

<u>Domino's Pizza Group Greenhouse Gas ('GHG') emissions data reporting principles and Methodologies</u>

Reporting period 1st January 2024 to 31st December 2024

Introduction

Domino's Pizza Group is a UK FTSE250 quoted company, and as such is subject to legal obligations with respect to the reporting of greenhouse gas emissions as outlined in Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013. The reporting is prepared with reference to the Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance (March 2019).

Our Reporting Principles:

In addition to our own internal processes and governance, Domino's Pizza Group has commissioned independent third-party assurance. We engaged PricewaterhouseCoopers LLP ('PwC') to perform an independent limited assurance engagement on selected greenhouse gas (GHG) emissions data for the year ended 31 December 2024, in accordance with International Standard on Assurance Engagements 3000 (Revised) 'Assurance Engagements other than Audits or Reviews of Historical Financial Information' and International Standard on Assurance Engagements 3410 'Assurance engagements on greenhouse gas statements', issued by the International Auditing and Assurance Standards Board. The selected greenhouse gas (GHG) emissions data for the year ended 31 December 2024 includes:

- Scope 1 greenhouse gas emissions tCO2e (all operations)
- Scope 2 (location-based) greenhouse gas emissions tCO2e (all operations)
- Scope 2 (market-based) greenhouse gas emissions tCO2e (all operations)
- tCO2e per tonnes of dough produced (location-based) (all operations)

The remainder of this document outlines the criteria and supporting methodologies that have been adopted by Domino's Pizza Group to prepare this selected greenhouse gas emissions data for the year ended 31 December 2024.

Organisation Boundary and Scope of Emissions

Emissions

Domino's Pizza Group includes the amount of carbon dioxide equivalent emissions (tC02e) for Scope 1 and 2, as defined in Section 92 of the Climate Change Act 2008 [carbon dioxide (CO2), methane (CH4), nitrous oxide (N2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulphur hexafluoride (SF6)], emitted during the reporting period within its reporting of selected greenhouse gas emissions data for the year ended 31 December 2024.

Organisational boundary:

Domino's Pizza Group adopts an Operational Control boundary approach for its selected greenhouse gas emissions data for the year ended 31 December 2024. This includes all sources of emissions over which the company has the full authority to introduce and implement its operating policies at the operation.



Under the Operational Control approach, 100% of the Scope 1 and 2 carbon dioxide equivalent emissions arising from Group companies and subsidiary entities over which Domino's Pizza Group has operational control is included. Joint ventures and investments where the Group has an interest of 50% or less are excluded, as Domino's Pizza Group do not have operational control over these entities.

'Group' and 'all operations' is defined as all sites that Domino's Pizza Group have operational control as defined above and only constitutes sites located in the United Kingdom and Republic of Ireland. This comprises four supply chain centres, two support offices, one training facility and 31 corporate stores in operation during the period 1 January 2024 to 31 December 2024. We have excluded from our Scope 1 and Scope 2 calculations the 1,291 franchisee stores for which Domino's Pizza Group has no operational control.

On an annual basis the organisational boundary is reviewed to ensure that any new legal entities are included where necessary. This is completed using the organisational structure maintained by the Company Secretary.

The Property Team maintain a database which is updated on an ongoing basis (e.g. to include the property assets associated with a company acquisition, the opening of a new facility, site closures, divested entities etc). The updated organisational and property records are then reconciled to determine the boundary for the reporting year, after which, the emissions source data is requested from the appropriate site contacts.

Emissions from entities acquired during the year are included in the financial year after they are acquired (reporting emissions for the full 12-month period) unless otherwise indicated in our reporting. Emissions from entities classified as discontinued operations or disposed of during the year are excluded from the disclosure for the full year they are classified as a discontinued operation or disposed. For previous years' data, restatements will be made in accordance to the restatement policy – structural change.

Emissions from sites acquired, leased, closed, transferred or sold during the financial year are reported for the period where they were in our operational control per the definition of operational control on page [2].

Scope 1 Direct emissions: includes the combustion of natural gas, petrol, diesel, or gas oil, for either:

- Stationary equipment: e.g. pizza ovens, gas boilers, diesel generators
- Transportation devices: owned company vehicles and long-term lease vehicles (leases over 14 days), such as company cars, owned and leased pizza delivery vehicles, and HGV fleet

Scope 1 emissions also include F-gases emissions from equipment due to operational losses and installation.

Scope 2 In-direct emissions: emissions from the purchase of electricity that is consumed in owned or controlled equipment.



Operational control:

To determine the operational boundary of the GHG inventory, a site will be considered under our control when energy supplied to the premises occupied by Domino's Pizza Group is metered and billed based on actual amount consumed, for example:

- i. Where we have a contract directly with the electricity supplier the site is considered under our control
- ii. Where electricity is paid by the landlord and re-charged to us based on the actual amount we have consumed (i.e. metered amount) the site is considered under our control
- iii. Where we pay a fixed fee for energy as part of our rental payments (i.e. regardless of the amount actually consumed) the site is considered NOT under our control and emissions associated with this energy usage would be captured in our Scope 3 numbers.

Emissions from sites classified as vacant or unused by the Property Team have been included in the selected greenhouse gas emissions data up to the date it was vacated or deemed unused. From this date onwards, the emissions have been excluded.



Reporting Format

Period:

Domino's Pizza Group has a 52-week reporting period and produces its Annual Report and Accounts accordingly.

The selected ESG performance metrics within the Annual Report & Accounts are prepared for the reporting period 1st January 2024 to 31st December 2024.

In most cases data for greenhouse gas emissions reporting is gathered on a calendar year basis and is reported as such (i.e. 1st of January to the 31st of December). Where data cannot be gathered for the 1st of January to 31st December, data is collected based on a full 52-week period, which may be up to 2 weeks different to the calendar year and used to estimate the 1st of January to 31st December period.

Emissions Factors:

We adopt the conventional approach in calculating our carbon emissions through the collection of primary source data in their appropriate units (e.g. kilowatt-hours (kWh), litres (L), kilograms (kg), kilometres (km) etc.) and converting into the associated carbon emissions using the relevant emissions factors.

Domino's Pizza Group has used the following factors to calculate the emissions for the 12 months to 31 December 2024

Scope 1 - The UK Government Greenhouse gas reporting: conversion factors 2024 (GHG 2024 factors) have been used for fuel consumed in the UK to determine Scope 1 emissions. For practical reasons and due to the immaterial differences, the same fuel emission factors were used for stores, fleet and supply chain centres in the Republic of Ireland. F-gases global warming potential (GWP) comes from the same database with the exception of the refrigerants R452a and R448a, which are extracted from the Manufacturer's technical sheet (Honeywell).

Scope 2 - Under the location-based method, the UK Government Greenhouse gas reporting: conversion factors 2024 (GHG 2024 factors) have been used for electricity used in UK stores, offices and supply chain centres. For those based in the republic of Ireland, the emissions factors published by the Sustainable Energy Authority of Ireland were used.

Scope 2 - Under the market-based method, we have considered all of our electricity sourced from renewable sources as having zero GHG emissions where the appropriate information is available to back up this claim. This includes contracts with our electricity providers confirming that the electricity we have purchased can be considered as having no emissions under internationally recognised frameworks (GHG Protocol quality criteria for reporting zero Scope 2 market-based carbon emissions), and applies only for the amount contracted and sites specified.

The calculation of Market based emissions is based on our energy suppliers fulfilling their contractual obligations under the terms of renewable tariffs to back all energy supplied to all of its customers on such tariffs by Renewable Energy Guarantees of Origin (REGOs). We have no oversight over that process.

For all electricity consumption falling out of this scope, we have applied the residual mix CO2 factor published by the Association of Issuing Bodies (AIB) for each of the countries where we have



purchased electricity. This factor is taken from the latest report published by the AIB at the time of calculating the emissions, which for the year 2024 is their <u>Version 1.0, 2024-05-30</u>.

We note that these factors calculate CO2, rather than CO2e, but we have used it as an approximation for CO2e, given the effect would be immaterial on the reported emissions.

Emissions Data

For 2024, GHG data was collected on a quarterly basis.

For 2024, data collection and consolidation was performed centrally by the DPG FP&A team with support from the Sustainability team. This was then shared with SLR Consulting Ltd, a specialised advisor employed by the Group to quantify and calculate the Greenhouse Gas (GHG) emissions associated with the Group's operations.

Scope 1 Emissions Sources:

- Stationary use of gaseous and liquid fuels

Emissions from stationary use of gaseous and liquid fuels are calculated using the following hierarchy:

- a) Direct meter readings Where available, gas consumption is evidenced using opening and closing meter readings (cubic meters) every month as calculated by smart meters, converted into kWh using this formula: (Meter read*1.02264*39.2)/3.6.
- b) Utility bills Where direct meter readings are not available, natural gas consumption data for the reporting period is evidenced by monthly utility bills. Values in cubic meters are converted into kWh using the formula: (Meter read*1.02264*39.2)/3.6
- c) Estimations SCC: In the absence of availability of utility bills, meter readings, or reliable data, missing time periods are estimated centrally using the following estimation technique: Total data collected for that location is divided into the number of days we have data for to derive an average daily figure. This average daily figure is then applied to the missing time periods. So, if coverage is for the first 11 months of the year (1st January to 30th November 2024), we divide the total energy figure by 334 days and multiply by 365 to estimate the missing time period. E.g. Site A has 100 kWh for 11 months = 100/334 = 0.2994 per day. Then multiply by 365 days (12 months) to estimate full year data i.e. 0.2994 x 365 days = 109.28 kWh for the full year. Where entire sites are missing data for gas consumption, usage will be estimated based on the usage in other sites with available data. Total usage will be divided by the dough trays produced for the same period then applied to the dough trays produced in the sites with missing gas consumption data.

Estimations – Corporate stores: In the absence of availability of utility bills, meter readings, or reliable data, missing time periods are estimated centrally using the following estimation technique: Total data collected for that location is divided into the number of days we have data for to derive an average daily figure. This average daily figure is then applied to the missing time periods. So, if coverage is for the first 11 months of the year (1^{st} January to 30^{th} November 2024), we divide the total energy figure by 334 days and multiply by 365 to estimate the missing time period. E.g. Site A has 100 kWh for 11 months = 100/334 = 0.2994 per day. Then multiply by 365 days (12 months) to estimate full year data i.e. 0.2994 x 365 days = 109.28 kWh for the full year. Where entire stores are missing data for gas consumption throughout the whole year, usage will be estimated with the simple average



across all stores with known data (full or partially, but completed to be annual following the procedure above). In both cases, estimations are done to complete emissions up to the date in the year when stores are deemed to be under Domino's Pizza Group's operational control.

 Training facilities (stores) are assumed to be used for less than half of the year. As a conservative approach, the emissions of a training facility (store) are considered to be 50% of the simple average across all sites with known data.

The liquid fuels source data, based on the date of delivery, is primarily volumes purchased taken from supplier statements, invoices and other relevant internally maintained records.

- Transport

Scope 1 transport emissions across the Domino's Pizza Group extend to the following:

Fuel used in vehicles owned or leased long-term (leases over 14 days) by Domino's Pizza Group. Each data provider maintains a record of fuel used based on fuel cards, fuel supplier invoices or pump records. For practical purposes, it is assumed that the date of emissions is the transaction date per the TMC report. Distances from odometer records will only be used where fuel volume data is not available. Supply chain fleet fuel usage will be based on fuel purchases within the year and consumption is assumed to be equal to the date of delivery.

Pizza delivery emissions for the operationally controlled corporate stores, are derived from data from the till systems on the number of delivery runs taken place in a period from the stores to customers with an average mile per run applied to give total mileage. Average miles per run is calculated using the telematics system within the GPS tool used in stores. GPS is used on most of delivered orders and tracks the distance from the store out to the customer and back to the store. So the average miles per store is an "out and back" average distance. Personal cars data is identified through mileage claims and this data is excluded from the emissions calculations. When data is not available on the type of delivery, it is assumed to be done on e-peds, the most common delivery type for the stores within the scope since 2023.

Electric Mopeds are charged at corporate store sites, therefore the portion of miles accounted for by e-peds will be accounted for in Scope 2 emissions.

Scope 1 emissions are calculated by applying the most relevant emissions factor (taken from the sources described on page 4) to the data provided which could be either litres of fuel or mileage entered into the data collection template with the data provider indicating their vehicle type. The collection process calculates emissions on business mileage only.

Company car fuel usage in head office is measured from fuel purchased on fuel cards. Fuel cards are issued to corporate car users at the time a corporate car is provided. Data is based on 12 months and is collected from the 12th January to the 14th January the following year, which is used as a proxy for the usage between the 1st January and 31st December. The fuel purchased is allocated to business and personal based on the payroll expense claims report submitted by the car user. This data includes the proportion of mileage relating to business use. Where there is no split for business and personal mileage use, the average for the sample group has been applied. Only business usage is included in the reported metric.



Emissions from company cars are calculated using the following hierarchy:

- a) When consumption of fuel (for example, in litres) is available, this figure is used for the calculation as recommended by the GHG Protocol, and emission factors by DEFRA are applied for Diesel, Petrol and others (see source above). Note energy use from electric vehicles will be captured in scope 2 emissions. If the consumption in litres does not include exclusively the volumes used for business related activities, a ratio (business miles / total miles) is applied. In the event that the ratio for the particular employee is not known, an average ratio for the rest of employees is applied.
- b) If consumption is not known, the emissions are calculated from the business miles reported, a similar approach as described in a) is applied to estimate the business miles if the figure reported includes personal use. In this case, the business miles are multiplied by the kgCO2e/mile factor provided by the manufacturer of each vehicle (if known) or by a similar DEFRA factor that corresponds to the vehicle type/fuel used. A conversion factor for an average size car with unspecified fuel is used if unknown.
- c) Finally, if volume of fuel or mileage is not available, then the spend in fuel reported by the employee is used. In this case, the average of the weekly prices for the year, as reported by the <u>Office for National Statistics</u> is applied to convert into litres of fuel and follow the methodology in a). In the event that the fuel type is unknown, the price for Diesel is applied.
- d) Should no information be available for an employee that is known to drive a company vehicle for business purposes, an average of the emissions for all known employees is applied.
- e) Finally, should no other data for the year be available, last year's consumption (in litres) will be replicated if it is confirmed that an employee used a company car.
- Fugitive emissions ('F-gases')

Scope 1 emissions from F-gases are calculated in line with the Screening method of Annex C of DEFRA's <u>'Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance'</u> (March 2019 update). This covers emissions from equipment within our Corporate Stores, Supply Chain Centres, Offices and refrigerated trucks for:

- Installation emissions: For each piece of equipment, the Equipment Charge capacity* (in kg of F-gas) is multiplied by the percentage of estimated losses (Installation emission factor %) by equipment type from Annex C to obtain the loss in kg of F-gas. This is then multiplied by the Global Warming Potential (GWP) of the gas in kg of CO2e per kg of F-gas from the UK Government Greenhouse gas reporting: conversion factors 2024. As a conservative approach, it is assumed that all equipment installed is charged within DPG's premises and not within the manufacturer's premises. Losses only take place when the equipment is installed, therefore:
 - For Corporate Stores, we consider these emissions for all equipment (regardless of installation date), but the calculation above is then divided by the estimated useful life for the equipment.
 - For Supply Chain Centres, where the date of installation is collected, these emissions are only calculated for equipment acquired in the year.
- Operating emissions: For each piece of equipment, the equipment charge capacity* (in kg of F-gas) is multiplied by the annual leak rate (%) by equipment type from Annex C to obtain the loss in kg of F-gas. This is then multiplied by the Global Warming Potential (GWP) of the gas in kg of CO2e per kg of F-gas from the UK Government Greenhouse gas reporting:



- conversion factors 2024. Operating emissions are estimated up to the date in the year when stores are deemed to be under Domino's Pizza Group's operational control.
- Disposal emissions: None of the equipment containing F-gas within our SCC, Corporate Stores, or refrigerated trucks are disposed of within DPG's sites. All equipment is sent to a third party to be recycled or disposed of, therefore (in line with Annex C), the emissions from Disposal are not accounted for.

The emissions above are calculated for each piece of equipment within:

- a) Corporate Stores: A list (asset registry) of all the equipment within Corporate Stores is compiled. This list includes mainly the brand and model of the equipment, charge capacity, F-gas type used and the type of equipment against Annex C it has been assigned to, as well as installation date of the equipment where available. For stores where information is not available, it is assumed to have the basic set of equipment other stores have (AC unit, fridge, freezer, Makeline and Walk-in cold room). Emissions for stores and equipment with no data is modelled after the average store or average equipment of its type for all where it is known.
- b) Supply Chain Centres: A list (asset registry) of all the equipment within Supply Chain Centres is compiled. This list includes mainly the brand and model of the equipment, charge capacity, F-gas type used, installation and disposal date, and the type of equipment against Annex C it has been assigned to. For Supply Chain Centres where no data is available, these will be modelled after the other Supply Chain Centres where data is known, but considering a pro-rata on the basis of the dough tonnage produced.
- c) Offices: A list (asset registry) of all the equipment within Offices is compiled. This list includes mainly the brand and model of the equipment, charge capacity, F-gas type used, installation and disposal date, and the type of equipment against Annex C it has been assigned to.
- d) Fleet: Emissions are calculated considering the number of refrigerated trucks within DPG's fleet. For each truck, refrigerant gas capacity is modelled after Annex C for 'Land Transport refrigeration' (average) and gas type used is considered to be R452a unless otherwise evidenced. Emissions for all refrigerated trucks in the asset registry are added.

Scope 2 Emissions Sources:

- Electricity

Emissions from purchased electricity is calculated using the following hierarchy:

- a) Utility bills: The majority of electricity consumption data for the reporting period is evidenced by quarterly utility bills. In the first instance, the figure in kWh shown in the invoice is taken directly.
- b) Meter readings Where utility bills are not available, electricity consumption is evidenced using opening and closing meter readings for each month.

^{*}The equipment charge capacity for all equipment is captured when creating the F-gas assets registry. For equipment where this is not known, the average charge capacity for the equipment type from Annex C is considered.



c) Estimations – SCC: In the absence of availability of utility bills, meter readings, or reliable data, missing time periods are estimated centrally using the following estimation technique: Total data collected for that location is divided into the number of days we have data for to derive an average daily figure. This average figure is then applied to the missing time periods. So, if coverage is for the first 11 months of the year (1st January to 30th November 2024), we divide the total energy figure by 334 days and multiply by 365 to estimate the missing time period. E.g. Site A has 100 kWh for 11 months = 100/334 = 0.2994 per day. Then multiply by 365 days (12 months) to estimate full year data i.e. 0.2994 x 365 days = 109.28 kWh for the full year. Where entire sites are missing data for electricity, usage will be estimated based on the usage in other sites with available data. Total usage will be divided by the dough trays produced for the same period then applied to the dough trays produced in the sites with missing electricity consumption data.

Estimations – Corporate stores: In the absence of availability of utility bills, meter readings, or reliable data, missing time periods are estimated centrally using the following estimation technique: Total data collected for that location is divided into the number of days we have data for to derive an average daily figure. This average figure is then applied to the missing time periods. So, if coverage is for the first 11 months of the year (1^{st} January to 30^{th} November 2024), we divide the total energy figure by 334 days and multiply by 365 to estimate the missing time period. E.g. Site A has 100 kWh for 11 months = 100/334 = 0.2994 per day. Then multiply by 365 days (12 months) to estimate full year data i.e. 0.2994×365 days = 109.28 kWh for the full year. Where entire stores are missing data for electricity throughout the whole year, usage will be estimated with the simple average across all stores with known data (full or partially, but completed to be annual following the procedure above).

The electricity consumption data is then converted into GHG emissions using the appropriate factors as described on page 4.

Emissions from Electric Vehicles are also included within Scope 2 emissions:

- a) Electric Vehicles charged within DPG's sites do not add further emissions, as these have been captured in the electricity purchased within sites (above).
- b) Electric Vehicles charged beyond the boundaries of DPG's control are calculated based on the expenses employees submit for the charging (either at home or public infrastructure). The methodology for doing this considers the following hierarchy:
 - Where receipts include the total kWh of electricity charged, this data is used directly
 and multiplied by the appropriate emission factor as described on page 4. For Marketbased emissions, unless it is known that energy sourced came from a renewable
 source, the residual mix will be used.
 - Where the total kWh of electricity charged is unknown, the expensed monetary value will be used, and converted into a kWh figure using a publicly available datapoint for the average price per kWh in the year. For 2024, the RAC's Charge Watch is being used. If the expensed amount indicates it has been charged at home, the average value for home charging will be used. For all other, and by default, the price of 'rapid' charging on a public charger is used. When the split between home charging and public charging is not known, a ratio of 20% (Public) and 80% (at home) is considered. By dividing the expensed amount in £ by the price per kWh, the total kWh charged in



the period are calculated, and then the same emissions factors as described above are used.

Intensity factors

Domino's Pizza Group measures CO2e emissions intensity against the total volume of dough produced in SCCs, which is delivered to both franchise and corporate stores ('all stores').

Domino's Pizza Group does not keep a log of total dough tonnage for the year. Therefore, this figure is derived from the following KPIs:

- Number of dough trays delivered to all stores, split by SCC of origin
- The average weight in dough for a tray of each of the different pizza dough sizes (i.e. 6 inch, 9.5 inch, 11.5 inch and 13.5 inch based on production volumes), is used to calculate the total dough volume. For purposes of UK based emissions calculations, the specific proportion of dough trays delivered from UK SCCs was considered.

Weekly tray volumes of average dough delivered to all stores is then converted into total dough tonnage using the following estimation technique:

Average dough weight per tray multiplied by the number of dough trays delivered to all stores is equal to the Total Dough Tonnage.

Total Scope 1 and Scope 2 Location-based CO2e emissions (in tonnes) are then divided by the Total Dough Tonnage to obtain the intensity figure.

Restatement Policy

When necessary, and where information is available, we will restate the prior years' figures using the latest available data to make data as comparable between years as possible. Where restatements have been made for selected greenhouse gas emissions data, these will be clearly outlined in our Reporting.

Restatements are considered necessary if there is a change to an individual ESG performance metric covered by this methodology of greater than 5% (our significance threshold).

Restatements may be needed as a result of:

- Structural change: Where we experience a structural change, for example an acquisition or disposal, to the scope of our reporting in future periods, we will recalculate the baseline (for data associated with targets) and other data as required, so that we can monitor our performance on a consistent basis.
- Methodology change: Changes in calculation methodology or improvements in the accuracy of emission factors or activity data, which result in a significant impact on the data.
- Corrections: Discovery of significant errors, or a number of cumulative errors, that are collectively significant.