



Dunkin' Brands Sow Housing Progress Report – December 2018

Commitment to Gestation Crate-Free Pork

Dunkin' Brands supports industry efforts to transition to gestation crate-free pork. We have committed to eliminating gestation crates from our U.S. pork supply chain by 2022, making positive progress, and to publishing interim reports on our progress by December 31, 2018 and December 31, 2020. This is the first interim report on our progress towards this goal.

The Global Supply Chain

As a global franchised organization with U.S. and international businesses that are structured differently, Dunkin' Brands' global supply chain is complex. In the U.S., Dunkin' franchisees purchase nearly all of their restaurant supplies – from product supply and equipment to packaging and other dry goods – from National DCP, LLC (NDCP), a nonprofit, franchisee-owned and operated cooperative with distribution centers across the country. The NDCP is the exclusive procurement and distribution entity for Dunkin' restaurants, and sources from suppliers approved by Dunkin' Brands.

Internationally, Dunkin' franchisees are responsible for sourcing their own supplies, including pork, subject to compliance with Dunkin' Brands specifications. In certain countries, our international franchisees purchase everything locally while others may purchase supplies from NDCP – including pork.

Progress to Date

Since our commitment in 2015, Dunkin' Brands has been working with U.S. based suppliers to track industry efforts as well as progress within our own supply chain. In January and September 2018, we surveyed our suppliers to understand their capabilities and progress towards meeting our established gestation crate-free goal. All of our suppliers have confirmed their ability to meet our commitment by the end of 2022, however we are not able to report a percent progress at this time as our supply has not been segregated yet. Based on a National Pork Producers Council survey of 63 large producers, they are estimating that approximately 25% of the national sow herd is group housed, although a much lower percentage is currently segregated and being claimed as such.

Next steps:

- Continue ongoing conversations with suppliers toward our 2022 goals (2x/year)
- Develop a strategy and implementation plan with all of our suppliers by the end of 2019
- Continue working with the National Pork Board to understand industry capabilities and trends

Reporting

Dunkin' Brands will continue to release progress reports on an interim basis, the next being December 31, 2020, in addition to our Corporate Social Responsibility report, which is published every two years.