation and running campaigns to reduce line losses

For 2022, in our Philippines and China commissary, the total residual waste is 3,887,778.47 kilograms that are disposed, managed, and treated in various methods.

We also looked into **recycling and material circularity** as part of our goal to minimize wastes that go to landfills through programs that maximize recovery, reuse, and recycling in our commissaries' operation, such as:

- Improving Material Recovery Facilities and maximizing recovery of scrap materials like plastic, metals, paper, and cartons
- Transitioning of mixed food waste disposal from pyrolysis/landfilling to bioremediation. The end state of bioremediation is fertilizer. Almost 50% of our organic waste goes to bioremediation. In contrast to the former disposal method, which ends in landfills, bioremediation uses microorganisms to reduce pollution through



biological degradation into non-toxic substances, removing contaminants, pollutants, and toxins from soil and water. In addition, liquid waste is disposed of via bioremediation, resulting in a useful end-state as a fertilizer, thereby diverting waste from landfills. Disposals to partner facilities are monitored by a security team and initially inspected and cleared by the National Meat Inspection Service.

- Transitioning of processing of selected non-organic wastes such as plastics, contaminated cartons, and other non-organic wastes from landfilling to "co-processing," wherein the wastes will be used as an alternative fuel for the cement production process. This practice is acknowledged by the Philippine Department of Environment and Natural Resources as a sustainable disposal process. A trial has been conducted in one of our commissaries for this application for a complete evaluation.
- Repurposing some of our meat waste as animal foods, in partnership with Zoobic Zafari, a local zoo.

In our commissary in China, we maintain separate disposal aisles and space for storage and ventilation. To reduce plastic products, we use stainless steel appliances for transit and temporary storage of products in the production process. In the US, Red Ribbon commissaries comply with new government regulations to segregate food waste from regular trash.

Meanwhile, Coffee Bean and Tea Leaf fully segregates waste and consistently measures and tracks its manufacturing scrap.

Moreover, we continue to innovate strategies to improve our waste management processes. In China, we are studying the use of rotating carriers instead of carton packaging to reduce waste packaging materials. To further

reduce waste and divert it from landfills, we are also working with producers to convert sludge and organic waste into organic fertilizer. Coffee Bean and Tea Leaf is in active discussions with all its suppliers regarding source reduction and sustainable options.

**Our Philippine stores are equipped with bins for solid waste in the dining area and food production. In 2022, we reinforced procedures on waste segregation through training and seminars across the store network of each Strategic Business Unit (SBU).** To divert waste from landfills, stores started improving the weight measurement of biodegradable and non-biodegradable wastes. We also continue to partner with a supplier that collects used LED lamps and minimizes the risks of improper disposal.

In China, our restaurants use an intelligent frying furnace, which saves energy by 29.8% compared to conventional means, and oil filter powder, which prolongs oil change frequency by one to two days. We also work with the Environmental Health Safety (EHS) department and the government to keep track of all waste disposal specifications and processes.

Across countries and regions of EMEAA, Jollibee follows proper waste disposal protocols in compliance with government regulations. We follow protocols on waste segregation, separation of solid and liquid waste, and grease trap weekly cleaning and monthly collecting by government-accredited collectors.



## Reduction of Food Waste and Waste in our Stores

Our restaurants strive to minimize food waste through production and waste control. In China, Yonghe King actively responded to the national garbage classification policy and strictly implemented the garbage classification system in restaurants in major cities such as Beijing, Shanghai, Shenzhen, and Hangzhou. Kitchen, recyclable, and dry wastes are stored in garbage cans separately. Jollibee in Oman

implemented projects that helped minimize food costs. An example is Project Phoenix, which focuses on raw materials yield management.

To improve the disposal of all potentially hazardous wastes generated at our stores in the Philippines, we implemented the revised Hazardous Waste Management Plan. This system expands the cluster hauling programs, enabling efficient

store disposal and resulting in economical returns. We also launched a pilot project to upcycle used cooking oil from the store with a treater accredited by the Department of Environment and Natural Resources. **We also continue initiatives to increase waste management awareness for in-store items such as liners for serving trays and strengthen training on waste management.**

## Waste Management in our Offices

**Our main offices observe proper waste segregation, treatment, and disposal methods to ensure a conducive work environment and preserve and promote community health and safety.** We also actively monitor and manage our waste disposal processes and consistently coordinate with property administrators, custodians, accredited agencies, and local government units.

In the Philippines, our offices segregate waste and dispose of garbage through accredited haulers. In addition, we bring recyclable

scrap to recycling plants. Our meat and mixed food wastes from research and development offices undergo pyrolysis or landfilling, while liquid wastes are converted to fertilizer. We work with our Security Team, the National Meat Inspection Service (NMIS), and an accredited Pollution Control Officer throughout the process. We are currently transitioning meat waste and mixed food waste disposal from pyrolysis/landfilling to bioremediation to produce fertilizer and divert waste from landfills. We are also exploring the possibility of a waste-to-energy process for organic waste.

In China, our offices comply with government policies, which have helped cultivate good habits such

as employees bringing their own shopping bags and practicing proper garbage segregation. Offices are also enabled for battery recycling and proper disposal of hazardous waste. In Vietnam, waste is segregated before daily collection and disposal. In North America, building management removes trash and recycles it from employees' desks and break rooms. Smashburger provides water filters and systems, encouraging employees to use water bottles. Jollibee and Smashburger use motion-controlled lights and optimize printing resources. Coffee Bean and Tea Leaf stores fully segregate and work with municipal agencies for disposal, while Red Ribbon stores segregate by other trash, carton box, and food waste.



## Waste Management in our Logistics

In the Philippines, current and future initiatives support our goal of reducing total waste generated year-on-year. To ensure compliance with local regulatory requirements, we work with DENR-accredited service providers to collect and treat non-hazardous and hazardous waste. **Our logistics unit implements a waste segregation program to ensure we divert as much waste from landfills. In addition, we work with a waste custodian to conduct another round of segregation to increase recycling items.** We have also been expanding the use of velcro straps to replace stretch films in selected SKUs and extending the practice to other **Distribution Centers**. In 2023, we will establish baseline data on the recovery of stretch films and other plastics. We will also continue to increase our employee's awareness and engagement through waste reduction programs, waste reduction initiatives, and consultations with experts for new technologies that can help reduce waste, such as converting or reprocessing used lubricating oil.

In China, we fully comply with government requirements, laws, and regulations. Non-hazardous waste is managed, while hazardous waste is delivered to a professional waste disposal company. We established long-term cooperation with suppliers that meet proper scrapping qualifications. To further contribute to waste reduction, we use reusable pallet bandages.





## Energy and Emissions

FB-RN-130a.1  
302-1, 302-4, 302-5, 305-5

At the Jollibee Group, we balance our sustainability goals and financial targets. By effectively managing our electricity consumption, waste gas, and waste electricity, we get to work on both objectives. Energy and emission management enables us to reduce production costs, improve product competitiveness in the market, and support a green environment.

### Energy Reduction and Process Optimization in Manufacturing

305-5

In the Philippines, we introduced various initiatives under the **Corporate Supply Chain's (CSC) Sustainability Program**, particularly on energy and water efficiencies. We identified four focus areas for continuous improvement. First, we started with educational campaigns to influence employee mindset and behavior through toolbox meetings, leaders' walk-throughs, and training. Second, we put in place process optimizations to improve Overall Equipment Effectiveness (OEE) in manufacturing. Third, we applied best practices to ensure timely and proper maintenance of critical equipment like the servicing of ovens, boilers, and other burners. The essential monitoring of equipment is also captured in our restaurants' daily monitoring sheet, which includes temperature, pressure, and visual conditions. Fourth, we used appropriate engineering technology, such as variable frequency drives, process automation, and machine interlocks, to optimize operations further. Each site uses the SC Energy Management Assessment Checklist to assess its Energy Management program. By listing opportunities, gaps, and action plans, we arrive at relevant site energy reduction plans and initiatives.

We made measurable progress in the process optimization of operations and energy. To improve operational efficiency, we implemented the Overall Equipment Effectiveness (OEE) Digitalization, which measures the



overall equipment effectiveness of our processing lines. This system enables us to address downtime, improve production planning and line efficiency, and increase our throughput output. This helps us maximize our baseload and control of utilities during non-production schedules. We currently

have programs to replicate this in other sites. "Enercon 2.0" has been implemented in most sites to improve Energy Efficiency with various initiatives focusing on Utility Systems, particularly Refrigeration, Ammonia Compressors, Steam Systems, and lighting.

# ENERGY EFFICIENCY

Committed to reducing our energy consumption, we implement policies and programs to propel our business toward resilience and long-term growth while ensuring a brighter future for our planet. Through our energy-saving initiatives, we aim to reduce energy consumption in our manufacturing processes and stores.

At the end of 2022, we delivered a **21.5% reduction in energy use ratio** versus a 2020 baseline, indicative of the efficacy of the initiatives on fuel and electricity reduction. A total of 5,589 metric tons of greenhouse gas emission has been avoided for release to the atmosphere due to more efficient energy use.

Moving forward, we are committed to continuously decarbonizing our value chain. To do so, we have aligned our actions with the Energy Efficiency and Conservation Act (Republic Act No. 11285) and policies on Renewable Energy. **In addition, the CSC has issued a Sustainability in Energy, Water, and Waste Management Policy, which recommends improving our system, programs, and processes in efficiently using resources.** We have also prepared an Enercon guide for practice standardization at the plant. To motivate our team, we also recognized and awarded outstanding sites and individuals that significantly contributed to our programs through the 2022 Sustainability Champions for Energy, Water, and Food Loss Reduction.

In China manufacturing sites, we reduced energy consumption

Manufacturing Energy Data*	2022
Manufacturing - Electricity Consumption (kwh)	88,002,700.38

\*included in the scope are Philippines, China, USA Red Ribbon

per ton of product by 5.7% year-on-year through technological improvements in production and processing. **The pre-cooling technology installed as of October 2022 helped us achieve a 30% reduction in quick-freezing electricity usage.** We also eliminated coal by replacing coal-fired boiler equipment with an advanced gas-fired boiler alternative. We combined the use of equipment to conserve energy, used microwave ovens, and shut down the use of other equipment during peak periods.

In the US, we reduced electricity

consumption by using LED lights and temperature sensors to monitor cooling storage for doors left open. Red Ribbon, which started converting to LED lights in 2020, and installing sensors in 2021, completed the initiative as of October 2022.

In China and the US, we carry out weekly, monthly, and yearly maintenance and inspections of key areas of critical equipment and facilities.

## Renewable Energy in Our Manufacturing Sites

In the Philippines, we are currently studying various renewable energy sources for our commissaries. Current discussions aim to determine the projects' focus sites, size, location, and environmental impact. One of our major projects, the Solar Rooftop Project, will begin in 2023 by installing 9 MWp solar PV across our four big commissaries. This project is expected to cover 19% of the total electricity requirement of the sites and become our single biggest step towards decarbonizing our supply chain, with a potential 16% reduction in greenhouse gas emissions. From our total consumption in Manufacturing, we derived 484,934.74 kWh from Renewable Sources in 2022.

**Solar power has broader applications in our system as we test its viability for use in hot water requirements and hand washing facilities** and look for similar applications using solar technology. We also tested solar streetlights and are exploring more solar applications for perimeter lighting.





## Energy Saving Initiatives in Our Stores

302-5

Our kitchens, storage, heating, ventilation, and air conditioning account for much of our store power consumption. **We are always looking for innovative ways to reduce energy consumption and implement energy-saving initiatives.** Among our 2281 stores in the Philippines, Vietnam, Macau, Jollibee United Kingdom, and Spain, we consumed 464,809,395.78 kWh of electricity from the grid.

In the Philippines, we manage energy-intensive activities through more efficient equipment use or training an in-house technician while ensuring legal compliance in facility management. Our stores launched the improved database

management accounting of the impact of their operations through collecting sustainability data. This initiative measures monthly power consumption resulting in better baseline data, while also raising the environmental awareness of the store personnel. We continuously drive awareness of energy-saving initiatives and procedures among our teams through Energy Conservation training integrated with the in-house Pollution Control Officer Training all year round.

Meanwhile, the Restaurant Systems Department creates standard store practices for managing risks and operational threats. Refrigerant leakage of damaged air-

conditioning units or refrigeration systems is immediately addressed. We continue to improve coverage for preventive equipment maintenance to reduce leaks and optimize equipment operation. We also assess the competency of preventive maintenance service providers, supplemented with various training programs. All air conditioning and refrigerant equipment utilize Ozone Depletion Potential (ODP) and low global warming potential (GWP). All new stores constructed in 2022 use R32 refrigerant with a lower GWP and flammability than the conventional R410A. We likewise continuously explore long-term, stable solutions to mitigate risks by deploying stationary power sources, such as

a generator set, and renewable alternatives like solar energy. We are also piloting solutions to optimize the energy consumption of installed equipment.

**Our Network Development Group continues to explore and evaluate new technologies that reduce consumption and optimize the energy efficiency programs implemented across our business units.**

We saw a positive impact on store economics, particularly in locations with higher electricity rates.

**With a cumulative capacity of 20-30 kWh, the Solar PV panels reduced consumption from the grid by 3-7% in each store.**

For example, one Jollibee branch in Ozamiz, Philippines, reduced its electricity consumption by 3% within three months. On average, stores with solar PV roofs capture 28,000 kWh annually, equivalent to about Php 280,000 or about \$5,100 in savings. We can potentially reduce over 100 tons of carbon emissions and save over 230,000 kWh of energy annually through these installations.

Solar PV technology now provides a faster return on investment. For projects installed before 2022, energy-generated data is collected by downloading through the system's inverter with data and corresponding savings recorded manually. We started using a cloud-based energy monitoring dashboard to access real-time data on energy generated and projected savings for future installations.



In China, kitchen equipment mainly accounts for energy consumption. By combining equipment and using a microwave oven, we can shut down some equipment during peak periods and reduce the total energy consumption. Yonghe King production equipment has been reduced by 17.6% from 131kW to 108kW. Yonghe King plans to develop an annual technology-based energy efficiency improvement plan, incentivize energy technology innovation, and set standards for product energy consumption usage to monitor and course-correct. We are also planning to use an energy-saving intelligent control system for our restaurants' exhaust and air-conditioning systems to reduce energy consumption in 2023.

To reduce overall energy consumption in our stores in EMEA, we scheduled equipment use and preventive maintenance with accredited service providers, used energy-saving devices, and trained an in-house technician to perform basic store equipment maintenance. In Singapore, Malaysia, Hong Kong, and Macau, we considered the roll-out of Duke PHU, which reduces electricity consumption by 32%. In Vietnam, the UK, Italy, and Spain, stores time the switching of equipment during the opening procedure. In Oman, all equipment are well-maintained and calibrated to maximize efficiency.

Store Solar Data*	2022	
	Annual kWh Savings	Annual CO2 reduced
<b>TOTAL</b>	<b>242,324.86</b>	<b>117,316.49</b>

\*included in the scope is the Philippines

## Earth Hour 2022

Over 2,000 stores nationwide from the different brands of the Jollibee Group participated in the 2022 Earth Hour, the world's largest movement that promotes carbon footprint reduction to stop climate change. Participating stores of Jollibee, Mang Inasal, Red Ribbon, and Greenwich turned off the lights in their stores and signages for an hour. Billboards and other out-of-home ads of Jollibee Group brands were also switched off for an hour to contribute to Earth Hour's goals.



## Energy Saving Initiatives in Our Main Offices



**60+ EARTH HOUR**

**Saturday, March 26**  
**8:30pm – 9:30pm**

For one hour, Red Ribbon is turning off the lights of its pylons, signages and billboards as part of a global movement to increase awareness and spark conversations on protecting nature, tackling the climate crisis, and working together to shape a brighter future for us all.

**g greenwich**

**All we need is a slice of your day**

**Earth Hour**  
**03.26.22 | 8:30pm - 9:30pm**

As more of our employees return to our offices, **we keep them aware and engaged in Jollibee Group's sustainability efforts, so they can further nurture a behavior of shared responsibility for the environment.** We identified and continued to monitor the facilities that contribute to significant electricity consumption, such as air-conditioning systems, water supply and treatment facilities, and lighting. We initiated measures such as a hybrid work schedule and monitoring utilization. We also implemented corresponding adjustments to operations schedules, maintenance activities, and audit efforts. These initiatives reinforced our previously established mechanisms, such as engineering

initiatives for proper ventilation, proactive maintenance activities, and energy conservation initiatives, such as scheduled ACU-Lights out.

As we develop an ecosystem for energy savings and cost reduction and promote the health of our employees and our communities, we continue to evaluate the effectiveness of our initiatives. We do this through a framework that looks at the Service Level Agreement of Partner Employers. We also conduct reporting and feedback management as we leverage Voice of the Customers (VOC) to ensure our responsiveness and compliance with the legislation issued by national and local authorities.

**We also identified other opportunities to improve our energy-saving strategy. These include Smart Building initiatives like automation, sensors, and IOT in Building Operations; initiatives like Earth Hour, including reporting, monitoring, and measuring impact; and Energy Mapping Systems to create baseline data and outline energy usage for potential improvement/reduction.**

## Energy Saving Initiatives in Our Logistics

Stakeholders are essential in promoting the Jollibee Group's energy conservation program. By raising conservation awareness and communicating, collaborating, and sharing with others, we better ensure the effectiveness and successful implementation of our energy conservation initiatives, including our transport operations.

In the Philippines, we measure sustainability performance in terms of the Energy Usage Ratio (EUR) by tracking it monthly. Major

energy consumption in transport operations comes from diesel and electricity. We use diesel fuel for transport trucks, while electricity is used in the plug-in operation or backup power for refrigerated trucks during unloading when receiving and dispatching items.

Energy conservation initiatives in our Bicutan site include providing signages and reminders to switch off all devices when not in use. For example, lights, air-conditioning units, water dispensers, and

computer units are turned off after office hours. We also optimized the running of the refrigeration compressor and EVAPCO units and installed Variable Frequency Drive (VFD) at Highstage 2, Swing Compressor Motors, and EVAPCO Fan Blowers. The VFD controls motor speed which helps prevent strain on motor startup. We also rehabilitate Capacitor Banks, install Lighting Sensors at Dry Warehouses and replace motors with those with high-efficiency ratings. We also introduced and maximized truckload space and delivery frequency for smaller trucks for select stores with small volumes from 2T.4T to AUV and 1T. In other sites, we continue to expand Project Tesla, which focuses on maximizing routes, and Project Hertz, which balances daily volume and manhour management.

As a result, the Bicutan site performs stronger and ahead of the target, with an actual **reduction of Energy Usage Ratio (EUR) of 26.1% versus 2021.**

To build on our gains, we continue to raise awareness and engage our employees to implement energy-saving initiatives. We also make sure to consult with experts about our renewable energy options. We consumed a total of 7,731,960 kWh of electricity from the grid.



## Water

FB-RN-140a.1  
303-1, 303-2, 303-5

Water-intensive processes and operations are inherent to our business. Recognizing possible risks of supply scarcity, depletion of natural resources, and higher wastewater discharge, the Jollibee Group endeavors to reduce water consumption in manufacturing. In our operations in the Philippines, we look forward to implementing our integrated short-term and long-term plans for water stewardship.

### Water Stewardship and Reducing Water Consumption in the Manufacturing Process

In the Philippines, each manufacturing site assesses its Water Management program using the Supply Chain Water Management Assessment. Through this assessment, we list opportunities, identify gaps, and develop site water reduction plans and initiatives.

**To reduce consumption, we implemented water-conservation initiatives, such as the modification of nozzles in crates washers, modification of tubs for pan washings, reduction of water in footbaths, repair of leaks, reduction of freshwater use in the wastewater operation, and close monitoring of water use in toilets and locker areas.**

We conduct regular reviews of General Effluent Standards (GES) for wastewater treatment performance to ensure compliance. Each plant's Pollution Control Office (PCO) submits Self-Monitoring Reports (SMR) to their local Department of Environment and Natural Resources - Environmental Management Bureau (DENR-EMB) and discusses GES results and gaps to ensure sustained compliance. This year, our Wastewater Treatment Facilities (WWTF) underwent major upgrades in capacity to biological treatment, resulting in a better quality of effluents and sustained compliance. Chowking Sucat upgraded its system capacity to include Membrane Bioreactor (MBR) and a Dewatering treatment system. CBF continues the upgrade of its Dissolved Air Flotation (DAF) and Dewatering

system. Red Ribbon-Cagayan de Oro is upgrading its biological treatment to include MBR and a Dewatering unit. RR-SMO sites continue to enhance compliance with the addition of treatment chemicals for coagulation and flocculation as part of the recovery of Fats, Oil, and Grease (FOG). All these resulted in a better quality of effluents and sustained compliance.

**All manufacturing sites installed wastewater treatment facilities to manage and treat production wastewater.** The system operates on biological treatment, with some sites enhancing filtration using the Membrane Bio-Reactor and Dewatering System. Accredited

hazardous waste vendors collect Fats, Oils, and Grease (FOG) waste for treatment. At the same time, some sites have dewatering units to remove mostly liquids and dewatered sludge which accredited vendors then transport for treatment.

We made good progress in our water management plan by reducing leaks, installing sub-meters, reducing crate and pan washing and other unnecessary waste using modified nozzles in new washers, and reusing effluent water. We are currently evaluating how to recover condensate water from our air coolers and harvest rainwater and effluent water as part of the overall plan for Tertiary Treatment Plants for our big sites.





We ensure compliance with all government regulatory requirements, particularly the DAO 2016-08 and the new DAO 2021-19. While our major sites lead the accreditation for ISO 14000, our small plant operates under the guidelines of ISO Standards. Along with other policies, CSC issued a Policy on Sustainability on Energy, Water and Waste Management to guide our operating sites in improving our system, programs, and process toward greater efficiency.

**The implementation of these various water conservation measures across our Philippine manufacturing sites resulted in a reduction of 23.7% in water use ratio versus a 2020 baseline. This is around 328,102 cubic meters of water saved due to more efficient use, equivalent to the water volume of approximately 131 Olympic size pools.**

In China, we control and monitor water flow and usage in all wastewater production and treatment aspects, following standard processes and legal and regulatory requirements. Rainwater and sewage are

separated, collected, and brought to treatment stations and supported through online monitoring. Sludge is collected and treated by an accredited third-party provider. In addition, we established a condensate collection network and treatment system in the production hall, and improved water efficiency by collecting and reusing condensate. We also developed and managed standard water use targets to identify and encourage full participation in water conservation and measurement.

In the US, wastewater is treated through municipal sewers and

water treatment facilities, while stormwater is processed through separate plans and permits. We plan to improve Stormwater Pollution Prevention continuously. For sewage, regular inspection is conducted by the government and monitoring by a third-party provider which submits reports to the government. Sewage is brought to government-run sanitation plants where the Sewage pH level is maintained at six and above. We plan to strengthen compliance with government regulations and standards through consistent monitoring, quarterly testing, and sewage cleaning.



### Water Stewardship in our Stores

In the Philippines, stores are equipped with a water filtration system with regular quality monitoring to offer suitable drinking water. Our restaurants are designed with a treatment system to minimize the environmental impact of the effluent on neighboring communities. We continue to explore new technologies to improve wastewater quality in meeting the General Effluent Standards.

Moreover, our stores implement Cleaner Production and Pollution Prevention initiatives to remove as much fats, oils and grease in wastewater which reduces its organic strength, contributing to less environmental pollution. We also continue our Information, Education and Communication Campaign on water conservation,

sanitation practices and water management to help build the mindset of an environmentally conscious workforce which should result in improved water conservation output. Supplementary training on effluent management was launched in 2022 to refresh our business units on the operation procedures to reduce further the environmental impact of the wastewater in the community.

Successful pilot projects were launched and increased our options for cost-effective solutions. For example, a rainwater harvesting system resulted in at least 4 cubic meters per month of rainwater collected that were used for domestic purposes. We also piloted the installation of new wastewater treatment

technologies utilizing aerobic and bio-nutrient removal processes in various stores that met regulators' prescribed effluent quality.

In the EMEAA, we manage or minimize through a review of kitchen processes and water use, the roll-out of waterless bains-marie, preventive maintenance of water supply lines, and proper crew training on Cleanliness and Sanitation. We also conduct water analysis to ensure food safety. In Vietnam, we have set a master cleaning schedule and an in-depth cleaning procedure to minimize water consumption. We comply with standards of water analysis every six months, including five test points on ice analysis, and maintain wastewater tanks.

## Water Stewardship in Our Offices

As we develop an ecosystem for water efficiency and promote the health of our people and our communities, we continue to evaluate the effectiveness of our initiatives through a framework that looks at the Service Level Agreement of Partner Employers and reporting and feedback management as we leverage on Voice of the Customers (VOC) to ensure our responsiveness, and compliance to keep apace mandates and legislations issued by the national and local authorities.

**We also identified future improvements, such as Smart Building Initiatives like automation, sensors, IOT in Building Operations, and low-flow fixtures.** The Perform Water Usage Mapping System is currently being explored to create baseline data and outline water consumption for potential improvement/ reduction.

In the Philippines, our offices implemented drinking water analysis. As part of the Water System Maintenance Program, water systems and equipment

are regularly inspected to ensure optimization. We regularly review processes through Compliance and Feedback Management and Facility Inspection to measure program effectiveness. Similarly, in China and the US, we use barreled water or filters or water systems and conduct regular maintenance measures to ensure drinking water conservation and safety. China and US offices also maintain the faucet filter device once or twice a year and ensure that water dispensers are maintained quarterly, while electric kettles are regularly cleaned.

## Water Stewardship in Our Logistics

Since 2021, we have targeted to reduce water use by 5% in our Philippine logistic sites based on our Water Stewardship, which measures sustainability performance in terms of Water Usage Ratio (WUR). Our Water Stewardship measures are identified and tracked monthly and are continuously supported by several programs such as information and education campaigns, posting of signages and posters on proper water usage and conservation, and monitoring and repairing water leakage in storage tanks, pipelines, and faucets.

Crates and pallet washing, the refrigeration process for cold storage, and workplace facilities for washing, toilets, and canteens make up most of the water consumption in our operations in the Philippines. To manage consumption, we implemented a Water Management Checklist, particularly for our Bicutan site. The checklist helped us define action plans based on

initial assessment and conduct monthly tracking to ensure meeting our targets for reduction. Focusing on the principles of Reduce, Reuse and Replace, we implemented water-saving initiatives to drive employee awareness, optimized the running of the Evaporative Condenser (EVAPCO) in the refrigeration process, installed sensor-type faucet, and reduced water supply pressure in identified areas such as the hand wash stations, comfort rooms, and lockers without compromising hygiene maintenance requirements. **As a result, the Bicutan site performed ahead of the target, with the actual reduction of the WUR at 44.7% from 2021.** Preparation for collecting rainwater and condensate in ammonia pipe refrigeration will continue in 2023.



Logistics Water Data*	2022
Logistics - water consumed (cu.m)	26,680

\*included in the scope is the Philippines

# OUR PLANET GOALS

PILLAR	FOCUS AREAS	JOLLIBEE GROUP	
		GOALS	STATUS
 <b>PLANET</b> We Treat the Planet Responsibly	 Packaging & Recycling	Improve <b>packaging sustainability</b> across our operations	Our manufacturing group has <b>reduced their single-use plastic packaging</b> thru various initiatives such as upsizing of containers, shifting from plastic cling-wraps to velcro palette wrapping, recovery and recycling thru third-party collector, among others. In our Philippine stores, our <b>"Skip the Straw"</b> campaign is still ongoing, and strawless drinks have been introduced. We continue to use <b>reusable-wares for dine-in</b> across our stores in the Philippines.
	 Waste Reduction	Reduce <b>food loss and waste to landfill</b> in the manufacturing process and <b>food waste</b> in stores	We achieved a <b>38.1% total reduction</b> in total waste at the end of 2022 versus a 2020 baseline, in our Philippine manufacturing plants. Across all our stores globally, we follow waste disposal protocols in <b>compliance with local government regulations.</b>
	 Energy & Water Efficiency	Reduce <b>energy consumption</b> in the manufacturing process	We achieved a <b>21.5% reduction</b> in energy use ratio versus a 2020 baseline as a result of the efficacy of our manufacturing initiatives.
	Execute <b>energy-saving initiatives</b> to reduce energy consumption in our stores	Selected stores in the Philippines utilize <b>solar panels.</b> We continue to explore and evaluate new technologies that <b>reduce consumption and optimize the energy efficiency programs</b> to be implemented across our business units.	
		Reduce <b>water consumption</b> in the manufacturing process	We achieved a reduction of <b>23.7% in water use ratio</b> versus a 2020 baseline, in our Philippine manufacturing plants.

# APPENDICES

## PEOPLE

### Hiring, Diversity and Equal Opportunity

#### 2022 EMPLOYEE BREAKDOWN BY LOCATION AND GENDER

Employees By Gender	Female	Male
Philippines	5,731	6,101
China	218	159
Vietnam	760	442
United Kingdom	271	236
Spain	18	8
USA Philippine Brands	2,067	1,828
Canada Philippine Brands	692	645
<b>TOTAL</b>	<b>9,757</b>	<b>9,419</b>

#### 2022 EMPLOYEE BREAKDOWN BY POSITION AND GENDER IN THE PHILIPPINES

Employees By Gender	Female	Male
Top Management	66	65
Senior Management	211	121
Middle Management	423	250
Supervisors	3,402	2,630
Rank and File	1,629	3,034
<b>TOTAL</b>	<b>5,731</b>	<b>6,101</b>
<b>%</b>	<b>48%</b>	<b>52%</b>

#### 2022 EMPLOYEE BREAKDOWN BY POSITION AND GENDER IN OTHER REGIONS\*

Employees By Gender	Female	Male
Top Management	11	19
Senior Management	34	43
Middle Management	194	151
Supervisors	689	402
Rank and File	3,098	2,703
<b>TOTAL</b>	<b>4,026</b>	<b>3,318</b>
<b>%</b>	<b>55%</b>	<b>45%</b>

\*included in the scope are China, Vietnam, United Kingdom, Spain, USA Philippine Brands, and Canada Philippine Brands

#### 2022 EMPLOYEE BREAKDOWN BY AGE AND GENDER IN THE PHILIPPINES

Employees By Age	Female	Male
<30 years old	2,526	2,612
30-50 years old	3,017	3,296
>50 years old	188	193
<b>TOTAL</b>	<b>5,731</b>	<b>6,101</b>

#### 2022 EMPLOYEE BREAKDOWN BY AGE AND GENDER IN OTHER REGIONS\*

Employees By Age	Female	Male
<30 years old	2,052	1,970
30-50 years old	1,152	734
>50 years old	551	378
<b>TOTAL</b>	<b>3,755</b>	<b>3,082</b>

\*included in the scope are China, Vietnam, Spain, USA Philippine Brands, and Canada Philippine Brands

### New Hires and Turnovers

#### 2022 NEW HIRES AND NEW HIRE RATE BY AGE AND GENDER FOR PHILIPPINES

Employees By Age	Female	Male
<30 years old	1,014	1,088
30-50 years old	363	452
>50 years old	2	11
<b>TOTAL</b>	<b>1,379</b>	<b>1,551</b>
<b>NEW HIRE RATE</b>	<b>47%</b>	<b>53%</b>

#### 2022 NEW HIRES AND NEW HIRE RATE BY AGE AND GENDER FOR OTHER REGIONS\*

Employees By Age	Female	Male
<30 years old	1,535	1,719
30-50 years old	445	360
>50 years old	166	139
<b>TOTAL</b>	<b>2,146</b>	<b>2,218</b>
<b>NEW HIRE RATE</b>	<b>49%</b>	<b>51%</b>

\*included in the scope are China, Vietnam, United Kingdom, Spain, USA (Philippine Brands) and Canada (Philippine Brands)

#### 2022 VOLUNTARY EMPLOYEE TURNOVER AND TURNOVER RATE BY AGE AND GENDER FOR PHILIPPINES

Employees By Age	Female	Male
<30 years old	432	414
30-50 years old	426	436
>50 years old	20	17
<b>TOTAL</b>	<b>878</b>	<b>867</b>
<b>Voluntary Employee Turnover Rate</b>	<b>50%</b>	<b>50%</b>

#### 2022 VOLUNTARY EMPLOYEE TURNOVER AND TURNOVER RATE BY AGE AND GENDER FOR OTHER REGIONS\*

Employees By Age	Female	Male
<30 years old	1,551	1,612
30-50 years old	478	386
>50 years old	226	181
<b>TOTAL</b>	<b>2,255</b>	<b>2,179</b>
<b>Voluntary Employee Turnover Rate</b>	<b>51%</b>	<b>49%</b>

\* Included in the scope are China, Vietnam, Spain, USA (Philippine Brands) and Canada (Philippine Brands)

### 2022 INVOLUNTARY EMPLOYEE TURNOVER AND TURNOVER RATE BY AGE AND GENDER FOR PHILIPPINES

Employees By Age	Female	Male
<30 years old	50	60
30-50 years old	43	67
>50 years old	1	2
<b>TOTAL</b>	<b>94</b>	<b>129</b>
<b>Voluntary Employee Turnover Rate</b>	<b>42%</b>	<b>58%</b>

### 2022 INVOLUNTARY EMPLOYEE TURNOVER AND TURNOVER RATE BY AGE AND GENDER FOR OTHER REGIONS\*

Employees By Age	Female	Male
<30 years old	72	108
30-50 years old	28	43
>50 years old	10	13
<b>TOTAL</b>	<b>110</b>	<b>164</b>
<b>Voluntary Employee Turnover Rate</b>	<b>40%</b>	<b>60%</b>

\*Included in the scope are China, Spain, USA (Philippine Brands), Canada (Philippine Brands)

### 2022 ATTRITION RATE BY GENDER FOR PHILIPPINES

Attrition Rate	Female	Male
By Gender	17%	16%
<b>TOTAL</b>	<b>17%</b>	

### 2022 ATTRITION RATE BY GENDER FOR OTHER REGIONS\*

Attrition Rate	Female	Male
By Gender	59%	71%
<b>TOTAL</b>	<b>64%</b>	

\*included in the scope are China, Vietnam, Spain, UK, USA Philippine Brands, Canada Philippine Brands

### 2022 RESTAURANT EMPLOYEE TURNOVER TIME BY AGE AND GENDER FOR PHILIPPINES

Restaurant Employees By Age	Female	Male
<30 years old	691	854
30-50 years old	213	291
>50 years old	0	4
<b>TOTAL</b>	<b>904</b>	<b>1,149</b>
<b>Restaurant Employee Turnover Rate</b>	<b>44%</b>	<b>56%</b>

### 2022 RESTAURANT EMPLOYEE TURNOVER TIME BY AGE AND GENDER FOR OTHER REGIONS\*

Restaurant Employees By Age	Female	Male
<30 years old	1,718	1,833
30-50 years old	505	435
>50 years old	243	211
<b>TOTAL</b>	<b>2,466</b>	<b>2,479</b>
<b>Restaurant Employee Turnover Rate</b>	<b>50%</b>	<b>50%</b>

\*Included in scope are Vietnam, Spain, USA (Philippine Brands), and Canada (Philippine Brands)

402-1

### 2022 HIRING TURNAROUND TIME

Employee hiring turn-around time	PH	VIETNAM	UK	SPAIN	US (PH BRANDS)	CANADA (PH BRANDS)
Store	45 to 70 days	Monthlies: 75-80 days Dailies: 15-20 days	30 days	15-30 days	30 days	30 days
Support Positions	50 to 110 days	75 – 80 days	30 - 60 days	NA	30 days	
Commissary	60 to 110 days	Monthlies: 60 days Dailies: 14 days	NA	NA	30 days	

## Compensation and Benefits

FB-RN-310a.3, 202-1

### 2022 MINIMUM WAGE BREAKDOWN BY GENDER

Minimum Wage*	Female	Male
Ratio of lowest paid employee against minimum wage		1:1
Percentage (%) of restaurant employees earning at least minimum wage		100%

\*included in the scope are Philippines and China

405-2

**2022 RATIO OF BASIC SALARY AND REMUNERATION BY POSITION\***

Top Management	1:1
Senior Management	1:1
Middle Management	1:1
Supervisors	1:1
Rank and File	1:1

\*included in the scope are Philippines, Vietnam, United Kingdom, and Spain

**2022 VARIABLE PERFORMANCE-BASED COMPONENT TO PAY**

% of eligible employees	Performance Bonus	
	Female	Male
Top Management	100%	100%
Senior Management	100%	100%
Middle Management	100%	100%
Supervisors	100%	100%
Rank and File	100%	100%

Stock options are granted depending on the position

\*included in the scope are Philippines and Vietnam

**Training and Development**

**2022 MAINSTREAM PROGRAM (LEADERSHIP AND TECHNICAL) FOR PHILIPPINES**

**ALL EMPLOYEES**

Total training hours provided to employees (hours)	<b>142,133</b>
Average training hours provided to employees (hours/employee)	<b>9.65</b>

**2022 MAINSTREAM PROGRAM TRAINING HOURS BREAKDOWN BY POSITION AND GENDER FOR PHILIPPINES**

Training		Female	Male
<b>Total training hours provided to employees (hours)</b>		<b>76,167</b>	<b>65,966</b>
INTERNAL Training hours breakdown	Executives	1,205	833
	Managers	11,759	9,703
	Supervisors	38,039	18,227
	Rank and File	11,661	23,255
EXTERNAL Training hours breakdown	Executives	355	160
	Managers	5,446	5,883
	Supervisors	6,622	6,357
Rank and File	1,080	1,548	
<b>Average training hours provided to employees (hours/employee)</b>		<b>8</b>	<b>10</b>
Training hours breakdown	Executives	183	179
	Managers	5,835	3,619
	Supervisors	2,106	1,737
	Rank and File	1,278	1,989

### 2022 MAINSTREAM PROGRAM (LEADERSHIP AND TECHNICAL) FOR CHINA, VIETNAM, AND UNITED KINGDOM

#### ALL EMPLOYEES

Total training hours provided to employees (hours)	<b>29,020</b>
Average training hours provided to employees (hours/employee)	<b>10</b>

### 2022 MAINSTREAM PROGRAM TRAINING HOURS BREAKDOWN BY POSITION AND GENDER FOR CHINA, VIETNAM, AND UNITED KINGDOM

Training	Female	Male
<b>Total training hours provided to employees (hours)</b>	<b>17,895</b>	<b>11,125</b>
INTERNAL Training hours breakdown		
Top Management (hours)		40
Senior Management (hours)		30
Middle Management (hours)		
Supervisors (hours)	1,238	1,392
Rank and File (hours)	14,969	8,635
EXTERNAL Training hours breakdown		
Top Management (hours)		
Senior Management (hours)		500
Middle Management (hours)		
Supervisors (hours)		312
Rank and File (hours)		32
<b>Average training hours provided to employees (hours/employee)</b>	<b>41</b>	<b>38</b>
Training hours breakdown		
Top Management (hours/employee)		
Senior Management (hours/employee)		
Middle Management (hours/employee)	14	12
Supervisors (hours/employee)	26	26
Rank and File (hours/employee)	38	36

### 2022 ACCELERATED DEVELOPMENT PROGRAM IN VIETNAM

#### ALL EMPLOYEES

Total training hours provided to employees (hours)	<b>11,142.00</b>
Average training hours provided to employees (hours/employee)	<b>5.35</b>

### 2022 ACCELERATED DEVELOPMENT PROGRAM IN THE PHILIPPINES

#### ALL EMPLOYEES

Total training hours provided to employees (hours)	<b>4,784.00</b>
Average training hours provided to employees (hours/employee)	<b>368.00</b>

### 2022 ACCELERATED DEVELOPMENT PROGRAM BREAKDOWN BY GENDER IN THE PHILIPPINES

Total training hours provided to FEMALE employees	<b>3,680</b>
Total training hours provided to MALE employees	<b>1,104</b>

## Occupational Health and Safety

403-9, 403-10

2022 OCCUPATIONAL HEALTH AND SAFETY DATA FOR PHILIPPINES			
	Department		
	Main Office	Store	Supply Chain
Safe-man hours (hours)	NA	NA	1,309,068
Number of safety drills (count)	4	796	13
Number of work-related ill-health	0	26	2
Total number of disabling injuries (count)	0	12	1
Total number of fatalities (count)	0	0	0
Fatality Rate (%)	0	0	0
Disabling injury frequency rate (%)	0%	0.37%	0.76%
Disabling injury severity rate (%)	0%	10.46%	6.80%
Number of high-consequence work-related injuries (excluding fatalities) work-related injury that results in a fatality or in an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within six months (count)	0	0	0

2022 OCCUPATIONAL HEALTH AND SAFETY DATA FOR CHINA, VIETNAM, UNITED KINGDOM, AND SPAIN			
	Department		
	Main Office	Store	Supply Chain
Safe-man hours (hours)	13,368	502,416	1,311,572
Number of safety drills (count)	3	1	1
Number of work-related ill-health	0	25	0
Total number of disabling injuries (count)	0	1	0
Total number of fatalities (count)	0	0	1
Fatality Rate (%)	0	0	0.09%
Disabling injury frequency rate (%)	0%	0%	0%
Disabling injury severity rate (%)	0%	0%	0%
Number of high-consequence work-related injuries (excluding fatalities) work-related injury that results in a fatality or in an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within six months (count)	0	0	0

## Labor Management

2022 FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING AGREEMENTS (CBA) FOR PHILIPPINES, VIETNAM AND CHINA				
Breakdown		Philippines	Vietnam	China
	#	1,130	1,202	470
Employees covered by collective bargaining agreements	%	11%	100%	100%
	Brands or Business units of the employees with CBAs	Jollibee, Red Ribbon	Jollibee Vietnam, Goldstar	
consultations conducted with employees concerning employee-related policies	#	19	2 times / year	
	Frequency	monthly	semester	
Days of work stoppage due to labor unrest	days	0	0	0
No. of legal actions or employee grievances	count	1	0	
Minimum number of weeks' notice typically provided to employees and their representatives prior to the implementation of significant operational changes that could substantially affect them		30 days	3 - 15 working days	2 weeks

## Corporate Governance

CHAIR OF THE HIGHEST GOVERNANCE BODY	
Name of Board Chairperson	Tony Tan Caktiong
Add explanation if the chairman also an executive officer in the company	He is the Executive Chairman

405-7

BOARD COMPOSITION						
Name of Director	Executive or Non-executive	Independent?	Tenure period	Other Significant Positions	Gender	Age
<b>Tony Tan Caktiong</b>	Executive	No	45 years	Chief Taste Officer; member of Executive & Nomination Committees and Chairman of Compensation Committee	M	70
<b>Ernesto Tanmantiong</b>	Executive	No	36 years	President and Chief Executive Officer; member of Executive, Nomination and Corporate Governance Committees	M	64
<b>William Tan Untiong</b>	Executive	No	30 years	Corporate Secretary; Chief Real Estate and Design Officer; member of the Executive, Nomination and Audit Committees	M	69
<b>Artemio V. Panganiban</b>	Non-executive	No	11 years	Member of Executive and Compensation Committees and Chairman of Nomination Committee	M	86



## BOARD COMPOSITION

Name of Director	Executive or Non-executive	Independent?	Tenure period	Other Significant Positions	Gender	Age
Antonio Chua Poe Eng	Non-executive	No	45 years	Member of Audit Committee	M	72
Ang Cho Sit	Non-executive	No	45 years	Member of Compensation Committee	M	72
Cesar V. Purisima	Non-executive	Yes	2 years 8 mos	Head Independent Director; Chairman of Audit Committee; Member of Corporate Governance Committee	M	62
Kevin Goh	Non-executive	Yes	1 year 8 mos	Member of Audit Committee	M	47
Ee Rong Chong	Non-executive	Yes	1 year 8 mos	Member of Compensation Committee, Chair of Corporate Governance Committee	F	47

## BOARD COMMITTEES AND RESPONSIBILITIES

As of December 31, 2022, the Jollibee Group's Board Committees are composed of the following:

Committee	Committee Responsibilities	Members	
		Name	Position
Executive Committee	The Board of Directors constituted the Executive Committee for the purposes of delegating to it such powers and functions as the Board may exercise, subject to limitations under applicable laws.	Tony Tan Caktiong Ernesto Tanmantiong William Tan Untiong Ret. Chief Justice Artemio Panganiban	Chair: Tony Tan Caktiong
Nomination Committee	The functions of the Nomination Committee shall include the following: * Pre-screen and shortlist all candidates nominated to become a member of the Board of Directors * Provide an assessment of the Board's effectiveness in directing the process of renewing and replacing Board members; * Review, evaluate and monitor the qualifications of all persons nominated to the Board and other appointments that require the Board's approval; * Assist the Board in developing and adopting a formal and transparent board nomination and election policy. * Recommend to the Board any changes or addition to the role, duties and responsibilities of the Chief Executive Officer * Carry out such other duties as may be delegated to it by the Board of Directors from time to time.	Ret. Chief Justice Artemio Panganiban Tony Tan Caktiong Ernesto Tanmantiong William Tan Untiong Cesar V. Purisima	Chair: Ret. Chief Justice Artemio Panganiban
Compensation Committee	The functions of the Compensation Committee shall include the following: * Establish a formal and transparent procedure for developing a policy on executive remuneration * Provide oversight over the remuneration of senior management and other key personnel, ensuring that compensation is consistent with the Company's culture, strategy and control environment; * Designate the amount of remuneration * Carry out such other duties as may be delegated to it by the Board of Directors from time to time.	Tony Tan Caktiong Ret. Chief Justice Artemio Panganiban Ang Cho Sit Ee Rong Chong	Chair: Ee Rong Chong
Audit Committee		Cesar V. Purisima Antonio Chua Poe Eng William Tan Untiong Kevin Goh	Chair: Cesar V. Purisima

## BOARD COMMITTEES AND RESPONSIBILITIES

As of December 31, 2022, the Jollibee Group's Board Committees are composed of the following:

Committee	Committee Responsibilities	Members	
		Name	Position
Corporate Governance Committee	<p>The Corporate Governance Committee (CG Committee) is tasked with ensuring compliance with and proper observance of corporate governance principles and practices. It has the following duties and functions, among others:</p> <ul style="list-style-type: none"> <li>* Oversee the implementation of the corporate governance framework and periodically review the said framework</li> <li>* Oversee the periodic performance evaluation of the Board and its committees as well as executive management;</li> <li>* Ensure that the results of the Board evaluation are shared, discussed, and that concrete action plans are developed and implemented to address the identified areas for improvement;</li> <li>* Recommend continuing education/training programs for directors, assignment of tasks/projects to board committees, succession plan for the board members and senior officers, and remuneration packages for corporate and individual performance;</li> <li>* Adopt corporate governance policies and ensures that these are reviewed and updated regularly and consistently implemented in form and substance;</li> <li>* Propose and plan relevant training for the members of the Board;</li> <li>* Determine the nomination and election process for the Company's directors</li> <li>* Establish a formal and transparent procedure to develop a policy for determining the remuneration of directors and officers that is consistent with the Company's culture and strategy as well as the business environment in which it operates; and</li> <li>* Assist the Board in reviewing all material related party transactions (RPT) of the Company.</li> </ul>	<p>Ee Rong Chong Ernesto Tanmantiong Cesar V. Purisima</p>	<p>Chair: Ee Rong Chong</p>

## Financial Data

201-1

DISCLOSURE	2022
<b>Direct economic value generated: (Billion Php)</b>	<b>222.29</b>
<b>Direct economic value distributed: (Billion Php)</b>	<b>217.75</b>
a. Employee wages and benefits	<b>35.45</b>
b. Payments to suppliers of raw materials	<b>45.39</b>
Other operating costs	<b>121.5</b>
c. Dividends given to stockholders	<b>2.8</b>
d. Interest paid to loan providers	<b>1.87</b>
e. Taxes paid to the government	<b>5.92</b>
f. Investments made to the community	
Donations	<b>0.1</b>
<b>Sales Discounts</b>	<b>4.72</b>
<b>Direct economic value retained : (Billion Php)</b>	<b>4.54</b>

# PLANET

## Materials Consumption

FB-RN-150a.2, 301-1, 301-2, 301-3

Overall packaging mix by type of material, by weight*					
	SKU Count	% SKU Count	Weight (kg)	% Weight	
TOTAL AMOUNT of packaging used					
	<b>721</b>	<b>100%</b>	<b>75,540,478</b>	<b>100%</b>	
Material Composition	Proportion of packaging material made of renewable sources	215	30%	22,086,175	29%
	Proportion of packaging material made of recycled content	139	19%	18,637,845	25%
Material Disposal	Proportion of packaging material that is reusable	64	9%	2,422,815	3%
	Proportion of packaging material that can be recycled after use	513	71%	47,331,785	63%
	Proportion of packaging material that can be composted after use	216	30%	22,087,571	29%

\*scope includes Philippines

## Waste Generated

FB-RN-150a.1, 301-3, 306-4, 306-5

MANUFACTURING - WASTE	
Waste Type	2022
Inherent Waste (tonnes)	<b>11,844</b>
<b>a. Recyclables (Cartons, Plastics, Tin Cans, Gallons)</b>	<b>2,481</b>
<b>b. Residuals</b>	<b>7,992</b>
<b>b.1. Meat Trimmings, Raw &amp; Processed: Food Loss, Lapsed, Expired &amp; Damaged</b>	<b>1,685</b>
b.1.1. Disposed thru Landfilling	52
b.1.2. Disposed thru Bioremediation	1,633
<b>b.2. Food &amp; Liquid Waste</b>	<b>2,203</b>
b.2.1. Disposed thru Landfilling	1,098
b.2.2. Disposed thru Bioremediation	635
b.2.3. Disposed thru Re-purposing (used as feedmill)	470
<b>b.3. Garbage</b>	<b>4,104</b>
<b>c. Reselling (Meat Trimmings, Raw &amp; Processed)</b>	<b>427</b>
<b>d. Cake/Bread/Pastries Trimmings (use as feedmill)</b>	<b>944</b>

\*included in the scope is Philippines and China

### MAIN OFFICE - WASTE

Waste Type	2022
Inherent Waste (tonnes)	<b>21.83</b>
<b>a. Recyclables (Cartons, Plastics, Tin Cans, Gallons)</b>	<b>19.902</b>
<b>b. Food &amp; Liquid Waste</b>	<b>1.928</b>
Hazardous Waste (kg)	<b>188</b>

\*included in the scope is Philippines

### STORES - WASTE

Waste Type	2022
Number of stores covered for solid waste generated*	<b>2,328</b>
<b>Solid Waste Generated (tonnes)</b>	<b>34,208</b>
Biodegradable (in tonnes)	12,446
Non-biodegradable (in tonnes)	21,762
<b>Hazardous Waste Generated (tonnes)</b>	<b>3,552</b>
Number of Stores covered for hazardous waste data	1,360
Used cooking oil**	713
Used genset oil	20
Bulbs	52
Electronic waste	20
Others (Grease Waste)	2,747
Amount of hazardous waste disposed (in tonnes)	3,552

\*included in the scope is Philippines

\*\*included are Philippines and Macau

LOGISTICS - WASTE	
Waste Type	2022
<b>Total solid waste generated (in tonnes)</b>	<b>230.44</b>
Reused (in tonnes)	6.09
Recycled (in tonnes)	115.34
To landfill (in tonnes)	109.01
<b>Total hazardous waste generated (in tonnes)</b>	<b>145.94</b>
Stretch film waste	34.17
Used oil	1.11
Replaced parts	0.49
Other Hazardous Waste	1.17
Total solid waste transported	109.01

\*included in the scope are Philippines and China

## Energy Consumption

302-1, 302-2, 302-3, 302-4, 302-5

MANUFACTURING - ENERGY	
Energy Source* (MWh)	2022
<b>Electricity from Grid</b>	<b>80,463.42</b>
Other Sources (non-renewable energy)	7,081.36
Other Sources (renewable energy)	484.93
<b>Total for Manufacturing (MWh)</b>	<b>88,002.70</b>

\*included in the scope are Philippines, China, USA Red Ribbon

STORES - ENERGY	
Energy Source* (MWh)	2022
<b>Number of stores covered for this requirement</b>	<b>2281</b>
<b>Energy</b>	
Electricity consumption from the grid (MWh)	143,949

\*included in the scope are Philippines, Vietnam, Macau, Jollibee United Kingdom, Spain

MAIN OFFICE - ENERGY	
Energy Source* (MWh)	2022
<b>Electricity from Grid</b>	<b>3,403.02</b>
Other Sources (non-renewable energy)	100.52
<b>Total for Main Office</b>	<b>3,503.53</b>

\*included in the scope is Philippines

LOGISTICS - ENERGY	
Energy Source* (MWh)	2022
<b>Electricity from the Grid (MWh)</b>	<b>7,732</b>
Diesel consumption	
Company-owned generator sets and equipment (L)	1,606

\*included in the scope are Philippines and China

MANUFACTURING - FUEL CONSUMPTION	
Fuel Type*	2022
<b>Diesel</b>	
<b>a. Genset/Boiler (GJ)</b>	<b>91,747.31</b>
<b>b. Fleet (employees) (GJ)</b>	<b>1,237.77</b>
<b>Gasoline</b>	
<b>a. Fleet (employees) (GJ)</b>	<b>359.31</b>
<b>LPG</b>	<b>1518.89</b>

\*included in the scope is: Philippines for Diesel and Gasoline; and Philippines, China for LPG

2022 STORE SOLAR ENERGY SAVINGS kgCO2	
Annual MWh Savings	Annual reduced
242.32	117,316.49

\*included in the scope is Philippines

MAIN OFFICE - FUEL CONSUMPTION	
Fuel Type*	2022
<b>Diesel</b>	
<b>a. Genset/Boiler (GJ)</b>	<b>31.44</b>
<b>b. Fleet (employees) (GJ)</b>	<b>238.49</b>
<b>Gasoline</b>	
<b>a. Fleet (employees) (GJ)</b>	<b>435.07</b>
<b>LPG</b>	
<b>a. Ovens/Heaters (tonnes)</b>	<b>8.34</b>

\*included in the scope is Philippines

STORES - FUEL CONSUMPTION		
ENERGY		
<b>Electricity consumption</b>	kWh	<b>597,948,146.24</b>
Luz-Vis Operations	GJ	1,258,708.05
Mindanao Operations	GJ	356,940.25
<b>Diesel consumption</b>	GJ	<b>16,067.87</b>
<b>LPG consumption</b>	kg	<b>11,992,830.56</b>

## GHG Emissions

305-1, 305-2, 305-3, 305-4, 305-5

SCOPE 1 EMISSIONS (TCO2E)				SCOPE 2 EMISSIONS (TCO2E)			
	Manufacturing	Main Offices	Stores		Manufacturing	Main Offices	Stores
Diesel (Gensets & Vehicles)	6,837.47	21.14	1,116.37	Scope 2	45,363.61	75,571.45	319,629.09
Gasoline	24.37	29.51	0				
LPG	2,365.05	12.99	35,889.00				
<b>TOTAL</b>	<b>9,226.89</b>	<b>63.64</b>	<b>37,005.37</b>				

\*\* Manufacturing: Includes PH, China for LPG

\* Stores: Includes PH only

\*Main Offices: Includes PH only

Stores include 151 Stores of Jollibee, Greenwich and Burger King in Philippines

## Water Consumption

303-3, 303-4, 303-5

MANUFACTURING - WATER		MAIN OFFICE - WATER	
Consumption*	2022	Consumption*	2022
<b>Water (Water Utility Provider and Groundwater)</b>		<b>Water (Water Utility Provider and Groundwater)</b>	
<b>Consumption (m3)</b>	<b>1,050,733</b>	<b>Consumption (m3)</b>	<b>22,091</b>
<b>Discharge (m3)**</b>	<b>668,012</b>		

\*included in the scope are Philippines, China, and USA Red Ribbon

\*\*Discharge include Philippines only

\*included in the scope are Philippines and China Hangzhou Office

STORES - WATER		LOGISTICS - WATER	
Consumption*	2022	Consumption*	2022
<b>Number of stores covered for this requirement</b>	<b>2,627</b>	<b>Water (Water Utility Provider and Groundwater)</b>	
<b>Volume of water consumed from public supply (m3)</b>	<b>6,730,295</b>	<b>Volume of water sourced from water utility (m3)</b>	<b>26,680</b>
		<b>Volume of water discharge (m3)</b>	<b>12,213</b>
		<b>Reduction in water consumption (m3)</b>	<b>9,692</b>

\*included in the scope are Philippines, Vietnam, and Spain

\*included in the scope is Philippines

# GRI CONTENT INDEX

GRI Content Index				
Statement of use		Jollibee Foods Corporation has reported in accordance with the GRI Standards for the period January 1, 2023 to December 31, 2023.		
GRI 1 used		GRI 1: Foundation 2021		
Applicable GRI Sector Standard(s)		None		
DISCLOSURE	TOPIC	PAGE NUMBER ALL ON ALL PAGES	OMISSION	
			REASON	EXPLANATION
<b>GENERAL DISCLOSURES</b>				
GRI 2: General Disclosures 2021	2-1 Organizational details	10		
	2-2 Entities included in the organization's sustainability reporting	10		
	2-3 Reporting period, frequency and contact point	8		
	2-4 Restatements of information		Not applicable	This is the first Sustainability report of Jollibee Group
	2-5 External assurance		Not applicable	The report has not undergone external assurance
	2-6 Activities, value chain and other business relationships	11		
	2-7 Employees	116		
	2-8 Workers who are not employees	None		
	2-9 Governance structure and composition	127		
	2-10 Nomination and selection of the highest governance body	129		
	2-11 Chair of the highest governance body	126		
	2-12 Role of the highest governance body in overseeing the management of impacts	79		
	2-13 Delegation of responsibility for managing impacts	79		
	2-14 Role of the highest governance body in sustainability reporting	79		
	2-15 Conflicts of interest	84		
	2-16 Communication of critical concerns	85		"Any critical concerns requiring Board discussion are included in the agenda of the Board of Directors. The Board discussed matters material to JFC throughout the year; however, no specific critical concern was elevated as these have been effectively addressed at the management level. "

GRI 2: General Disclosures 2021	2-17 Collective knowledge of the highest governance body	Refer to Annual for the profile of Board of Directors		
	2-18 Evaluation of the performance of the highest governance body	79		
	2-19 Remuneration policies	82		
	2-20 Process to determine remuneration	82		
	2-21 Annual total compensation ratio		Confidentiality constraints	Details are disclosed in the Annual Report
	2-22 Statement on sustainable development strategy	22		
	2-23 Policy commitments	83		
	2-24 Embedding policy commitments	83		
	2-25 Processes to remediate negative impacts	83		
	2-26 Mechanisms for seeking advice and raising concerns	85		
	2-27 Compliance with laws and regulations	83		
	2-28 Membership associations	Refer to Annual Report		
	2-29 Approach to stakeholder engagement	We are updating our Stakeholder Engagement Program		
2-30 Collective bargaining agreements	63			

## MATERIAL TOPICS

GRI 3: Material Topics 2021	3-1 Process to determine material topics	18	
	3-2 List of material topics	19	

## Economic Performance

GRI 201: Economic Performance 2016	3-3 Management of material topics	87	
	201-1 Direct economic value generated and distributed	131	
	201-2 Financial implications and other risks and opportunities due to climate change	149	
	201-3 Defined benefit plan obligations and other retirement plans	88	
201-4 Financial assistance received from government		Not applicable	No Financial Assistance received

## Market presence

GRI 3: Material Topics 2021	3-3 Management of material topics	10	
GRI 203: Indirect Economic Impacts 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	119	

Indirect economic impacts			
GRI 3: Material Topics 2021	3-3 Management of material topics	65	
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	64	
	203-2 Significant indirect economic impacts	67	
Anti-corruption			
GRI 3: Material Topics 2021	3-1 Process to determine material topics		
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	83, 84	
	205-2 Communication and training about anti-corruption policies and procedures	83, 84	
	205-3 Confirmed incidents of corruption and actions taken	None	
Anti-competitive behavior			
GRI 3: Material Topics 2021	3-3 Management of material topics		
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	None	
Tax			
GRI 3: Material Topics 2021	3-3 Management of material topics		
GRI 207: Tax 2019	207-1 Approach to tax	89	
	207-2 Tax governance, control, and risk management	89	
	207-3 Stakeholder engagement and management of concerns related to tax	None	
	207-4 Country-by-country reporting		Information unavailable/incomplete
Materials			
GRI 3: Material Topics 2021	3-3 Management of material topics	95	
GRI 203: Indirect Economic Impacts 2016	301-1 Materials used by weight or volume	132	
	301-2 Recycled input materials used	132	
	301-3 Reclaimed products and their packaging materials	132	
Energy			
GRI 3: Material Topics 2021	3-3 Management of material topics	103	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	103, 138	
	302-4 Reduction of energy consumption	103	
	302-5 Reductions in energy requirements of products and services	103	

Water and effluents				
GRI 3: Material Topics 2021	3-3 Management of material topics	111		
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	111		
	303-2 Management of water discharge-related impacts	111		
	303-3 Water withdrawal	136		
	303-4 Water discharge	136		
	303-5 Water consumption	111, 136		
Emissions				
GRI 3: Material Topics 2021	3-3 Management of material topics	106		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	135		
	305-2 Energy indirect (Scope 2) GHG emissions	135		
	305-5 Reduction of GHG emissions	102		
	305-6 Emissions of ozone-depleting substances (ODS)		Not applicable	We dont emit ODS
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions		Information unavailable/incomplete	To be reported in the succeeding reports
Waste				
GRI 3: Material Topics 2021	3-3 Management of material topics	97		
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	97		
	306-2 Management of significant waste-related impacts	97		
	306-3 Waste generated	97, 132		
	306-4 Waste diverted from disposal	132		
	306-5 Waste directed to disposal	132		
Employment				
GRI 3: Material Topics 2021	3-3 Management of material topics	55		
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	117		
Labor/management relations				
GRI 3: Material Topics 2021	3-3 Management of material topics	52		
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	62		

Occupational health and safety		
GRI 3: Material Topics 2021	3-3 Management of material topics	62
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	62
	403-2 Hazard identification, risk assessment, and incident investigation	62
GRI 403: Occupational Health and Safety 2018	403-3 Occupational health services	62
	403-4 Worker participation, consultation, and communication on occupational health and safety	62
	403-5 Worker training on occupational health and safety	62
	403-6 Promotion of worker health	62
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	62
	403-8 Workers covered by an occupational health and safety management system	62
GRI 403: Occupational Health and Safety 2018	403-9 Work-related injuries	124
	403-10 Work-related ill health	124
Training and education		
GRI 3: Material Topics 2021	3-3 Management of material topics	57
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	121
	404-2 Programs for upgrading employee skills and transition assistance programs	57
	404-3 Percentage of employees receiving regular performance and career development reviews	57
Diversity and equal opportunity		
GRI 3: Material Topics 2021	3-3 Management of material topics	51
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	127
	405-2 Ratio of basic salary and remuneration of women to men	120

Non-discrimination		
GRI 3: Material Topics 2021	3-3 Management of material topics	56
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	None
Freedom of association and collective bargaining		
GRI 3: Material Topics 2021	3-3 Management of material topics	63
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	63
Child labor		
GRI 3: Material Topics 2021	3-3 Management of material topics	55
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	None
Forced or compulsory labor		
GRI 3: Material Topics 2021	3-3 Management of material topics	56
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	None
Security practices		
GRI 3: Material Topics 2021	3-3 Management of material topics	57
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	All our security personal are outsourced to third party which is responsible in conducting the trainings for them.
Rights of indigenous peoples		
GRI 3: Material Topics 2021	3-3 Management of material topics	65
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	None



Local communities		
GRI 3: Material Topics 2021	3-3 Management of material topics	65
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	64
	413-2 Operations with significant actual and potential negative impacts on local communities	None
Supplier social assessment		
GRI 3: Material Topics 2021	3-3 Management of material topics	29
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	31
	414-2 Negative social impacts in the supply chain and actions taken	None
Public policy		
GRI 3: Material Topics 2021	3-3 Management of material topics	
GRI 415: Public Policy 2016	415-1 Political contributions	None
Customer health and safety		
GRI 3: Material Topics 2021	3-3 Management of material topics	36
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	36
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	37
Marketing and labeling		
GRI 3: Material Topics 2021	3-3 Management of material topics	35
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	35
	417-2 Incidents of non-compliance concerning product and service information and labeling	37
	417-3 Incidents of non-compliance concerning marketing communications	37

Customer privacy		
GRI 3: Material Topics 2021	3-3 Management of material topics	86
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	<p>JFC has established the Global Information Security Policy that has been deployed to JFC Employees of PH, EMEA, and NA Regions. JFC Group has likewise organized Breach / Privacy incident Management protocols through a Security and Privacy Core Group composed of Business and Digital Technology Teams, Internal Controls, the Data Protection Officer, and Corporate Legal who will determine the further mobilization of specific JFC functional teams such as but not limited to Public Relations, Corporate Communications, Human Resource, and Regional Legal consultants (if Region-based), once Incidents are thoroughly assessed and verified. Standard steps and breach reporting protocols have been established to manage the scenario c/o JFC's Global Internal Controls and Data Privacy Office. This has been actively operational since 2018 and holds true to-date.</p>

# SASB CONTENT INDEX

DISCLOSURE	STANDARD	TOPIC	PAGE NUMBERS AND/OR DIRECT ANSWERS
Supply Chain Management	FB-RN-430a.1	Percentage of food purchased that meets environmental and social sourcing standards; and is certified to third-party environmental and/or social standards	29
	FB-RN-430a.2		
	FB-RN-430a.3	Discussion of strategy to manage environmental and social risks within the supply chain, including animal welfare	31
Energy Consumption & Management	FB-RN-130a.1	Energy consumption; percentage of energy it consumed that was supplied from grid electricity; percentage of energy it consumed that is renewable energy; shall apply conversion factors consistently for all data reported under this disclosure	103, 134
Water Consumption & Wastewater Management	FB-RN-140a.1	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	111,136
Waste Management	FB-RN-150.a.1	total amount of waste; percentage food waste; percentage of waste diverted	96, 132
	FB-RN-150.a.2	total weight of packaging; percentage made from recycled and/or renewable materials; percentage that is recyclable, reusable, and/or compostable	94, 132

DISCLOSURE	STANDARD	TOPIC	PAGE NUMBERS AND/OR DIRECT ANSWERS
Human Rights Policies (Non-discrimination, Child Labor, Forced Labor)	FB-RN-310a.1	voluntary and involuntary turnover rate for restaurant employees	117
	FB-RN-310a.2	average hourly wage, by region; percentage of restaurant employees earning minimum wage, by region	119
	FB-RN-310a.3	total amount of monetary losses as a result of legal proceedings associated with labor law violations and employee discrimination	None
Health & Safety of Customers	FB-RN-250a.1	Percentage of restaurants inspected by a food safety oversight body; percentage receiving critical violations; approach to assuring food safety in its operations	27
	FB-RN-250a.2	Number of recalls issued; total amount of food product recalled	0
	FB-RN-250a.3	number of confirmed foodborne illness outbreaks; percentage resulting in U.S. Centers for Disease Control and Preventions (CDC) investigation	0

# TCFD INDEX

## Task Force on Climate-related Financial Disclosures

### A Preliminary Report

As one of the top quick-service restaurants in the world, the Jollibee Group recognizes its role and responsibility in bringing sustainability throughout its value chain as an urgent response to reducing climate risk for food systems.

The group supports the global climate action to support the Paris Agreement to limit global temperature rise to 1.5°C above pre-industrial levels and contribute to the Philippines' commitment to a 75% emissions reduction and avoidance by 2030.

Climate change is undoubtedly one of our planet's most pressing challenges. We know that it presents serious risks and major opportunities for growth and innovation. As such, we have joined the ranks of over 2,500 companies globally in avowing our commitment to the Task Force on Climate-related Financial Disclosures (TCFD) goals.

The Financial Stability Board established the TCFD to develop recommendations for more effective climate-related disclosures that: a) "promote more informed investment, credit, and insurance underwriting decisions" and b) "enable stakeholders to understand better the concentrations of carbon-related assets in the financial sector and the financial system's exposures to climate-related risks." The Task Force's recommendations are structured around four core elements of how organizations operate: governance, strategy, risk management, and metrics and targets.

### Governance

The Jollibee Group recognizes that a sustainability management mechanism is the cornerstone of integrating sustainable development into operations and management.

The Jollibee Group's Board of Directors (Board) oversees our management and overall strategy. In fulfilling this responsibility, the Board oversees our enterprise-level approach to major risks facing the company and identifies strategic opportunities.

The ESG Council has oversight on trends, programs, and initiatives relating to sustainability and climate alongside risk management policies, annual budgets, capital expenditure, and acquisitions or divestitures. It also sets the company's performance objectives, implementation strategies and monitoring progress to ensure that all levels within the organization are working towards our identified sustainability goals. In addition, the council holds an annual review and evaluation of sustainability practices, policies, procedures, strategies and initiatives, including environmental, social, supply chain, food safety, nutrition and health aspects. Meanwhile, the Operations Team oversees the development and implementation from restaurants to the supply chain and communities.

### Strategy

Climate change brings about potential risks and opportunities across the Jollibee Group's value chain, affecting our business strategy, operations and financial performance. Recognizing the key risks of typhoon and flooding from heavy rainfall in locations like the Philippines and some parts of the USA, the company has subscribed to the natural catastrophe assessment. These weather events that increase in severity pose further risks in terms of increasing temperatures and water scarcity.

In addition, these physical risks can affect our Restaurants, Logistics, and Supply Chain, leading to higher costs and disruptions. We have been implementing strategies to mitigate risks and leverage on opportunities such as improving energy and water management efficiencies, adopting renewable energy and new technology solutions, improving sourcing and traceability, encouraging supplier corporate social responsibility, and promoting awareness about nutrition and healthy lifestyles.

These also help better respond to Transition Risks emerging from the need for enhanced efforts to decarbonize through government policy and regulations and shifts in the market.

We are conducting a scenario analysis to understand and quantify other potential risks and uncertainties from climate change. The results of this analysis will be reported in the succeeding editions of our sustainability report as we further seek to understand how climate risks and opportunities may impact our business over the medium to long term.

### Risk management

The Jollibee Group conducted a risk assessment to identify climate-related risks and opportunities, taking into account industry trends, our business condition and development strategy, and both internal and external stakeholders. Along with established risk management systems for our business operations, we considered the identification and prioritization of material sustainability risks throughout the value chain.

The assessment determined issues related to business disruption, property damage, and financial loss due to weather events Typhoons, Floods, Windstorms, and Hailstorms.

At the Jollibee Group, climate risks are integrated into a company-wide risk management process across our companies and brands. While there are no documented comprehensive processes yet for specifically identifying, assessing, and managing climate risks, we are now conducting a scenario analysis to have a more comprehensive assessment of our climate risks and opportunities and how it will affect our business in financial terms (e.g., changes in costs, revenues, asset values, insurance claims, etc.) under various plausible scenarios.

### Metrics and targets

The Jollibee Group is committed to science-based targets for reducing GHG emissions. Following the Greenhouse Gas Protocol, we are developing a comprehensive GHG emissions inventory of our entire value chain in a systematic, comprehensive, and methodical approach. Our first priority is to identify major sources of our emissions and track our progress over time. The data will then be used to identify risks and develop a temperature rise scenario analysis to develop GHG emissions reduction targets. Currently, the Group is reporting on its Scope 1 and Scope 2 emissions as highlighted on page 139.

In the coming years, we look forward to reporting enhanced disclosures concerning metrics, targets, and our progress for climate-related risks and opportunities.

