
FRANCHISE GROUP ENVIRONMENTAL, SOCIAL AND GOVERNANCE POLICY ("ESG Policy")

Franchise Group, Inc. ("FRG" or the "Company") is dedicated to formulating, implementing and cultivating Environmental, Social and Governance ("ESG") policies that are responsible, sustainable and strategic in all areas of the Company. We strive to conduct business in an ethical manner for the benefit of our stockholders, employees, customers, franchisees, communities and other stakeholders. We value honesty, integrity, and adherence to the highest ethical standards. We have implemented a Code of Conduct and Associate Handbook to ensure our values remain the foundation of our work and follow all applicable laws and regulations, as well as adhering to best practices.

FRG's ESG Policy applies across all areas of the Company and its operating companies. The stewardship of our ESG practices starts at the top with both our Board and executive management team taking active roles. Our Board, through the Nominating and Corporate Governance Committee, oversees the Company's ESG strategies, activities, policies and goals, including but not limited to, environmental sustainability, climate change, human rights, workplace rights, employee health and safety, diversity, equity and inclusion ("DEI") initiatives, charitable contributions and human capital management, for purposes of risk management and long-term business strategy. This ESG Policy is overseen by FRG's Nominating and Corporate Governance Committee and the executive management team.

We believe that only an ethical, financially healthy and transparent company with effective corporate governance can grow, attract the necessary resources and create real long-term benefits for our stockholders, employees, customers, franchisees and other stakeholders. FRG focuses its ESG efforts on strong governance practices; protecting the health and safety of our employees, customers and franchisees; making responsible financial decisions, including in connection with banking and investments; examining environmental and climate related issues; and implementing DEI initiatives. FRG is also focused on implementing best practices that are overseen by the Board related to risk management (in key areas such as credit risk, operational risk, reputation and compliance and regulatory risks), tax strategy, cyber issues, data privacy and protection, security, bribery and corruption, executive compensation, and overall culture, ethics and operations. FRG will strive to identify risks and opportunities and monitor and review ESG metrics and disclosures.

With regard to environmental factors, when practicable, FRG is committed to operating our businesses in a manner that is environmentally responsible and that protects the health and well-being of our employees, our franchisees and our customers. To the extent practicable, FRG is committed to encouraging practices that are designed to promote clean energy; analysis of climate related issues and concerns; and overall improvements in the environmental impact of all business areas.

With regard to DEI, FRG has implemented a DEI Policy that is dedicated to fostering, cultivating, preserving and celebrating a culture of diversity, equity and inclusion. Our commitments include, among other things, striving to create a working environment that reinforces a culture of

inclusion, embraces diversity and multiculturalism, seeks to ensure that every employee is treated with dignity and respect, and that seeks to ensure that the contributions of all employees are recognized and valued. FRG is committed to a nondiscriminatory approach providing equal opportunities for all employees; promoting a work environment that is free from harassment, violence and intimidation; and investigating all complaints of bullying, harassment, victimization and unlawful discrimination and taking appropriate action for any misconduct.

With regard to health and safety, we are committed to operating our businesses in a manner that protects the health and well-being of our employees, our franchisees, and our customers through continuous improvement, training, learning and innovation. We will continue to seek to foster a culture of employee and product health and safety while seeking to ensure compliance with all applicable laws, regulations and internal policies.