



2023 Denny's ESG Report

**ENVIRONMENTAL.
SOCIAL. GOVERNANCE.**

The Denny's Way.

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ABOUT DENNY'S

FEEDING PEOPLE: BODY, MIND AND SOUL

Denny's is an America's Diner, a place shaped by a simple philosophy: We Love to Feed People: Body, Mind and Soul. This is our purpose, what drives us, and it serves as the resounding rallying cry throughout the Denny's organization – from team members in-restaurant to those working in our corporate offices. At Denny's, we provide a place to share great conversations, a chance to get together with family and friends, and a place that feeds the body and spirit of anyone who comes through our front doors.

Open 24/7 in most locations, we provide our guests quality food that emphasizes everyday value and new products through our compelling limited-time offerings, delivered in a warm, friendly “come as you are” atmosphere. We are best known for our breakfast fare, which is available around the clock. The Build Your Own Grand Slam, one of our most popular menu items, traces its origin back to the Original Grand Slam which was first introduced in 1977. In addition to our breakfast-all-day items, Denny's offers a wide selection of lunch and dinner items including burgers, sandwiches, salads and skillet entrées, along with an assortment of beverages, appetizers and desserts.

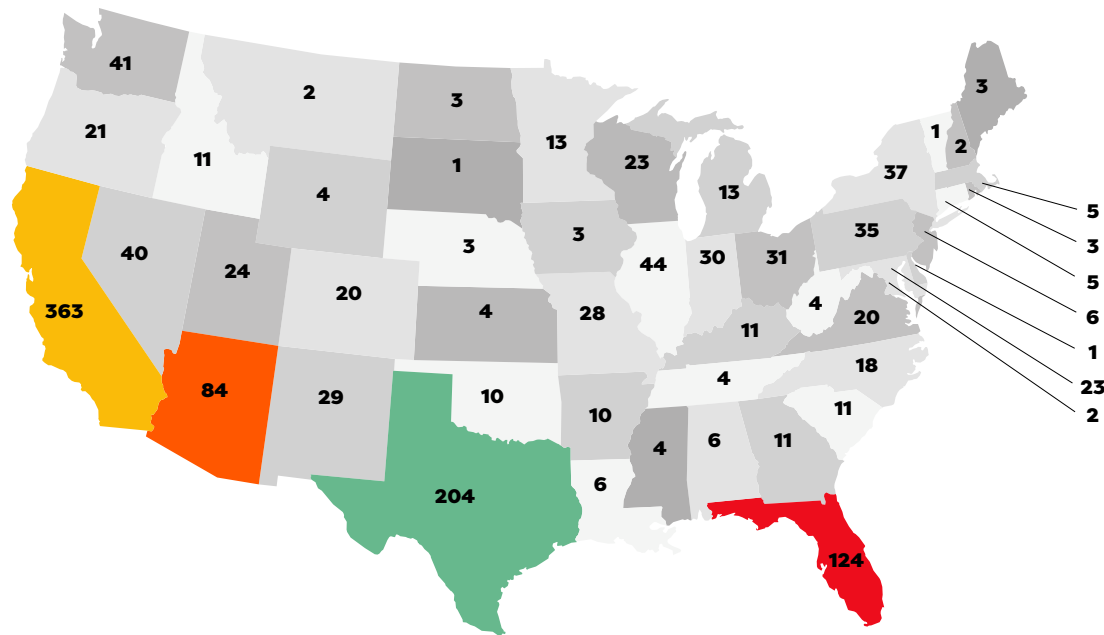




The Denny's brand consists of approximately 1,573 restaurants worldwide and two support centers.

In 2022, Denny's Corporation acquired Keke's Breakfast Cafe, adding to its portfolio of dining establishments. Keke's Breakfast Cafe is renowned for its focus on breakfast, catering to early risers and breakfast enthusiasts with a craveable menu. As of December 27, 2023, there are a total of 58 Keke's Breakfast Cafe restaurants, strategically located to cater to a wider audience and further solidify Keke's Breakfast Cafe's presence in the competitive breakfast dining market.

Denny's is committed to integrating Keke's Breakfast Cafe into its ESG (Environment, Social and Governance) strategy, recognizing the opportunity to develop and implement ESG practices within the Keke's brand. Keke's currently does not have an established ESG program, and we are actively working to develop one that aligns with Denny's existing standards. Our goal is to transparently report Keke's ESG data, showcasing our dedication to responsible business practices and sustainability across all our brands.



AT A GLANCE

We operate 1,573 restaurants with 1,407 located in the United States and 166 located internationally. Our corporate headquarters is located in Spartanburg, SC with support centers located in Spartanburg, SC and Irving, TX.

approx.
3,200
total employees

2,800
restaurant employees

380
corporate & field
support employees

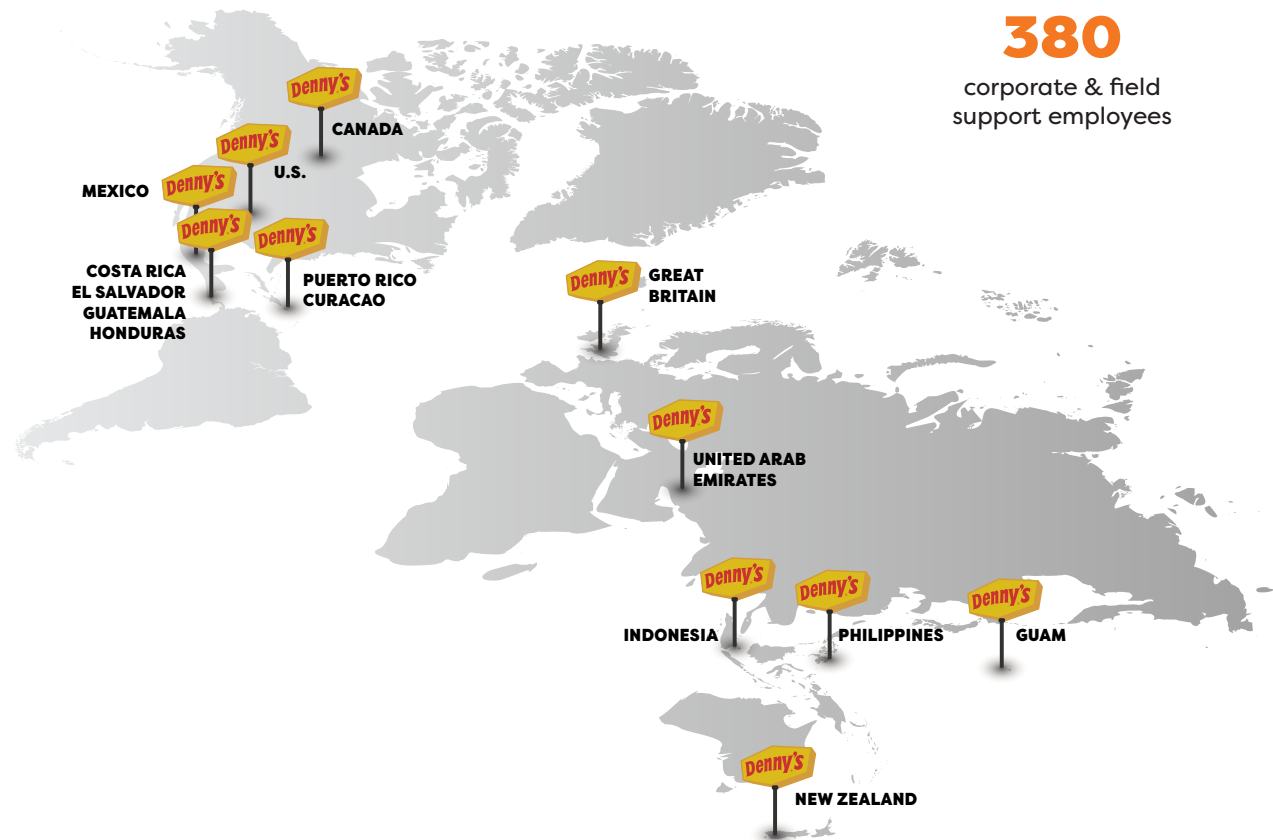
1,573
total restaurants

166
international restaurants in 14
countries and U.S. territories

1407
domestic restaurants

1,508
franchise restaurants
(96%)

65
company restaurants
(4%)





A statement from **OUR CEO**

It is with great pleasure that I introduce Denny's third annual ESG report. Reporting on our ESG performance helps us continue to make progress toward our purpose of Feeding People: Body, Mind, and Souls.

We recognize that the world is changing, and with the ongoing climate and nature crises, multiple social issues, and other economic difficulties, we must continue to invest in our business to ensure it is resilient and contributing to the future we wish to realize.

At Denny's, we are guided by our purpose and our commitment to our people, both within our company and in the communities we serve as America's Diner, for today's America.

We know that it takes time and effort to make a difference to our people, our community, and our planet. This year, we introduced a new ESG strategy that will guide us and ensure we fulfill our purpose and achieve these ambitions. This includes broadening the scope of our strategy to encompass all material topics of impact within three pillars: Planet, Food, and People.

We have also updated our governance systems and processes, embedding them within existing strategic processes to ensure it becomes business-as-usual, with action taken by everyone throughout the Denny's business. This new strategy will ensure all important topics, including greenhouse gas emissions, animal welfare, and our employee and supplier wellbeing, are managed effectively. In 2024, we look forward to developing clear goals and targets for each target, which we will publish in next year's report.

We are committed to communicating progress transparently, and this report is an important opportunity to share where we are as we hold ourselves accountable for the goals and targets we set. This year, we celebrate the development of our people as we continue to diversify the workforce. This growth is exemplified by the continued success of our flagship GAIN program in fostering the personal and professional development of our employees. Alongside GAIN, there is praise for our Business Resource Groups (BRGs) and the Breakthrough training program.

Diversity is being maintained and even increased across our restaurants and support centers, a development that we are proud to highlight in this year's report. We have upheld our quality standards in important areas such as food safety and labor rights, as well as continuously innovating to ensure our food is of the highest nutritional quality.

We do acknowledge that there are areas where we must take further action and raise our ambition to deliver on our company purpose and vision. That is why, in 2024, we aim to explore methods for assessing our greenhouse gas emissions, with the intention of sharing this information in future reports. We have also taken further steps to ensure animals are treated humanely and ethically across our supply chain, including establishing an Animal Welfare Advisory Council composed of leading academicians and other third-party experts to ensure sustained progress and provide guidance in our animal welfare initiatives.

I am incredibly proud of and grateful for the Denny's family, our partners, and our communities for the hard work and commitment they continue to demonstrate. With the implementation of our comprehensive ESG strategy in the coming months, I am confident we can continue to make meaningful and impactful progress, no matter the challenges we face. Here's to a brighter future, one plate at a time.



**Chief Executive Officer & President,
Denny's**





OUR ESG STRATEGY

We are committed to action on environmental and social issues of material importance to both our business and our stakeholders. We know that this is not only the right thing to do, but also reduces risk and ensures a resilient business in the future.

This year, we worked to redevelop our ESG strategy, validating our material topics of focus to ensure our efforts are robust and comprehensive. This strategy is depicted in the image on the following page, and includes our Vision, Our Actions, and the foundational principles that support it all:

OUR VISION

‘Feeding People: Body, Mind and Soul.’

PILLARS OF ACTIVITY

‘Our Planet’ ‘Our Food’ and ‘Our People & Communities’, with the key sub-topics, validated in the materiality exercise, grouped beneath. Each pillar has a goal statement that aligns to what the world needs, our brand, and our strategic ambitions.

GOVERNANCE

This is the foundational stone underpinning all pillars and actions.

FEEDING PEOPLE: BODY, MIND, AND SOUL.

GOAL

OUR PLANET

To reduce our environmental impact from farm-to-fork.

KEY TOPICS

Greenhouse Gas Emissions | Energy Management | Water Management | Waste Management | Forests

OUR FOOD

To proudly serve high-quality, well-sourced, and nutritious food that makes people feel great.

Animal Health & Welfare | Sourcing Quality Food | Food Safety | Nutrition Quality

OUR PEOPLE & COMMUNITIES

To support all Denny's employees, suppliers, and the communities we operate within to fulfill their greatest potential.

Diversity, Equity & Inclusion | Employee Development & Wellbeing | Ethics & Labor Standards | Suppliers' Livelihoods | Community Outreach

GOVERNANCE

GOAL

To be compliant with regulations and legislation, uphold ethical business practices, and ensure transparency and accountability through a well-defined governance structure, target setting, and monitoring and reporting on our progress.

KEY TOPICS

Governance of Sustainability

Business Ethics & Anti-corruption

Transparency

NEXT STEPS FOR OUR STRATEGY

This strategy will be embedded throughout our company from June 2024 and beyond. This will commence with the setting of long- and short-term targets for each key topic described within this report. In 2025, we look forward to sharing these targets, and publishing our progress against them in future reports. We know we cannot tackle these topics alone, and look forward to collaborating with stakeholders from across our industry, including our suppliers, our franchisees, academics, experts and other peers to advance action on these important topics.



OUR PLANET

WE BELIEVE that the responsibility of taking care of the environment is shared by us all. We are committed to addressing environmental issues within our operations and across our supply chain. This includes researching and designing innovative solutions where they are most needed.

OUR GOAL

To reduce our environmental impact from farm-to-fork

KEY TOPICS

- Greenhouse Gases
- Energy Management
- Water Management
- Waste Management
- Forests



GREENHOUSE GASES

WHY IT MATTERS

Greenhouse gases are a major contributor to climate change and human-made global warming. We know that Denny's has a responsibility to take action to measure and reduce its greenhouse gas (GHG) emissions to help prevent catastrophic climate change. Climate change has the potential to affect the availability and price of the food we source, so addressing this issue is also the right thing for our business. We are committed to measuring our direct and indirect GHG emissions, from our corporate headquarters to our restaurants, and setting Scope 1 and 2 reduction targets in line with science.

We also recognize that what we offer to our customers can make a great difference to our greenhouse gas emissions and widen the impact on the planet. Therefore, we have been working to expand our plant-based items on our menu that offer the same great taste with a reduced environmental impact.

TARGETS

Test at least one new plant-based food item in 2024 for introduction to the core menu by 2025.

2023 PERFORMANCE & FOCUS FOR 2024

Last year we set a target for introducing at least one new plant-based food item to our core menu by 2024. We've had to adjust the timeline and expect to be able to deliver on this target in 2025, with testing taking place in 2024. This includes developing a vegan version of our 'Hearty wheat' pancake, and a tofu scramble that is fully plant-based, with the same quality and taste. Once validated, this will mean we can offer a fully plant-based slam breakfast option at all of our restaurants in 2025.

This year, we do not have any measured greenhouse gas emissions to share in this report. We acknowledge that publishing our GHG emissions is vital to understanding our footprint and ensuring we are taking action in the most impactful areas. Therefore, we will be establishing a process for collecting and calculating our Scope 1 and 2 emissions, prioritizing our direct emissions¹. We will transparently communicate progress on this topic next year, reporting information on goals and targets.



¹Scope 1 and 2 emissions from corporate headquarters and owned restaurants.

ENERGY MANAGEMENT

WHY IT MATTERS

The restaurant industry uses a significant amount of energy from its supplies and through running its restaurants and corporate headquarters. This includes Denny's. We therefore have a responsibility to protect the planet by continuously looking for ways to decrease our energy consumption across key areas of the value chain (from sourcing our ingredients to operating our restaurants).

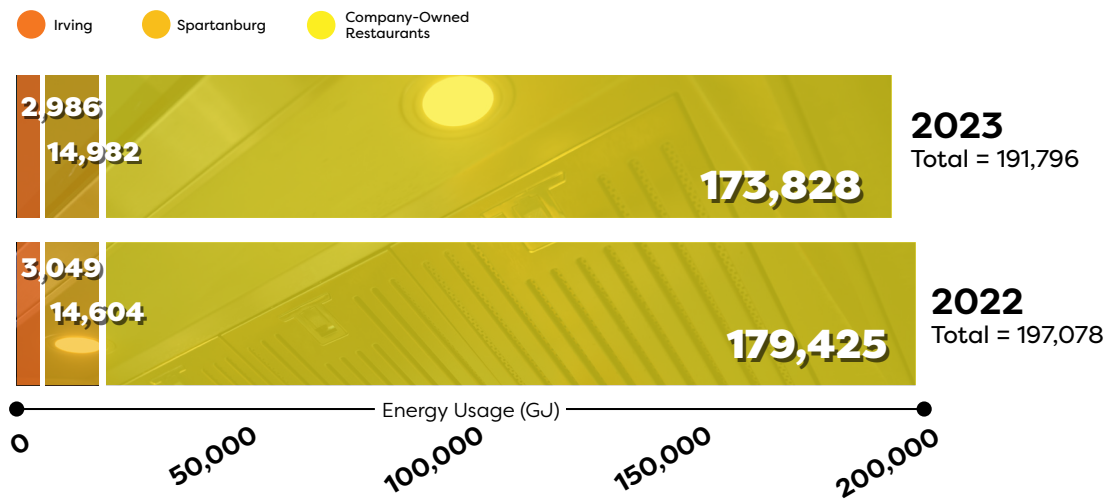
TARGETS

Install high-efficiency HVAC units in all new company builds and replace existing units as needed.

Install high-efficiency water heaters in all new company builds and replace existing units as needed.

2023 PERFORMANCE

The following figure details our year-on-year energy consumption across our owned operations and restaurants. Overall, we have reduced our gas and electricity usage from our owned operations and company restaurants by 3%, from 197k GJ in 2022 to 192k GJ in 2023.



Key actions undertaken during the year to achieve this include:

- Reduced gas usage across our company-owned restaurants and support centers.
- Ensured that all new newly constructed restaurants could install high-efficiency HVAC unit and high-efficiency water heaters as first preference, where feasible given availability and engineering requirements.
- Focused on remodeling restaurants that included interior LED lighting in majority of our company restaurants.

FOCUS FOR 2024

Planned actions for 2024 include:

- Review building specifications and continue to monitor new technologies to expand areas of our new and existing building design that incorporate energy technologies for our own and franchise restaurants.
- Developing an Environmental Management System to manage our environmental impacts efficiently and comprehensively. This includes exploring ISO14001 certification, a recognised international standard for environmental management.
- We also intend to expand our data collection and reporting to encompass more of our value chain, working with our partners, suppliers, and franchisees to support them to measure and track their energy consumption.
- Transparently communicate progress on this topic next year, reporting information and targets that we have available at this time.



WATER MANAGEMENT

WHY IT MATTERS

Over the years, we have invested in ways to reduce our water consumption at our support center and in our restaurants by investing in water-saving equipment. However, we recognize that our water footprint extends beyond our operations: one area with the greatest water impact is our key ingredients. Currently, our reporting is focused on our water footprint across our owned sites. In the future, we will expand this work, monitoring and exploring ways to support further reductions in water consumption.

2023 PERFORMANCE

The following figure details our year-on-year water consumption across our owned operations and restaurants. Overall, we reduced our water consumption from our owned operations and company restaurants by 12%, from 274,582 m³ to 241,850 m³ in 2023.

Key actions undertaken during the year to achieve this include:

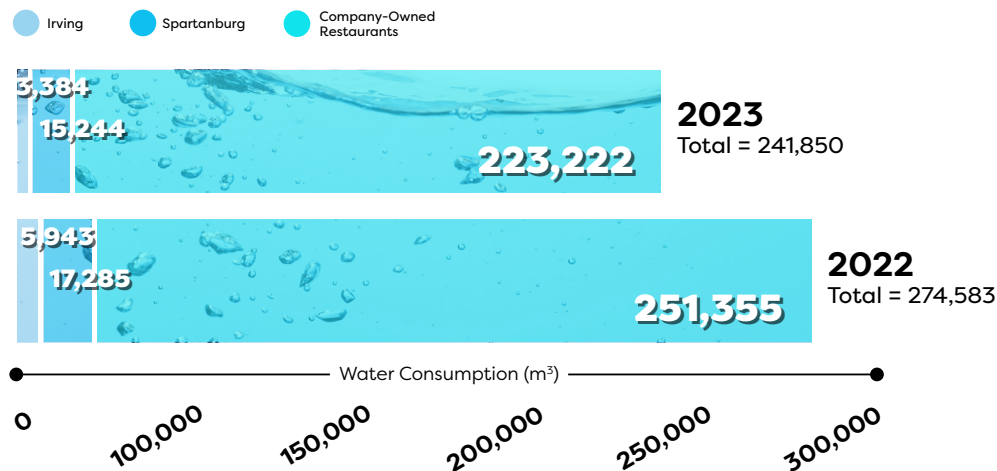
- Ensured that all new company-builds have the opportunity to install high-efficiency water heaters in all new company builds as first preference, where feasible given availability and engineering limitations.
- Installed a dessert station for servers to rinse their blenders between guests in a hygienic, but less water-intensive manner.



FOCUS FOR 2024

Planned actions for 2024 include:

- Expand our focus to monitor and reduce our water footprint from farm-to-fork.
- Transparently communicate progress on this topic next year, reporting information and targets that we have available at this time.



WASTE MANAGEMENT

WHY IT MATTERS

It is estimated that one-third of food produced for human consumption every year is wasted or lost – enough to feed 3 billion people! As a restaurant selling quality food every day, we know it is our responsibility to limit food waste across our value chain, from farms to our restaurants.

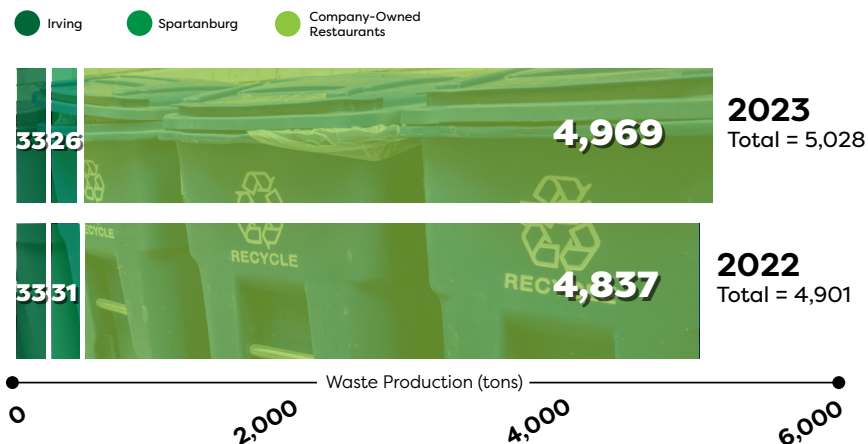
Packaging of our products is vital to keep them clean, transport them easily, and to elongate their life. However, non-reusable packaging and plastic waste are threatening our planet and ecosystems, so we must consider various approaches to reuse packaging and raw materials throughout our operations.

2023 PERFORMANCE

The following figure details our year-on-year waste across our owned operations and restaurants. Overall, our waste production from our owned operations and company restaurants increased by 3%, from 4,901 tons to 5,028 tons in 2023. While the total volume of waste (standard, recyclable, and organic) decreased across our corporate support centers (Spartanburg and Irving), the volume of waste increased across our total company-owned restaurants (1% increase in standard waste, 3% in recyclable, 26% in organic). This was likely due to most of our restaurants recommencing 24/7 operation and increasing activity within our restaurants.

Despite this performance, we undertook several actions to reduce our waste, including:

- Changing packaging sizes of our key ingredients so that it was easier for staff to cook the right amount of food, reducing food waste.



FOCUS FOR 2024

Planned actions for 2024 include:

- Continue to explore opportunities to innovate across our menu and operations that meaningfully reduce food and packaging waste.
- Transparently communicate progress on this topic next year, reporting information and targets that we have available at that time.





FORESTS

WHY IT MATTERS

Our forests are the lifeblood of our world, providing food, raw materials, and livelihoods for millions of people, as well as protecting us from the worst effects of natural disasters and climate change. We know they must be protected for people and the planet to continue to thrive.

2023 PERFORMANCE & FOCUS FOR 2024

We take pride in offering in-house brewed coffee and tea that are Rainforest Alliance certified, supporting farmers who are looking after their workers and our natural resources. In 2024, we plan to begin further internal discussion on this topic.



OUR FOOD

We pride ourselves in serving guests food that is safe, wholesome, nutritious and sourced from quality suppliers. We strive to work with our suppliers, employees, and staff to maintain a high standard of ethically-sourced, safe, and nutritious food products that are delicious, and benefit people and the planet.

OUR GOAL

To proudly serve high-quality, well-sourced, and nutritious food that makes people feel great.

KEY TOPICS

- Animal Health & Welfare
- Food Safety
- Sourcing Quality Food
- Nutrition Quality

ANIMAL HEALTH & WELFARE

WHY IT MATTERS

Denny's is proud to partner with suppliers who share our unwavering commitment to the wellbeing and proper handling of all animals that provide products for our company. All of our suppliers meet or exceed industry animal care standards and share our commitment to seeking continuous improvement in policies and practices wherever possible.

To ensure sustained progress and guidance in our animal welfare initiatives, Denny's has established an Animal Welfare Advisory Council comprised of independent animal welfare experts.

TARGETS

Complete transition to cage-free eggs by 2026.

2023 PERFORMANCE

By end of year 2023, we maintained our volume of supply with 40% of eggs used across our restaurants being cage-free. With additional supply available in 2024, **we anticipate reaching our 100% cage-free target by 2026.**

We continued to **collaborate with our suppliers to establish higher welfare outcomes for our chicken products**, including ensuring they follow the National Chicken Council (NCC) animal welfare guidelines.

We continued to **reduce the amount of antibiotics used in our chicken supply**, including eliminating the presence of antibiotics medically important for human health.

We continued to ensure **all turkeys used in our restaurants are slaughtered according to the most humane standards**, reducing stress and keeping transportation time to a minimum prior to slaughter.

We continued to **give purchasing preference to suppliers using polled breeding cattle vs dehorning cattle**, decreasing this occurrence across our beef products.

We **set a target by 2028 for at least 50% of our pork supply to be sourced from suppliers that use either group housing or do not house confirmed pregnant sows in gestation crates**. In 2023, 32% of our pork products were sourced from suppliers that meet this criteria.



FOCUS FOR 2024

Planned actions for 2024 include:

- Working with our suppliers so that 60% of our eggs are cage-free to reach our 2026 target of 100% cage-free eggs.
- Continue to collaborate with our suppliers of chicken, pork, beef, and turkey and Animal Welfare Advisory Council to ensure we continuously improve levels of animal welfare across all animal-based products on our menu.



FOOD SAFETY

WHY IT MATTERS

We pride ourselves in serving guests food that is safe, wholesome and meets our quality standards. Our Food Safety program has been recognized nationally by regulatory departments, the restaurant industry and our peers, and follows appropriate industry standards. As a part of this, we work solely with vendors, distributors and restaurant employees who follow regulatory requirements (federal, state and local), industry “best practices” and Denny’s Brand Standards. Standards and regulations we follow include:

- The Current Good Manufacturing Practices (“GMP”)
- Hazard Analysis and Critical Control Points (“HACCP”) principles
- Food Safety Modernization Act (“FSMA”)
- Current FDA and USDA regulatory requirements

We also have several processes to monitor and maintain high levels of food safety, including:

- Using nationally-recognized food safety training courses and American National Standards Institute accredited certification programs for all food safety training for managers and above.
- Requiring all restaurants to have a person certified in food protection on duty all hours of operation.
- Utilizing third-party auditors to conduct unannounced restaurant inspections (utilizing Denny’s Brand Protection Reviews) at least two times a year.

- Health inspection reports are required to be submitted and any critical level findings are followed up internally and if required by a third-party audit.
- Review of guest complaints of any alleged foodborne illness and take appropriate corrective actions.
- Following up on all inspections received and assisting operations personnel, facilities personnel, and franchisees, where applicable, to bring resolution to regulatory issues or concerns.
- 99% of all US food manufacturers meet GFSI standards which is one of the highest levels of food safety certifications.

We continuously work on improving our processes and procedures. We are advocates for the advancement of food safety within the industry’s organizations, such as the National Council of Chain Restaurants (“NCCR”), NCCR Food Safety Task Force, the National Restaurant Association (“NRA”) (member of the Steering Committee for the October 2018 – Present), NRA’s Quality Assurance Executive Study Group and the National Retail Federation (“NRF”).

2023 PERFORMANCE & FOCUS FOR 2024

In 2023, alongside this regular activity to maintain food safety and quality, we also looked at our Brand Protection Review scores in key topics and ensured our supplier audits were completed satisfactorily. In 2024, we plan to review our process for monitoring food safety and set specific targets for 2025 to ensure we continue to uphold the highest standards of food safety across our value chain.



SOURCING QUALITY FOOD

WHY IT MATTERS

We pride ourselves in serving our guests quality food that emphasizes everyday value while bringing people together – feeding the body and spirit of anyone who comes through our front doors. With increasing strain on our environmental resources, supply chain issues, and other economic, social, and environmental issues, we are committed to working with our suppliers to ensure we maintain the quality of our ingredients and the food that we serve.

2023 PERFORMANCE & FOCUS FOR 2024

Explore the establishment of clear goals and commodity-specific targets. These are likely to include developing clear assessment criteria to determine the current and future quality of all food procured and working with our current suppliers to understand the challenges they face.



NUTRITION QUALITY

WHY IT MATTERS

Nutrition is an important component of a healthy lifestyle. We are committed to ensuring our food is full of natural ingredients and providing the optimal levels of nutrition alongside quality taste.

TARGETS

Remove Red, Yellow, and Blue FD&C colors and transition to a cleaner caramel color in Denny’s food products in 2023.

2023 PERFORMANCE

In 2023 we achieved both of our targets, successfully removing Red, Yellow, and Blue FD&C colors and transitioning to a cleaner caramel color in Denny’s food products.

FOCUS FOR 2024

We will continue to monitor our food products, looking to use natural alternatives where possible.



OUR PEOPLE & COMMUNITIES

WE ARE COMMITTED

to building a workforce centered on our values and promoting the wellbeing of people across our entire value chain — employees, customers, partners, and suppliers. We believe in the potential of our workforce, and the importance of providing career development opportunities for those who want to learn and grow with us. We celebrate diversity and embrace differences because they broaden our perspectives and strengthen the work that we do.

Our focus is to foster a culture of teamwork that upholds diversity and inclusion and create an equitable environment for the people we employ.

OUR GOAL

To support all Denny's employees, suppliers, and the communities we operate within to fulfill their greatest potential.

KEY TOPICS

- Diversity, Equity & Inclusion
- Employee Development & Wellbeing
- Ethics & Labor Standards
- Suppliers' Livelihoods
- Community Outreach

DIVERSITY, EQUITY & INCLUSION

WHY IT MATTERS

We have a culture that embraces openness for all people, ideas, and perspectives. Denny’s commitment to diversity starts at the highest levels with our board and franchisees and is carried through to our team of cooks, servers, hosts, managers, and suppliers. We commit to being a part of growing Denny’s culture – which is incredibly diverse, demonstrably inclusive and provides fair and equal opportunity for all. A place that employs all, buys from all, promotes all, serves all, and supports all as a natural extension of who we are.

TARGETS

Improve Supplier Diversity overall spending to 12% by 2025.

Increase the number of diverse hires by partnering with at least three HBCUs and three strategic organizations.

Ensure all employees, regardless of gender or sexual orientation, receive pay equity for their roles.

Implement Denny’s Human Rights policy, including human trafficking and slavery, as a supplier requirement.



2023 PERFORMANCE

In 2023, we increased the comprehensiveness of our tracking of diversity among our suppliers. We introduced new software to enable us to increase the coverage of information on our suppliers, providing us with more robust data regarding their diversity and addressable spend. With the introduction of this new tool, we were able to determine that our diversity spending was consistent with the prior year. However, we realized that with a recalibration necessitated by the new information, we had to reduce our target spend from 17% by 2025 to 12% by 2025. Our spend for 2023, as a result of the recalibration, was 11%. We remain fully committed to maintaining transparent and open communication of performance against our goals.

We also continued to monitor our compensation and pay policies to ensure it is competitive, and meeting best practice so that all employees, regardless of gender, sexual orientation, race, or religion, receive pay equity for their roles.

In 2023, we successfully executed 4 recruiting events at local HBCU's and strategic partnership events. In addition to providing these diverse job seekers with employment opportunities at Denny's, our recruiting events included advice regarding building their resumes and improving job interview skills.

We grew the diversity within our workforce, particularly at senior levels. The number of women and people of color in the Director level & above across our company-owned restaurants and corporate headquarters grew from 37% to 39% (female) and 20% to 25% (people of color) in 2022 compared to 2023. See the following chart for a further breakdown of our employee diversity in 2023.



End of Denny's Fiscal 2023 Year



GENDER DIVERSITY

Role	Employee Count	Women	Women %	People of Color	People of Color %	Men	Men %	Undeclared	Undeclared %
Restaurant Crew	2641	1359	51.46%	2167	82.05%	1272	48.16%	10	0.38%
Restaurant Management	192	99	51.56%	150	78.13%	93	48.44%		0.00%
Managers & Professional	299	153	51.17%	106	35.45%	138	46.15%	1	0.33%
Directors & Above	71	28	39.44%	18	25.35%	43	60.56%		0.00%
All Company Employees	3203	1642	51.26%	2441	76.21%	1550	48.39%	11	0.34%

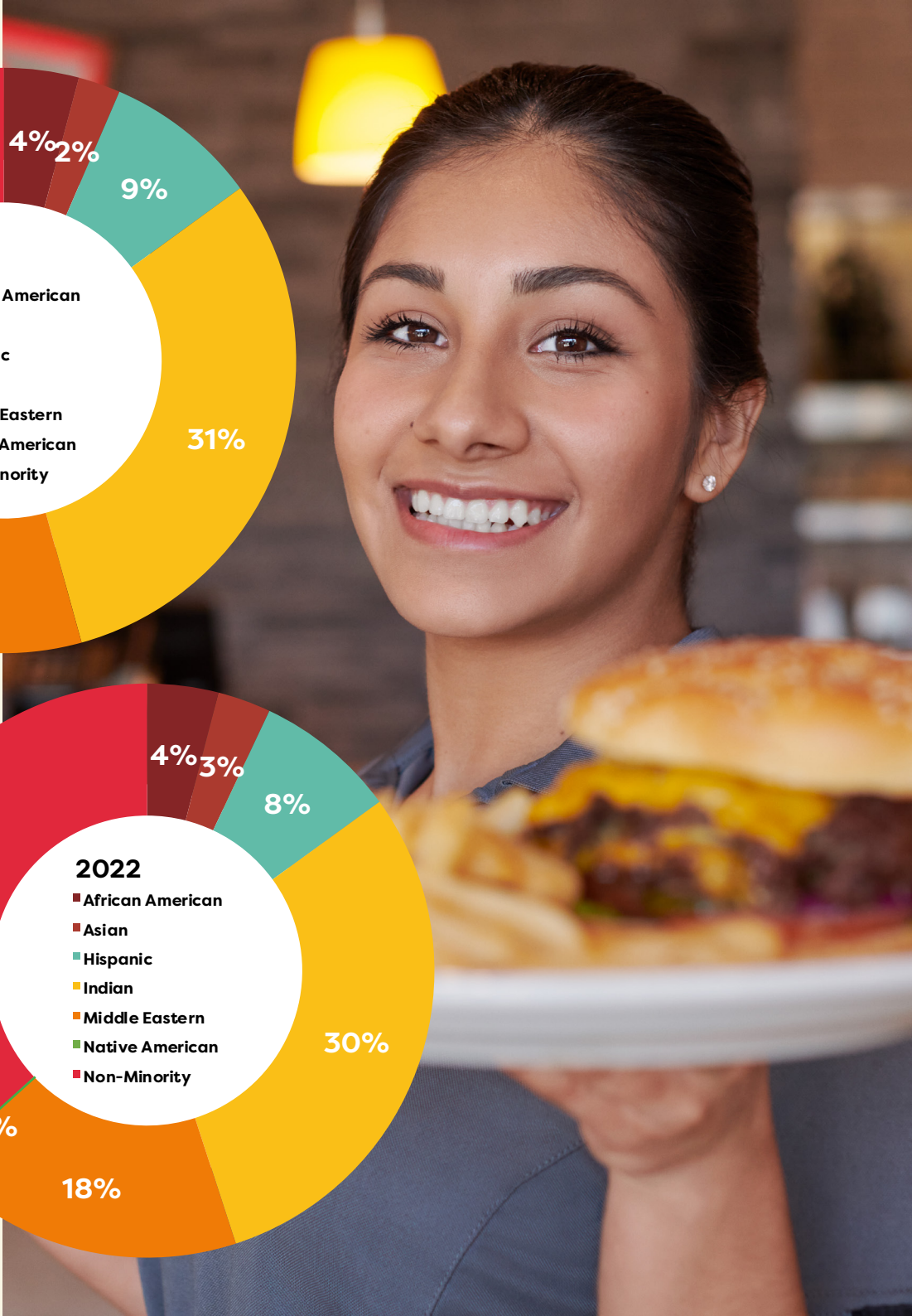
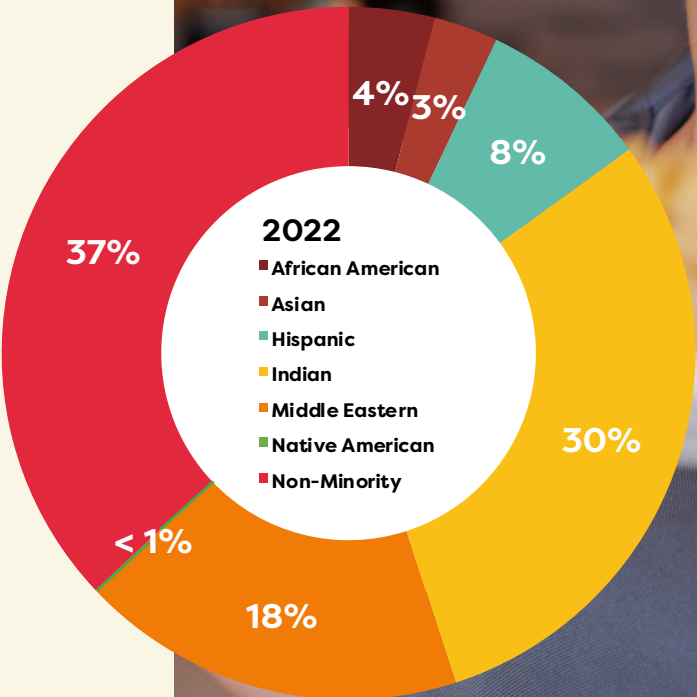
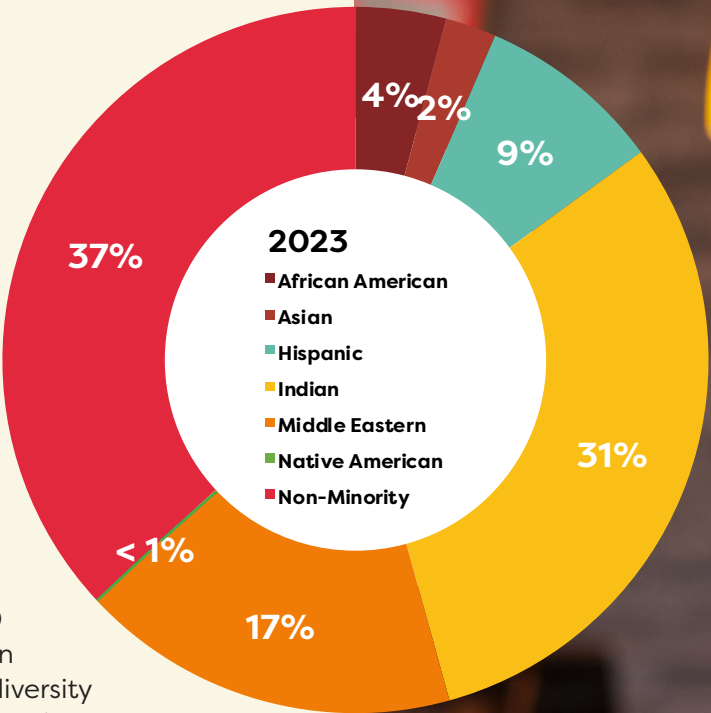
ETHNICITY DIVERSITY

Role	Emp Count	Caucasian	Caucasian %	Hispanic or Latino	Hispanic or Latino %	African American	African American %	Asian	Asian %	American Indian or Alaskan	American Indian or Alaskan %	Native Hawaiian/ Other Pacific Islander	Native Hawaiian/ Other Pacific Islander %	2 or More	2 or More %	Undeclared	Undeclared %
Restaurant Crew	2641	443	16.77%	1521	57.59%	353	13.37%	107	4.05%	24	0.91%	24	0.91%	138	5.23%	23	0.87%
Restaurant Management	192	37	19.27%	103	53.65%	22	11.46%	11	5.73%	1	0.52%	1	0.52%	12	6.25%	2	1.04%
Managers & Professional	299	187	62.54%	32	10.70%	49	16.39%	16	5.35%		0.00%		0.00%	9	3.01%	6	2.01%
Directors & Above	71	53	74.65%	6	8.45%	9	12.68%	3	4.23%		0.00%		0.00%	0	0.00%		0.00%
All Company Employees	3203	720	22.48%	1662	51.89%	433	13.52%	137	4.28%	25	0.78%	25	0.78%	159	4.96%	31	0.97%

We continued to maintain diversity among our franchise restaurants. 63% of our franchise restaurants were minority-owned (the same as in 2022, further breakdown in the chart opposite). This evidences our continued commitment to helping marginalized small business owners create wealth while serving their communities, building on a track record of trust, quality, and value.

We continued to participate in the **CEO Action for Diversity & Inclusion**, the largest CEO-driven business initiative that spans 85 industries and 50 states in the USA. The initiative includes more than 2,000 CEOs pledging to take action to advance diversity and foster inclusion by sharing best practices, educating on unconscious bias, and encouraging open dialogue within their organizations on these important social issues. In 2023, we put together a thought leadership whitepaper on business diversity, as well as developing a Black Business Directory.

We continued the **Business Resource Groups (BRG) initiative** – employee-led, self-directed voluntary groups. In 2023, we created two new BRGs – the Wellbeing BRG and the Asian-American Native Hawaiian Pacific Islander (AANHPI) BRG. Ambassadors of BRG groups were present at the Dallas Pride festival, raising awareness of internships and scholarships amongst 60,000+ attendees. We now have eight BRGs across the organization, with more in the pipeline for future years.





FOCUS FOR 2024

In 2024, we will continue to support supplier diversity by expanding diversity efforts across new areas of the business and focusing on areas of the business that have a low spend on diverse suppliers. This includes continuing to identify potential suppliers through partnerships and outreach, working to achieve our 12% supplier diversity target by 2025.

Other planned actions for 2024 include:

- Developing a ‘Hungry for Education’ tour across HBCUs and HSLs in 2025 in line with our efforts to increase diverse hiring throughout the organization.
- Continuing to monitor pay to ensure equality for all.
- Continuing involvement in CEO Action for Diversity & Inclusion, including looking to approve and publish the Black Business Directory as well as producing podcasts that highlight black businesses, and the benefits gained to companies who work with them.
- Continuing to support the Business Resource Groups.





EMPLOYEE DEVELOPMENT & WELLBEING

WHY IT MATTERS

Our brand was built by people who believed in our founder's vision of "loving to feed people." Many began as cooks, servers, hosts, and managers. Somewhere along the way, many of these team members had a life-altering event that propelled them forward in their restaurant career journey. Today, Denny's continues to thrive as we offer opportunities for our people to advance throughout the business and realize their full potential.

At Denny's, we believe it is our continued responsibility and privilege to nurture the personal and professional development of our people. That's why we've created people-forward initiatives designed to help our teams lean in, learn more, and advance their careers.

TARGETS

In 2023, provide General Education Development (GED) for all restaurant employees.

Offer at least one college certification program to all restaurant employees in 2023.

In 2024, use Denny's management and breakthrough training program for college credit through partnership with at least four colleges.

2023 PERFORMANCE

In 2023 we achieved all of our targets for this topic. We now provide General Education Development (GED) opportunities and offer a college credit program to all restaurant employees through our GAIN program.



Working in the restaurant industry is hard work, and employees in the industry often feel undervalued. At Denny's, we're committed to changing this experience, by recognizing the value of our employees and providing them with opportunities to fulfil their potential both within and outside of work.

We do this through the GAIN program, a four-part program designed to enrich the lives of the people who work hard for our Brand, providing them with greater competence, understanding, and insight to help them move forward.

PARTNERS



THE 4 COMPONENTS OF GAIN

- 1** General Education Development (GED) offering. We offer a GED high school equivalency process that encourages our people to prepare and complete their GED.
- 2** College Credit for Leading. We build partnerships with colleges and universities to align Denny's internal training and development programs with courses that provide academic credit and certification.
- 3** Life Skills. We promote life skills that impact diverse communities within and beyond our restaurants.
- 4** Career Pathways. We develop relationships with high schools to bring employment opportunities to neighboring communities.

PROGRESS IN 2023

Our GED program showcases 8 graduates and 113 active team members since enrollment began in August 2023. A survey of over 1,200 employees revealed that 91% would stay with Denny's due to these types of programs, and 97% would recommend working at Denny's because of partnerships like GEDWorks. These data points underscore the significant impact programs like these have on retention rates and their role in attracting new talent.

Such programs demonstrate the crucial link between access to education and Denny's overall business success, influencing both employee retention and attraction.

A year ahead of schedule, we also partnered with four colleges to offer college credits for employees enrolled in our bespoke employee training program, ‘Breakthrough Careers Pathway’. This program enables employees to gain college credits as they progress through training at our restaurants, evidencing their skills and enabling them to grow within, and beyond, their work at Denny’s.

We continued ‘Denny’s Together’ – a three-year employee development program to open minds, challenge ourselves, and come together across the organization. This was the second year of enactment, with new ‘Rules to Live By’ (non-negotiable standards for how we treat each other and our guests) introduced for our franchisees and franchisors.

We continued the **POWER fund**, this year raising about \$167k to assist Denny’s corporate and franchise employees impacted by disasters. Since it was started in 2005, the fund has supported 719 employees and their families.

We rolled out the new **Modern Health benefit** to all staff in October 2023, which offers additional mental health support for our employees and their staff. This benefit includes resources, courses, coaches, and clinicians.

We continued our commitment to human rights, participating in the **Human Rights Campaign Corporate Equality Index (CEI)**. This year, our CEI score decreased from 90 to 85 out of 100 due to additional categories that caused us to decrease in specific areas. This is something we are looking to address in future years.

We continued to work to achieve **a team that is representative of the community we**

serve. This includes partnering with HBCUs and Hispanic-serving institutions for recruitment and internship opportunities, amongst other initiatives.

We continued our **Hungry for Education scholarship program**, awarding \$206K in scholarships to 94 elementary and college students this year. In 2023, we also continued our sponsorship of the Orange Blossom Classic, generating over 14BN impressions and helping to raise awareness of Denny’s and its scholarship opportunities.

FOCUS FOR 2024

Planned actions for 2024 include:

- Through Denny’s Together, sending out education packs to create a place of belonging and raise awareness of the initiative amongst our field and support center staff.
- Monitoring entire employee wellness journey – physical, mental, financial as well as career, to ensure that there are no gaps and that it is competitive with the market.
- Deepening our partnership with our current HBCUs and Hispanic-serving institutions to achieve a team that is representative of the community we serve.



ETHICS & LABOR STANDARDS

WHY IT MATTERS

At Denny's, we put a great deal of emphasis on ethics and are committed to ensuring that all of our people and our practices are in line with local, national, and international standards and laws. We have the following codes of conduct for each key person within our business ecosystem, which we require strict adherence to at all times:

- Employee Code of Conduct, and further underlying policies – that all employees must abide by.
- Supplier Code of Conduct – that expects suppliers to comply with all local and federal laws, and support our efforts to improve the environment and animal welfare.
- Code of Business Conduct and Ethics for Members of the Board of Directors – that guides ethical risk, provides mechanisms to report unethical

conduct, and helps to foster a culture of honesty and accountability.

These 'codes' outline the standards we expect each person to meet and guide them when they are confronted with ethical and legal issues. We encourage any violation or suspected violation to be reported directly or through our anonymous hotline. We prohibit retaliation against anyone who, in good faith, reports questionable behavior or noncompliance with the Code.

2023 PERFORMANCE

In 2023, we implemented a Human Rights policy, including human trafficking and slavery, as a supplier requirement. This will further help to ensure the people in our value chain are treated fairly, lawfully, and without exploitation.

FOCUS FOR 2024

An important part of ensuring we uphold these ethics and labor standards across our supply chain is continual collaboration with our suppliers.

We will continue to revisit our codes of conduct to ensure they are in line with best practice and are updated as our understanding of this topic evolves.



SUPPLIERS' SUPPORT

WHY IT MATTERS

Our partners and suppliers are vital for Denny's to continue to fulfill our purpose of feeding people: body, mind and soul. It is thanks to their continued efforts that we can provide our quality, tasty food day-in and day-out. We support them in thriving both now and in the future.

2023 PERFORMANCE & FOCUS FOR 2024

Explore the establishment of clear goals and targets. These will be designed to safeguard and elevate our suppliers' support, providing long-term support that enables them to develop the appropriate skills, knowledge, and practices that ensure they maintain reliable supply and live a good life.



COMMUNITY OUTREACH

WHY IT MATTERS

Denny's is more than just a restaurant; it's a home away from home. We aim to be fully engaged in our communities, giving back to local and national organizations that impact children and families. Whether it's providing a comforting meal or helping during a crisis, we treat everyone like family at Denny's.

TARGETS

By 2023, increase the number of meals served to at least 26,000 meals per year.

2023 PERFORMANCE

The Mobile Relief Diner

The Mobile Relief Diner is a fully functional 'diner on wheels' mobile kitchen. It assists communities recovering from natural disasters and other disadvantaged communities. During deployments, it provides warm meals to the local communities, serving favorite items such as our famous Grand Slam® and Super Bird®.

In 2023, we delivered approximately 8,750 meals rather than our 26,000 target. This was due to declining demand for our disaster recovery meals: in 2023, we had no natural disasters in the communities we operate within, and therefore focused on serving our food to a wide range of vulnerable and disadvantaged communities across key states.

In 2023, Denny's volunteers gave over 1,700 hours of their time to helping to serve meals to those who need them, traveling over 10,700 miles and serving over 15 communities. This was a considerable increase in the number of communities (114% increase) and miles traveled (60% increase) vs 2022, demonstrating our commitment to seeking out communities who need support, in stable times and times of crisis.

In the future, we will look to measure the success of the program through the number of days we operate the Mobile Relief Diner and the hours of time donated by Denny's volunteers, as our achievements this year demonstrated that the number of free meals served is not a representative measure of our commitment to our communities.



Other progress on this topic includes:

We continued our **No Kid Hungry partnership**, a charity committed to ending child hunger across America. By offering our guests the opportunity in-restaurant to round up their checks and support this cause, and online guests to donate an additional dollar, Denny's raised over \$942k for the charity this year, raising over \$13.6MM for this charity since the partnership began in 2011. Our ongoing commitment and high level of donations have awarded us the 'Core Partner' status with the charity, evidencing our commitment to supporting this important initiative.

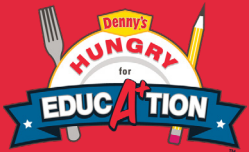
We continued our partnership with **St Jude Children's Research Hospital**, where we help to raise awareness and provide financial support toward cures for childhood cancers and other life-threatening diseases. In 2023, we raised over \$592,000, a slight increase from 2022 (\$586,909). Since this partnership began, Denny's has raised over \$2.1MM for this important charity.

We continued our partnership with **United Way**, helping to support local programs and people in need. This year we donated \$228,331, with over \$3.76MM donated to date.

 **FOCUS FOR 2024**

Planned actions for 2024 include:

- Extend our reach to more underserved communities with the Mobile Relief Diner by working with local partners to help identify key communities in need and raise awareness of our mission. Continue to offer this opportunity to all staff and look to increase volunteer hours given to this important cause.
- Increase contributions to No Kid Hungry by enhancing employee awareness.
- Continue our partnerships with St Jude and United Way, supporting these important causes through our donations.



WE SAID. WE DID. WE WILL.

PROGRESS SUMMARY



	Our Goal		We Said (targets for 2023)	We Did (our achievements in 2023)	We Will (targets for 2024)
OUR PLANET	To reduce our environmental impact from farm-to-fork	Greenhouse Gas Management	Test at least one new plant-based food item for introduction to the core menu by 2024.	On-track, developing vegan version of our 'Hearty wheat' pancake and tofu scramble that is fully plant-based.	Test a fully plant-based slam breakfast option. Identify and evaluate a process to collect and calculate our Scope 1 and 2, emissions.
		Energy Management	Install high-efficiency HVAC units in all new company builds. Install high-efficiency water heaters in all new company builds.	Ensured that all new company-builds could install a high-efficiency HVAC unit and high-efficiency water heaters as first preference, where feasible given availability and engineering limitations.	Review building specs and new technologies to incorporate new energy-saving technologies into our restaurants. Identify and evaluate an Environmental Management System. Communicate progress transparently next year.
		Water Management	No targets set for this topic.	No targets set for this topic.	Expand our focus and engage with our supply chain to monitor and reduce our water footprint from farm-to-fork. Communicate progress transparently next year.
		Waste Management	No targets set for this topic.	Changed packaging sizes of our key ingredients so that it was easier for staff to cook the right amount of food.	Continue to explore opportunities to innovate across our menu and operations that meaningfully reduce food and packaging waste. Communicate progress transparently next year.
		Forests	New topic, no targets set	No achievements relating to this topic.	Begin an internal discussion on this topic.

	Our Goal		We Said (targets for 2023)	We Did (our achievements in 2023)	We Will (targets for 2024)
OUR FOOD	To proudly serve high-quality, well-sourced, and nutritious food that makes people feel great	Animal Health & Welfare	Complete transition to cage-free eggs by 2026	40% of eggs used across restaurants are cage-free.	Work with our suppliers so that 80% of our eggs are cage-free by 2025.
		Food Safety	No targets set for this topic	Regular activity to manage food safety. Reviewed our Brand Protection Review scores in key topics. Ensured supplier audits were completed satisfactorily	Explore the establishment of clear goals and targets. Work with suppliers to support them to put in place sustainable practices.
		Sourcing Quality Food	New topic, no targets set	No achievements relating to this topic	Review process for monitoring food safety and set specific targets from 2025.
		Nutrition Quality	Remove Red, Yellow, and Blue FD&C colors and transition to a cleaner caramel color in Denny's food products in 2023.	Removed Red, Yellow, and Blue FD&C colors and transitioning to a cleaner caramel color in Denny's food products.	Continue to monitor our food products, looking to use natural alternatives where possible.

	Our Goal		We Said (targets for 2023)	We Did (our achievements in 2023)	We Will (targets for 2024)
OUR PEOPLE & COMMUNITIES	To support all Denny's employees, suppliers, and the communities we operate within to fulfill their greatest potential	Diversity, Equity and Inclusion	Improve Supplier Diversity overall spending to 12% by 2025. Increase the number of diverse hires by partnering with at least three HBCUs and three strategic organizations. Ensure all employees, regardless of gender or sexual orientation, receive pay equity for their roles.	Increased the comprehensiveness of how we track diversity among our suppliers. Executed four recruiting events at local HBCUs and strategic partnership events for diverse hires. Continued to monitor compensation and pay policies to ensure it is competitive and meeting best practice. Grew diversity within our own workforce. Maintained diversity among our franchise restaurants.	Develop a 'Hungry for Education' tour across HBCUs and HSIs in 2025. Continue to monitor pay to ensure equality for all. Improve Supplier Diversity overall spending to achieve 12% by 2025.
		Employee Development & Wellbeing	In 2023, provide General Education Development (GED) for all restaurant employees. Offer at least one college certification program to all restaurant employees in 2023. In 2024, use Denny's management and breakthrough training program for college credit through partnership with at least four colleges.	Now provide General Education Development opportunities and offer a college credit program to all employees through GAIN program. Partnered with four colleges to offer college credits for employees enrolled on our 'Breakthrough Careers Pathway'. Continued 'Denny's Together' employee development program.	Send out education packs as part of Denny's Together to field and support center staff. Monitor entire employee wellness journey to ensure there are no gaps and it remains competitive. Deepen partnership with current HBCUs and Hispanic-serving institutions to achieve a team that is representative of the communities we serve.
		Ethics & Labor Standards	Implement Denny's Human Rights policy, including human trafficking and slavery, as a supplier requirement.	Implemented a Human Rights policy.	Collaborating with our suppliers to ensure compliance with our high standards.
		Suppliers' Support	New topic, no targets set	No achievements relating to this topic.	Begin an internal discussion on this topic.
		Community Outreach	By 2023, increase the number of meals served to at least 26,000 meals per year.	Delivered approximately 8,570 meals rather than our 26,000 target, due to declining demand for our disaster recovery meals.	Extend our reach to more underserved communities with the Mobile Relief Diner by working with local partners to help identify key communities in need and raise awareness of our mission.



GOVERNANCE

GOVERNANCE OF ESG

As a large organization with restaurants throughout the country (and internationally), we acknowledge that a clear, robust, and comprehensive governance structure is vital to make progress against our goals and targets. As part of the redevelopment of our ESG strategy, we have also revisited and enhanced our existing governance structures to ensure we are taking meaningful, timely action.



Oversight Body	How they Engage with Sustainability
Board of Directors	Informed of progress against sustainability targets; provide oversight and guidance of the strategy.
Senior Leadership	Regularly informed and oversees action on material topics. Expect to be engaged to forward action on key topics. Accountable for successful execution of the strategy.
Sustainability Committee	Subset of senior leaders and technical leads who are directly responsible for progress. Also responsible for collecting and reporting data on key topics, to be included in an annual sustainability report.
Technical Sustainability Working Groups	Technical leads with deep knowledge of particular topics and issues, working cross-departmentally internally, and with external organizations, to take action on key topics. Responsible for making progress on key topics, as agreed and delegated by the Sustainability Committee.
Sustainability Champions	Employees from throughout the organization who are advocates for the key areas of the sustainability strategy. May be responsible for certain actions within the strategy, and also help to raise awareness of action throughout the organization.



OTHER KEY GOVERNANCE ACTIONS

As well as developing clear roles and responsibilities for employees throughout the organization, we have also introduced several other initiatives to ensure action is prioritized and executed throughout the business. These include target setting and roadmap development; alignment on reporting processes; and raising awareness.

Specifically, we are:

1

Setting ambitious, yet achievable goals to further demonstrate commitment to this agenda.

2

Aligning current reporting processes to include measurement and evaluation of sustainability performance. We are broadening our current capabilities to encapsulate all key metrics and indicators of progress on sustainability topics, aligning with existing processes and systems where possible.

3

Embedding the strategy via internal communication. We are raising awareness of the strategy, and our leadership’s commitment to it, through all internal communication channels. This will include sharing regular progress updates with our team members, identifying performance gaps, and celebrating achievements.

ANTITRUST & COMPETITION LAW

Our Code of Conduct for our employees and suppliers ensures that we comply with all antitrust and competition laws.

ANTI-BRIBERY & CORRUPTION

We are committed to conducting our business in compliance with all applicable laws and regulations and have implemented the US ‘Foreign Corruption Practices Act’ (FCPA) policy within our organization and require all of our employees, agents, franchisees, officers, directors, and business partners to adhere to this policy.

OUR COMMITMENT TO TRANSPARENCY

At Denny’s, we emphasize a culture of accountability and conduct our business in a manner that is fair, ethical, and responsible, with a transparent system of governance that embeds accountability throughout the organization. By doing this, we seek to earn the trust of our stakeholders, including customers, team members, and stockholders. We maintain a robust compliance program to ensure compliance with applicable laws and regulations governing ethical business practices.

We commit to reporting on our progress against this new strategy in subsequent reports. This will include gathering data relating to key performance indicators and using this to clearly evaluate progress against our targets across all key topic areas.



ABOUT THIS REPORT

This report is in line with the requirements of Denny's Corporation Goals and targets described in this report are aligned to the overall strategy of the Denny's brand.

This ESG Report provides an overview of Denny's progress in fulfilling their sustainability ambitions through the key workstreams, detailing actions to address environmental and social topics material to the business.

This report provides an overview of the Denny's brand ESG activities for the 2023 fiscal year and excludes the Keke's Breakfast Cafe brand. We are working to align Keke's data reporting practices with those of Denny's, with the goal of fully integrating them into our overarching ESG strategy. Unless otherwise noted, the information in this report focuses on information collected from our Irving Support Center, Spartanburg Support Center, and company-operated restaurants. This report may include previous ESG activities, previous years' data, and future ESG activities. As we work to improve this report, the data in this report, ESG activities, and reporting method may be subject to change. Denny's, Inc. and its affiliates in this report may be referred to collectively as "we," "us," and "our." Historically, most of our franchisees have not tracked results using the metrics outlined in this report. Our goal is to encourage full engagement in these reporting efforts. As such, in those areas, unless otherwise noted, are from Company-owned restaurants, and may not be representative of the independently owned franchise restaurants.

This report does not have external assurance, but all progress has been transparently communicated against company-agreed targets and performance indicators. In preparation for releasing this report, our Internal Audit department has completed an internal assessment process together with our leadership team in order to provide reasonable assurance regarding the reliability of this report's metrics. However, this report has not been externally reviewed by any third-party verifiers.

The forward-looking statements included in this document reflect our best judgment based on factors currently known, involve risks and uncertainties. Words such as "expect," "anticipate," "believe," "intend," "plan," "hope," and variations of such words and similar expressions are intended to identify such forward-looking statements. Such statements speak only as to the date thereof. Except as may be required by law, we expressly disclaim any obligation to update these forward-looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events. Actual results could differ materially from those anticipated in these forward-looking statements as a result of a number of factors. The forward-looking information we have provided in this document pursuant to the safe harbor established under the Private Securities Litigation Reform Act of 1995 should be evaluated in the context of these factors.

