

Social Responsibility

Information Sheet



"WE LOVE TO FEED PEOPLE"

Denny's was built on a passion to feed all people whatever they're hungry for – whether it's a hearty breakfast or a helping hand. We are proud to carry that mission forward every day for the families we serve and the communities we are a part of.

*In serving families, our inspiration for a better tomorrow lies within our kids. From childhood to their teens, influencing these formative years helps shape a positive path moving forward. At Denny's, we dedicate our time and resources to **improve, encourage and protect** the future of this rising generation and the communities where they live.*

IMPROVING THEIR WELL-BEING

Our kids' dreams can only exist with their ongoing health and wellness.

HEALTH AND WELLNESS

No Kid Hungry – National Campaign

Seven years ago Denny's began a partnership with Share Our Strength's **No Kid Hungry** campaign. Since then, Denny's team members and guests have raised **more than \$6.3 million** for No Kid Hungry to help end childhood hunger in America – that's connecting hungry children with over **62 Million meals!** For Denny's, this is a heartfelt, national event to raise funds at our US restaurants to help end childhood hunger in America. Every year, team members at our restaurants wear campaign t-shirts and buttons, and adorn the restaurant walls with donation pin ups signed by our guests. Team members ask guests to donate, and our guests receive a coupon gift for their pledge.

Local Charity Campaigns

As a company that is over 90% franchised, we also encourage our franchisees and their teams to **engage in their local communities** and become involved in community activities and charitable events. Many of our franchisees have partnered with community and charity organizations that can have a big local impact; for example, **Cookies for Kids Cancer, Susan G. Komen Race for the Cure, Make-A-Wish Foundation, Lost in the Line of Duty, and Ella's Tea Party**. These many local charity events touch the hearts of many in the local communities where our team members live and work.

As a specific example, each year a group of our franchise restaurants in Florida sponsor the **Florida Tour de Force**, a five-day, 270-mile charity bicycle ride that raises money for the surviving family members of Florida

Social Responsibility

Information Sheet



law enforcement personnel lost in the line of duty during the previous year. Since its inception, the annual event has **raised more than \$450,000** for the families of fallen officers, law enforcement and related organizations.

Denny's Mobile Relief Diner

In 2017, we deployed the Denny's Mobile Relief Diner to areas seriously impacted by Hurricanes Harvey in Houston, Texas, and Irma in South Florida & The Keys. This 53' semi-trailer truck turned mobile diner, equipped with a full kitchen, hit the road just weeks after Harvey hit Houston. Over the course of two weeks, team members prepared and served over 14,000 free meals - pancakes, bacon, coffee and water - for families that were impacted by these devastating storms. Team members from across the organization, both company and franchise, immediately volunteered to travel across the country to provide hope and comfort to those in need of a hot meal and a bit of normalcy.

As another part of our disaster relief efforts, Denny's has helped victims of Hurricane Maria in Puerto Rico, and families affected by the 2017 wildfires in California by delivering thousands of free hot meals to families impacted by these disasters.

Team Members Giving Back

Team members at all levels are encouraged to participate in and give back to their local communities. Our company out-of-restaurant and home office team members are given **3 days of paid time off** each year to volunteer in their local communities and support causes that are meaningful to them.

Team members at our home office partner closely with an **inner city elementary school** beside our building on multiple initiatives throughout the year. A group of our employees serve as mentors to students by visiting them once a week and eating lunch at the school. Recently, the home office hosted a **book drive and collected 1,500 books** for the children to take home and enjoy outside of school. We also hosted a Halloween event where each class visited our building for trick or treating.

At our home office location, Denny's and our team members are big supporters of the **United Way, Habitat for Humanity, Salvation Army Angel Tree**, our local cultural center, and over 40 additional charitable organizations through both financial contributions and volunteerism. For example, Denny's houses the United Way of the Upstate at its headquarters for a reduced rent, has rotating officers serving on the United Way board and enjoys the prestigious recognition as one of the highest per employee contributors to the annual drive. In addition, Denny's has funded a Habitat house regularly for 10 years while also allowing eager home office team members to volunteer their time to build the house. The volunteer days are paid time off by the company. Habitat for Humanity is one of the most participated community projects each year.



ANIMAL WELFARE AND SUSTAINABLE PRODUCTS

On our product side, we source as much beef, pork, chicken and eggs as possible from suppliers that follow our **humane animal welfare policies, as well as source sustainable products** like our wild caught Alaska Salmon. In January 2016, Denny's was the first restaurant in the Family Dining segment to make a commitment to convert to using only cage-free eggs by 2026. Denny's has eliminated all food dyes in its menu items.

We believe our guests care about how their food is sourced, and so do we. While we still have areas to improve, animal welfare remains an important part of our brand's sourcing strategy and we are proud to support the following initiatives:

Cage-Free Eggs

In 2016, Denny's proudly announced its pledge to source and serve 100 percent cage-free eggs in all U.S. restaurants by 2026. We've been committed to quality food and a true diner experience for over 60 years and this is just another way of honoring that commitment.

Responsible Use of Antibiotics

Denny's supports the responsible application of antibiotics for the sole purpose of maintaining animal health managed through veterinary oversight in accordance with GFI 2 13. Denny's is categorically against any other use of antibiotics and human exposure to animal antibiotics which is prohibited by law.

Cattle

We continue to emphasize our purchase preference with suppliers who use polled breeding stock versus the practice of dehorning cattle.

Hogs

Since 2012, we have been committed to sourcing our pork from suppliers that practice the limited use of gestation crates for the housing of sows.

Turkeys

Since 2011, we have been using suppliers that practice the most humane slaughter method (CAK), and have proudly received recognition from PETA for our commitment.

Social Responsibility

Information Sheet



Broiler Chickens

Denny's understands the issues surrounding the welfare of broilers in the supply chain, and stands in support of the humane treatment of these animals. Denny's has been a longtime proponent of humane stunning methodologies for all agricultural animals, including but not limited to chickens.

Denny's believes in and supports prudent and responsible efforts toward these ongoing transitions.

- The development of healthier bird strains,
- Reduced stocking levels,
- Providing environmental enrichments, and
- The move to controlled atmosphere processing.

At Denny's we will continue to work in partnership with our suppliers to promote overall responsible sourcing.



ENCOURAGING THEIR DREAMS (EDUCATION)

Our kids' world is created with their imagination and hard work.

EDUCATION

Denny's Hungry for Education Program

In 2011, Denny's established the **Hungry for Education** program that awards scholarships to elementary and high school students. Since the program's inception, we have awarded over **\$1 Million in scholarships** to deserving students. Students are asked to submit their original ideas on how Denny's can help end childhood hunger. Denny's partners with nine leading non-profit minority advocacy organizations to offer scholarships across the United States. A committee selects those students with the most practical and feasible ideas to receive scholarships, with the top idea being implemented at a Denny's restaurant location.

Our Hungry for Education program is manifest in many forms. For instance, our CEO serves as Vice Chair of Trustees for **Wilberforce University**, a Historically Black College and University (HBCU) and the first private black college in America. Denny's sponsors the **B. E. T. HBCU Round Up**, an effort to assist and encourage underprivileged youth to make it to a freshman program. Denny's sponsors **Rainbow Push**, a similar effort in the form of a bus tour visiting colleges with programs to assist and accept high school graduates into a college program. The **Tom Joyner Education Foundation** is another regular beneficiary of Denny's Hungry for Education scholarships.



PROTECTING THEIR WORLD (THE ENVIRONMENT)

Our kids' well-being relies on the world they will inherit.

ENERGY CONSERVATION

As Denny's builds new restaurants, we use LED lighting in place of fluorescent lights, thereby consuming less energy and creating less toxic waste. Beyond using exterior and interior LED lighting, Denny's invests in energy-star certified equipment, along with low-flow plumbing fixtures. When remodeling restaurants or replacing damaged or broken items, we use energy efficient replacements.

Denny's retrofitted all existing company-operated restaurants with exterior LED lighting during 2015 and fully converted to interior LED lighting as part of our Heritage remodel program. During 2016, we also retrofitted our corporate office with LED lighting. These lighting changes collectively yielded an estimated 10% reduction in electricity usage, or approximately 6.6 million kilowatt hours saved annually.

LED lighting changes have yielded an estimated 9% average reduction in electricity usage at company-operated restaurants, or approximately 37,000 kilowatt hours per restaurant annually, and an estimated 12% reduction in electricity usage at the corporate office, or approximately 550,000 kilowatt hours annually.

During 2017, Denny's Corporation's company-operated restaurants on average used an estimated 1,700 dekatherms of natural gas and 337,000 kilowatt hours from non-renewable sources. Our corporate office used an estimated 320 dekatherms of natural gas and 4 point 1million kilowatt hours of electricity from non-renewable sources solely from the power grid.

In our restaurants, we have implemented a program that allows restaurants to safely shut off costly cook's line "dipper wells" without compromising food safety standards. By shutting off this constant water flow, restaurants are saving thousands of gallons of water each month, including less energy use and less waste water processing.

Our restaurant location in Joliet, Illinois is a **LEED** (Leadership in Energy & Environmental Design) certified building that promotes renewable, clean energy. This certification recognizes best-in-class building strategies and practices, and is a living testament and inspiration to the successful melding of business and environment. This building option is available to franchisees when deciding on new construction.

Social Responsibility

Information Sheet



Some additional energy saving best practices being used in restaurants are:

- Turning off egg burners when not in use - saves on gas and reduces unnecessary heat
- Use of photoelectric sensors on parking lot lights for more efficient use of lighting
- Use of window tinting to decrease heat impact of sunlight and reduce HVAC use
- Use of water efficient landscaping
- Use of waterless hot food wells to save on water and energy use
- Replacing standard urinals with waterless models where appropriate

WASTE MANAGEMENT

For new construction and remodels, we make all efforts to source environmental friendly and sustainable building materials to reduce the impact on the environment.

We are replacing all styrofoam food packaging with Talc-Filled Polypropylene (TFPP) packaging, and have eliminated the use of styrofoam cups.

At our home office, we encourage recycling by having dedicated recycling bins on every floor, and dedicated organic and non-organic bins in our test kitchen, while many of our restaurant locations embrace their locally available recycling programs. At our home office, our local waste company, Atlas Organics, recovers approximately 1400 lbs of organic material from us each month, while ReWorks Recycling handles our plastics, aluminum, paper and cardboard waste.

Denny's company locations have partnered with RiverRoad Waste Solutions to provide waste and recycling services that match each municipality where we have locations.

Our locations do not generate hazardous waste streams. Of our non-hazardous waste, approximately 13.75% is diverted to recycling, with the remainder going to landfill. For a small amount of locations, RiverRoad hauls non-hazardous waste to WTE (Waste to Energy) facilities in municipalities where the service is available, thereby reducing landfill waste.

Restaurants generate cardboard, plastics, aluminum, paper, organics, and liquid waste recyclables. Removal of these streams are managed through RiverRoad Waste for corporate locations and some franchisee locations. Additionally, RiverRoad assists with cooking oil disposal for some locations today.



TAKING CARE OF OUR TEAM MEMBERS

DENNY'S TEAM MEMBERS

POWER Fund

In 2005 we created an employee relief fund called the **POWER Fund** (Power Of We Employee Relief), named after one of our brand's Guiding Principles, the "Power of We". Recently, the POWER Fund has been instrumental in helping team members who were affected by Hurricanes Harvey in Texas, Irma in Florida, and Maria in Puerto Rico. Since 2005, Denny's POWER Fund has helped **more than 520 team member families**.

This fund provides assistance to company and franchisee team members for a number of life's unfortunate circumstances. Through contributions from team members, franchisees, and the company, the Fund is able to provide financial assistance in times of need, such as the death of a family member, the loss of property or property damage, significant medical expenses, and travel to be with loved ones during critical illness.

NRA ProStart Initiative

As one of America's largest full-service restaurant chains, we have a commitment to support future industry leaders. We recently partnered with the National Restaurant Association Educational Foundation (NRAEF) to host the **2017 National ProStart Invitational** where 90 high school teams from across the country competed for awards and scholarships. The invitational is one of the country's premier culinary and restaurant management competitions for high school students.

Team Member Well-Being

Denny's has several initiatives in place that focus on our team member well-being. A few notable examples include: Our corporate team members enjoy a free health club membership at our local **YMCA**, just minutes from our home office. From a learning and development standpoint, company team members receive **tuition reimbursement**, and we offer **financial wellness education** sessions so team members can plan for a healthy financial future. In addition to our brand Twitter, Facebook and Instagram accounts that keep our guests and team members connected to the brand, we also host a **Team Member Facebook** account so team members across the brand can post messages, pictures and videos for all members to share and comment. We also support Employee Resource Groups, for example our Women's Leadership Group, Emerging Leaders/Young Professionals group, and our Hispanic group. These resource groups are instrumental in

Social Responsibility

Information Sheet



recruitment, retention and talent development.

As an indicator of our positive impact on corporate and company restaurant team members, we were voted as one of **South Carolina's Best Places to Work** for the past two years based on an independently administered employee survey. We believe this positive response is a **leading indicator for higher employee recruitment and retention.**

DIVERSITY & INCLUSION

CEO Action for Diversity & Inclusion Pledge

In 2017, John Miller, Denny's CEO, joined 330+ CEOs and Presidents of major companies in the **CEO Action for Diversity & Inclusion**, a unique collaborative of leading CEOs working together to leverage individual and collective voices to advance diversity and inclusion in the workplace. Signatories are committed to **building productive, diverse and inclusive workplaces.**

Embrace Openness - a Guiding Principle

Embrace Openness, one of our five Guiding Principles, highlights that "open" means so much more than just being open for business 24/7. It means being open to all people, appetites, and budgets. It says we are open-minded and open to new ideas. Honest, warm, and inviting. Open is the way we think and act every hour of every day."

A huge part of embracing openness is being open to all types of people, perspectives, and ideas. It means being open to and engaging with a diverse workforce of talented individuals whose unique attributes provide the opportunity to think about things differently, bring our best to work, engage with our guests, and ultimately position the company for greater success. This holds true for our in-restaurant workforce, support teams, leadership team, and our board of directors.

As "America's Diner", Denny's proudly welcomes a diverse group of guests into our Denny's "home" every day. These guests represent people from all genders and gender identities, ages, races, religions, ethnicities, cultures, family statuses, education levels, sexual orientations, and so much more. We strive for our workforce to be as diverse and inclusive as the guests we proudly serve every day.

Social Responsibility

Information Sheet



Workforce Diversity

In our restaurants, we are also very proud of the diversity that our cooks, servers, managers, hosts, and service assistants bring to the Denny's table every day. In fact, Denny's is recognized as a leader among restaurant peers for the racial/ethnic and gender diversity that is represented by our in-unit teams with a 68 % minority workforce and employee base of 55% women. Additionally, we have a very diverse group of franchisees within the Denny's brand and 59% of all Denny's restaurants are owned by franchisees representing multicultural/ethnic minorities.

As we proudly embrace openness and celebrate our culture of diversity and inclusion, we are also committed to strengthening the diversity of our management and leadership teams to be more fully representative of the diversity among our restaurant workforce, the guests we serve, and the communities we support. This commitment will also help us to become a stronger organization by celebrating and leveraging the many different attributes and ideas that a diverse and inclusive workforce offers.



CORPORATE GOVERNANCE

Denny's has an Ethics and Compliance Officer and a Compliance Committee who actively monitor and audit internal compliance with its Code of Conduct.

Additionally, Denny's Compliance Officer and Compliance Committee administer Denny's FCPA program. Material issues are reported to the CEO and the Board of Directors.

For more information about Denny's Corporate Governance and our policy, go to Denny's website under Investor Relations, Corporate Governance, which includes among other things our corporate governance policy. (<http://investor.dennys.com/investor-relations/corporate-governance/default.aspx>).

EEO Policy

The Company is committed to providing equal employment opportunity for all persons regardless of race, ethnicity, color, religion, gender, gender identity, gender expression, sexual orientation, age, national origin, citizenship status, or disability, as well as any protected characteristic as designated by the law. The Company complies with all federal, state, and local equal employment opportunity laws. The Company strives to keep the workplace free from all forms of discrimination retaliation and harassment, including, but not limited to sexual harassment.