

Elevating Food Safety: Performance Metrics That Matter



Spir Marinakis

Vice President FSQ, Technical
Services, Sanitation

Maple Leaf Foods



Sarah Kipp

Director U.S. Food Safety & Quality
Systems

McDonald's USA LLC.



Sarah Garcia

Director Environmental Health
and Food Safety

Chipotle Mexican Grill


Today's Discussion

Today's discussion covers key metrics in manufacturing, supply chain and in-restaurant to assess food safety.

These indicators help measure efficiencies, performance, and success.

You'll learn about some metrics we have found to be useful and how to apply them to drive improvement.





Turning Metrics into Action: Manufacturin g

Maple Leaf Foods



We are passionate about food.
For more than 100 years, we've made
delicious, healthy protein that our
customers and consumers love under
iconic national and regional brands.

*Our history and our ambitious drive for a better
future sets us apart.*



C\$4.9 billion

Sales in 2024



13,500

Team Members



22

Manufacturing facilities

3

Plant-based protein facilities

3

Hatcheries

496

Registered independent poultry growers

~93%

Sow spaces in our unique Advanced
Open Sow Housing system

~200

Pig barns

1.7 million

Hogs raised in company-operated barns

~107 million

Poultry processed annually

~3.9 million

Hogs processed annually

Our Brands:



Maple Leaf Foods

Food Safety & Sanitation

Performance Metrics

FSIR

Food Safety
Incident Rate

SIR

Sanitation
Incident Rate



Food Safety Incident Rate (FSIR)



Indicators are generally lagging. They are considered “escapes” or failures of our system.

WHAT IS IT?

It’s the sum of the incidents in period vs a plant-specific target, and vs a company-wide target

THE MATH:

FSIR = (Recalls x 5) + (Near Misses x 3) + Pathogens + Internal Audit Repeats + Regulatory Non-Conformances + (Complaints x 0.1)



We Monitor, Action and Report Leading and Lagging data to Ensure a Full Picture

Lagging Indicators:



Leading Indicators:

- ✓ Non-conformance
- ✓ Repeat Issue Analysis
- ✓ Corrective actions
- ✓ Internal Audit findings
- ✓ Plant internal audit finds
- ✓ BRC audit findings
- ✓ Cost of Poor Quality
- ✓ Deviation data trends
- ✓ Task observation Trends
- ✓ HACCP

Custom Action Plans by Plant:

- ✓ The above is used to customize Annual Food Safety and Quality Prevention Plans



SIR Calculation and BIC (Best in Class) Performance

SIR is based on 3 metrics:

$$\text{TPC Pass Rate \%} + \text{Pre-Op Pass Rate \%} + \text{MSS completion \%} = \frac{100 - \text{total \% findings}}{\text{Alignment Constant (2.6)}} = \text{SIR Score}$$

Every finding reduces the score from 100%

Every finding reduces the score from 100%

Every finding reduces the score from 100%

The alignment constant was chosen so the output values would align with FSIR and QIR metrics

*For fresh plants score deductions only begin below 85%

BIC SIR value of 1 = no more than 2.6 total percentage deviations recorded for the month.

For Example(RTE):

- 98.7% TPC pass rate
- 98.7% Pre-op pass rate
- 100% MSS completion

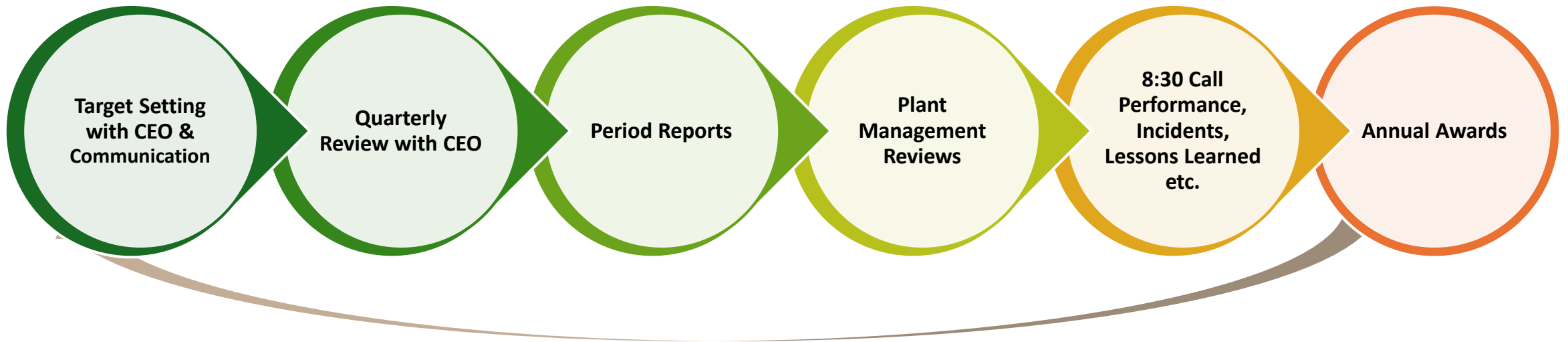
$$(100 - 98.7) + (100 - 98.7) + (100 - 100) = 2.6/2.6 = 1.0$$

Expecting performance better than BIC could lead to unintentional consequences (metric fatigue and diminished value)



Rhythms and Reviews

CEO Management Review reinforces priorities and drive behaviours



Foundation: Transparency
“Transparency Propels Accountability”

Accountability through Plant Comparisons at the Quarterly CEO Reviews

Zones force-fit plants into 4 colour-coded quadrants.

Benefits

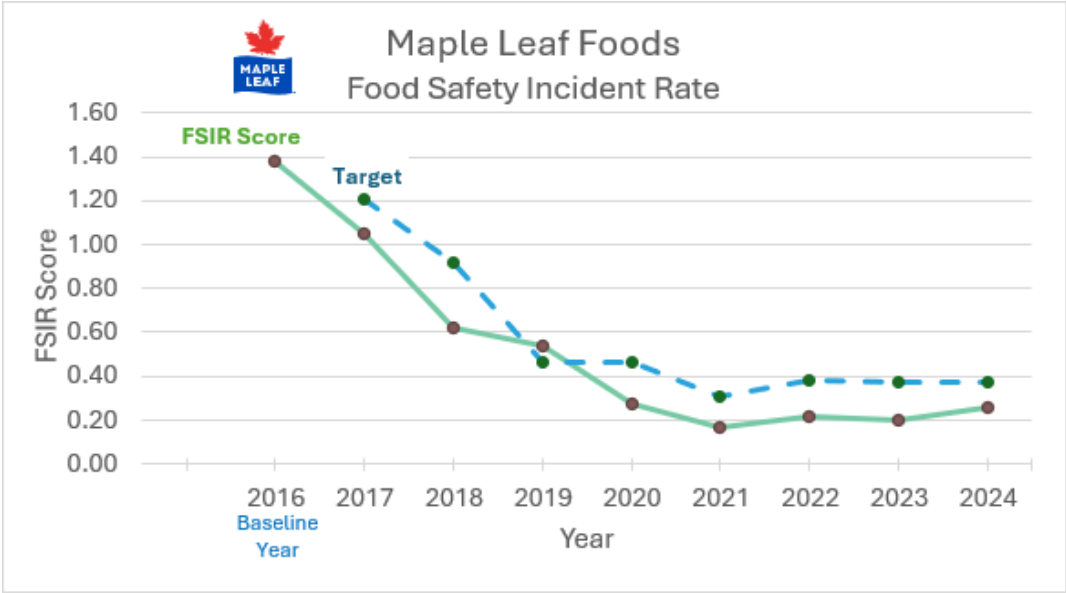
- Allows ranking of plants
- Green shows plants exceeding company targets
- Yellow/Red shows plants missing targets and require support
- Enable discussion highlighting lessons learned from “green” plants and accountability for those in yellow/red

	More than 50% less than target
	Between 0-50% less than target
	Between 0-50% more than target
	More than 50% over target

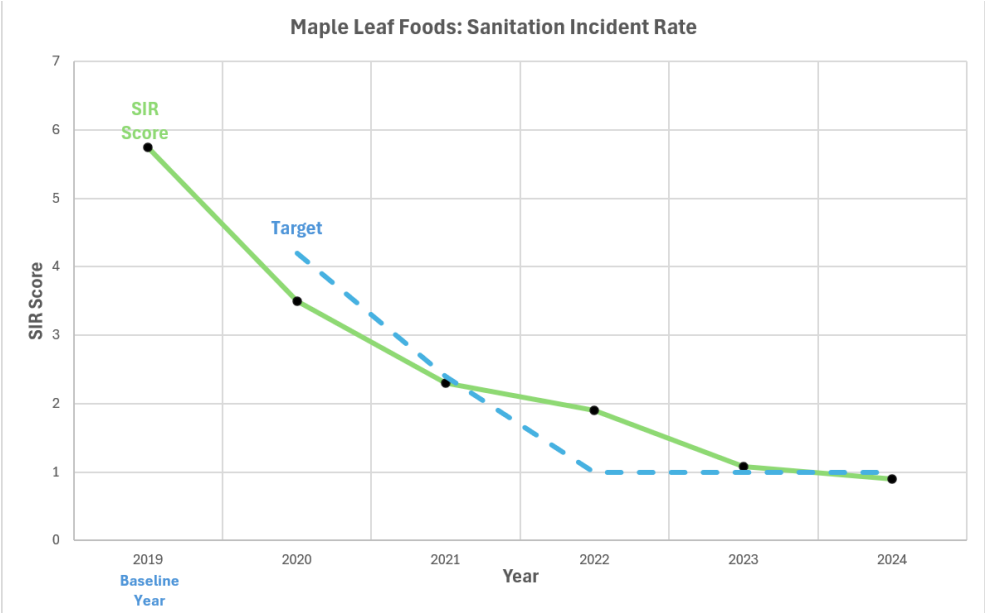
	FSIR YTD	SIR YTD
Plant A	0.41	0.05
B	0.35	0.01
C	0.65	0.21
D	1.08	0.34
E	0.33	0.00
F	0.27	0.77
G	0.02	0.00
H	0.50	2.15
I	0.88	1.92
J	0.06	0.01
K	0.79	1.18
L	0.29	1.59
M	0.01	0.00
N	0.12	0.98
O	2.06	0.69
P	0.37	0.30
Q	0.43	0.20
R	0.42	0.08
S	0.04	0.62
MLF Results	0.31	0.38


Progress

FSIR



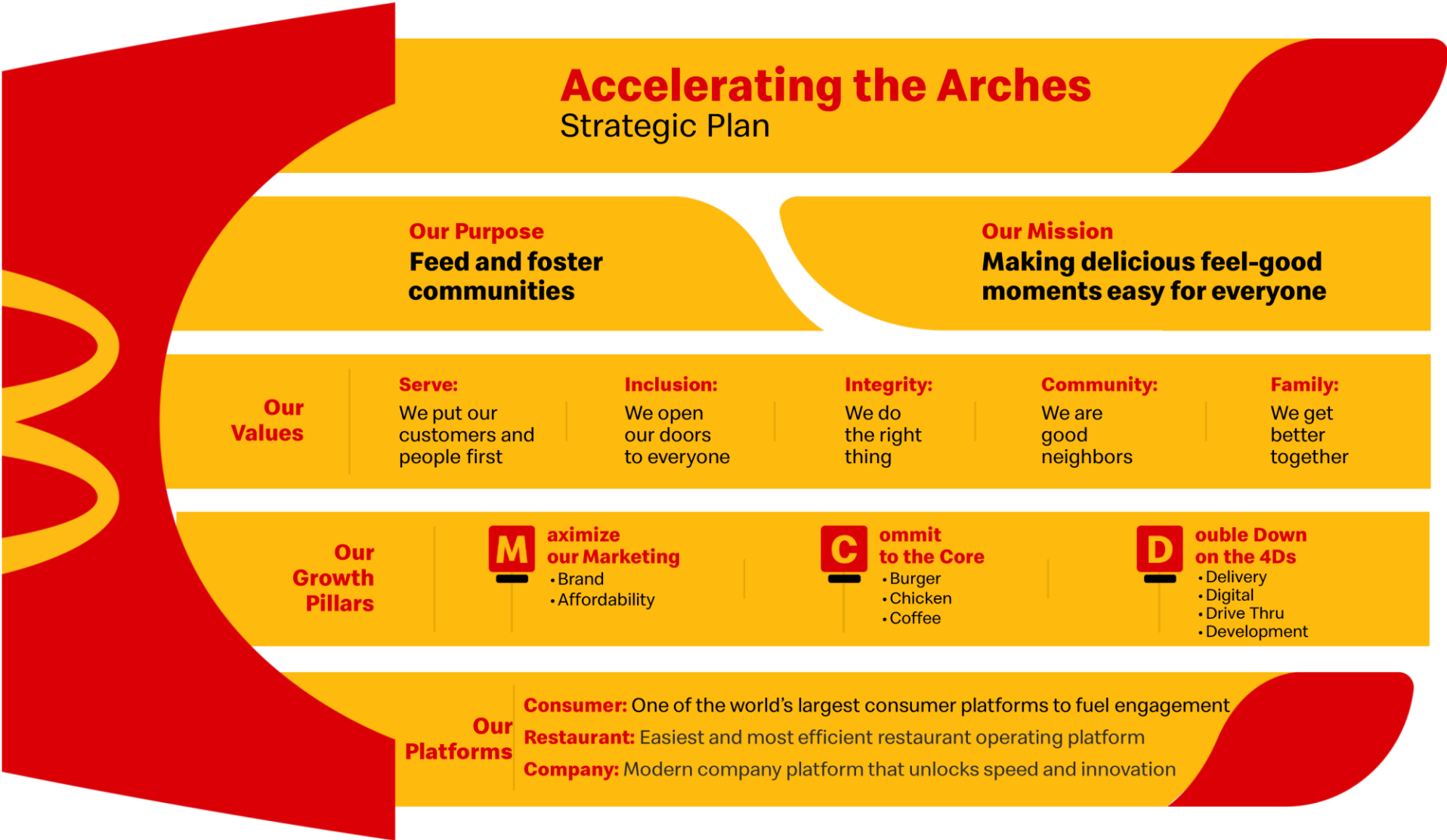
SIR





Turning Metrics into Action: Supply Chain

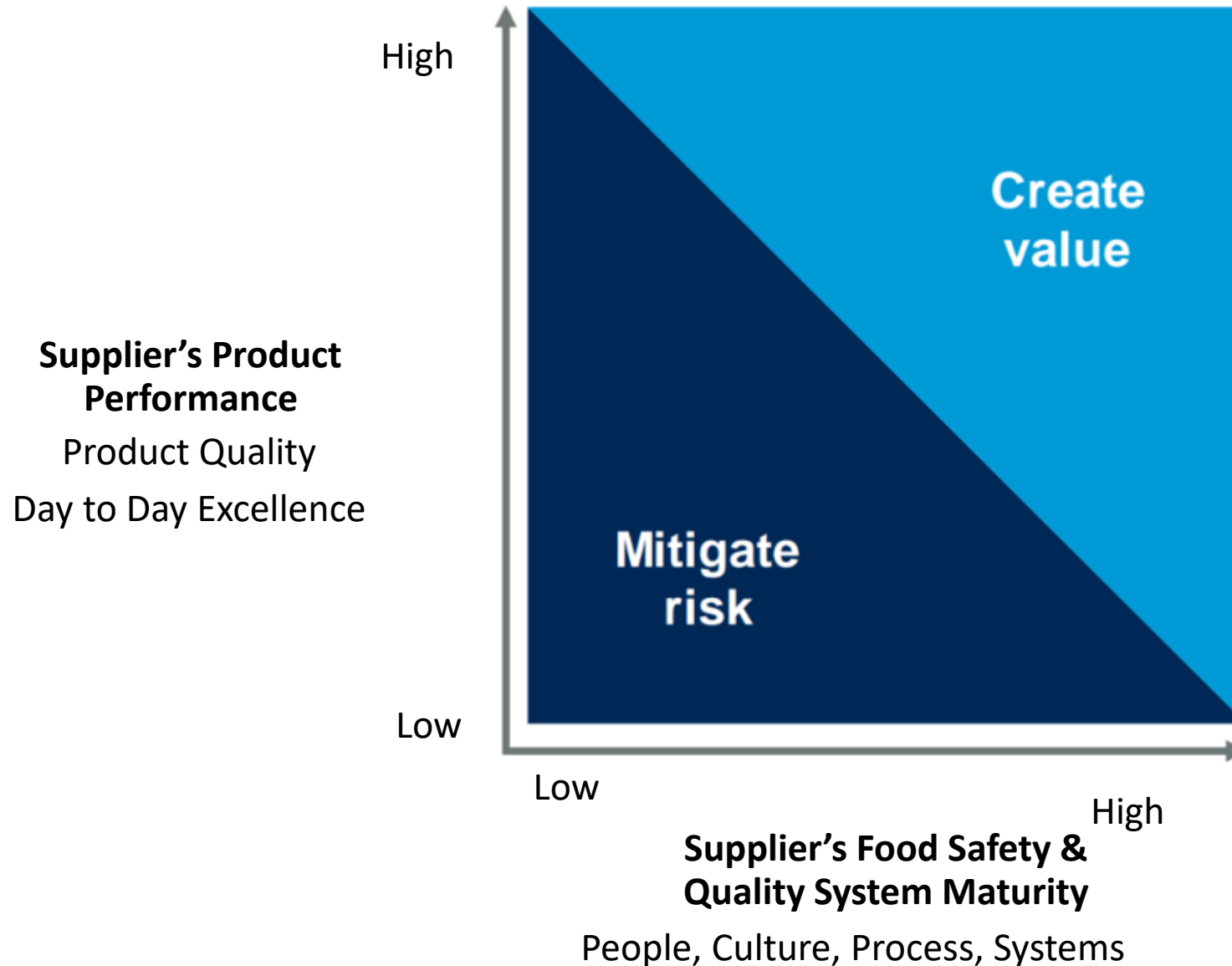
Our Purpose: Feed and Foster Communities **Our Mission:** Making delicious feel-good moments easy for everyone



FSQS Supplier Metrics – Enables growth and commits to Excellence

- **Use metrics to drive Supplier Engagement to maximize the value of our supplier relationships**
 - **Drive to create value and mitigate risk**
 - Strengthen the foundation; **focus on continuous improvement**
 - Reduce complexity and drive consistency
 - Ensure we deliver on our strategic plans and growth strategies
- **FSQS Metric Criteria**
 - **Quality and food safety are non-negotiables.**
 - This is what customers expect, and potentially, the biggest risk to our brand at a time when we cannot afford to make mistakes. We need to help suppliers clear any roadblocks to meet these standards.
 - **Execute, without fail.**
 - We must deliver the food, equipment, and services that restaurants need, reliably. We will work with suppliers to ensure their contingency plans are routinely tested and that their facilities, people, and processes are fit to deliver on our expectations and standards.

Metrics to determine Value Creation and Risk Mitigation





Food Safety and Quality Systems

Guiding Principles to Achieve Supplier Self-Managed Excellence

Our Principles “What”

People



- **Mutually beneficial behaviors and decisions** enable Food Safety Quality Strategic Work Plan
- Demonstrated **Leadership** in Food Safety and Quality
- Food Safety Culture rooted from **organization values**
- **Empowerment**, accountability, and ownership throughout all levels of the organization

Trust



- One Team – **System First**
- **Do the right thing**
- Integrity, transparency, openness, honesty highly prized

Collaboration



- Focus on **communication** to achieve mutual success
- Engage, **create, and exchange value** – “None of us, is as a good of all of us.”
- Relationships with **external stakeholders** (i.e. authorities, NGO’s, academia, industry, etc.) strengthens McDonald’s and supplier system

Solutions



- Food Safety Quality **Strategic Work Plan** drive demonstrated results
- Recognize, respond and **navigate through change**
- Focus on **anticipatory issues management** to enable early risk identification and action
- Utilizes leading vs. lagging indicators to **improve future performance**

Our Actions “How”

Our Initiatives “How it comes to life”

- Strong **talent and experience** leading McTeam
- Established **Food Safety Culture** prevalent every day, all day
- **Knowledge and training** to make decisions real time
- **Engaged and active** throughout industry organizations, McDonald’s teams, supplier community

- **Brand protection** at the heart of what we do – thinking through “What we could do better? Are there any weaknesses?”
- **Management commitment** toward overall Food Safety and Quality
- **Utilization of data and agility** to make the right decisions
- **Open lines of communication** on challenges and opportunities

- **Supplier-led proactive approach** to drive category and industry change
- Effective **sharing of best practices** across the system
- **Leverage system resources** to learn from both successes and opportunities to drive improvement

- **Proactive risk identification** and mitigation
- **Identifies opportunities and corrective actions** within facilities before they become critical the business or McDonald’s.
- **Targeted Food Safety and/or Quality KPI’s** utilized to measure initiative effectiveness/performance
- **Utilizes technological advancement** to drive improvement in process and/or product performance

Metrics to Action - Supplier Engagement

Quantitative

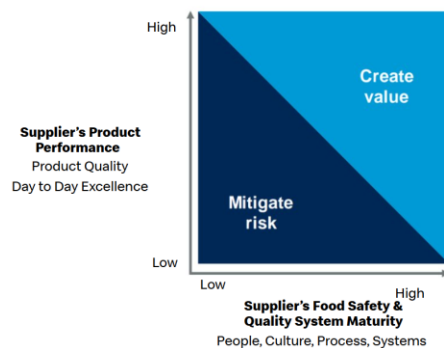
+

Qualitative

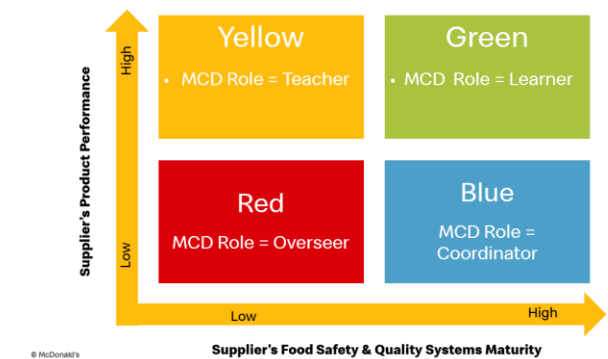
=

Supplier Engagement

FSQS Supplier Engagement Model - Value Creation and Risk Mitigation



FSQS Supplier Engagement Model



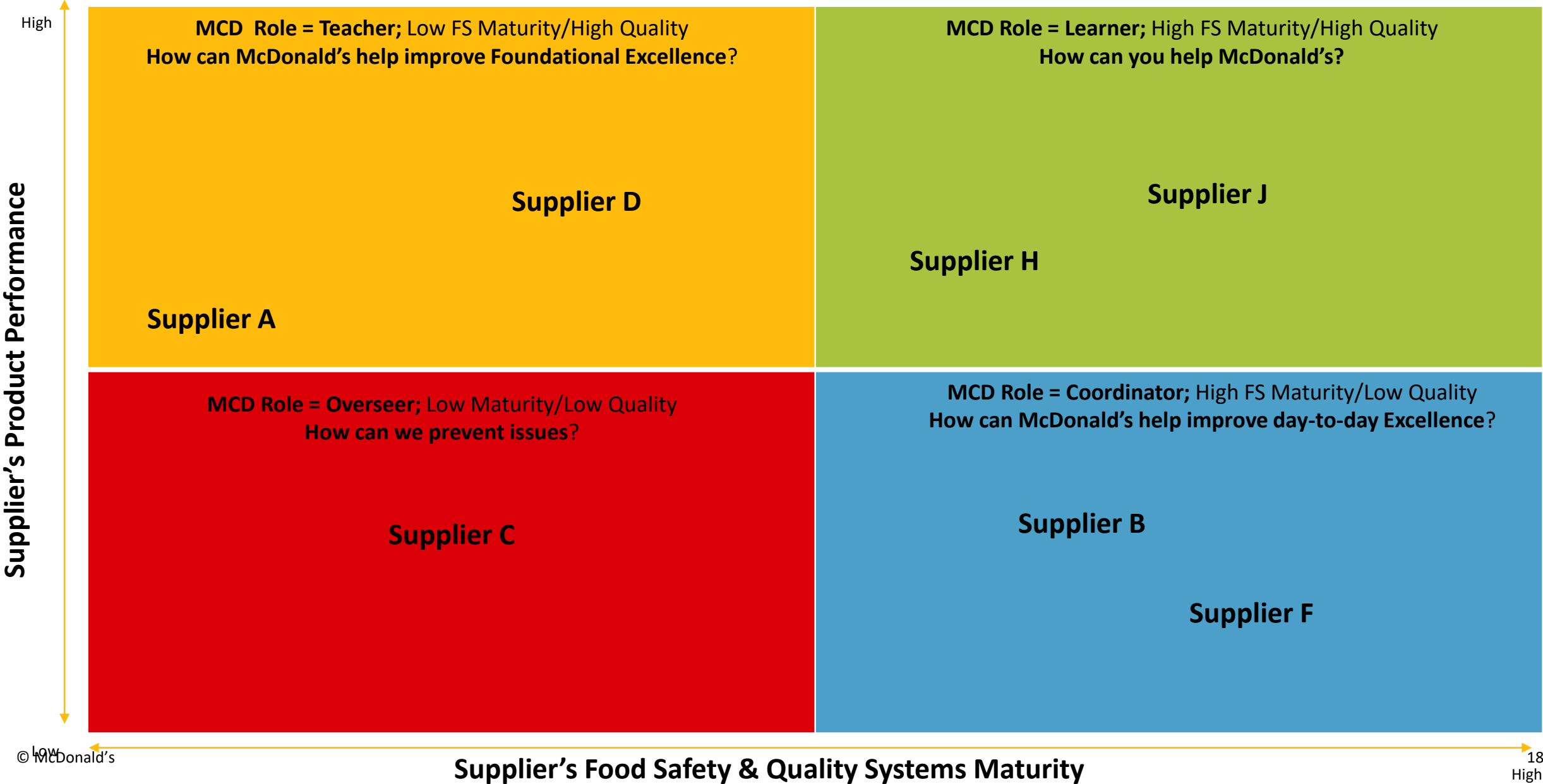
Foundational compliance criteria

- Audit Scores
- # Stock Recoveries
- # Near Misses
- Complaint Rates
- Sensory Evaluations

Behaviors

Focused Engagement to drive continuous improvement

Metrics to Mapping - Supplier Engagement – Category Example



Driving Metrics and Meaningful Supplier Engagement

Phase 2 - Execute Collaborative Planning

"The How"

- **Regular meetings** to discuss progress, concerns and upcoming requirements (Strategic/Moderately/Intensive)
- Jointly and proactively identify potential supply chain risks and develop mitigation strategies
- Maintain a regular feedback loop to assess performance against KPI's and identify areas for improvement

Supplier Engagement

Collaborative Planning

Reassessment

Phase 3 - Reassessment

- Reevaluate and/or expand on Supplier KPI's
- Celebrate Wins
- Focused opportunities
- Share w/ other markets

Phase 1 – Develop & Deploy Supplier Metrics + Engagement Strategy

"The What"

Maximize the value of our supplier relationships by identifying and defining key criteria/KPI's to:

- Strengthen the foundation; focus on continuous improvement
- Reduce complexity and drive consistency
- Ensure we deliver on our strategic plans and growth strategies



Turning Metrics into Action: In Restaurant

In order to Cultivate a Better World, we embrace 5 fundamental strategies that guide us to:

WIN TODAY & GROW THE FUTURE

RUNNING SUCCESSFUL RESTAURANTS

Running successful restaurants with a people accountable culture that provides great food with integrity while delivering exceptional in-restaurant and digital experiences

WORLD CLASS PEOPLE LEADERSHIP

Sustaining world class people leadership by developing and retaining diverse talent at every level

MAKE THE BRAND VISIBLE, RELEVANT, AND LOVED

Making the brand visible, relevant, and loved to improve overall guest engagement

AMPLIFY TECHNOLOGY AND INNOVATION

Amplifying technology and innovation to drive growth and productivity at our restaurants, support centers, and in our supply chain

EXPAND ACCESS AND CONVENIENCE

Expanding access to convenience by accelerating new restaurant openings in North America and Internationally



RUNNING SUCCESSFUL RESTAURANTS



We believe running successful restaurants requires three main drivers: **Exceptional People, Exceptional Food, and Exceptional Throughput.** When all three are in harmony, we create a great experience for our guests and team members.



At Chipotle, one of our core values is “The Line is the Moment of Truth”. This means...

- Prepped and Ready with Our Exceptional Food
- Fast throughput on the Front Line
- On-time and Accuracy on the Digital Make Line
- Excellent Customer Hospitality
- Industry Leading Food Safety Standards



Restaurant Metrics to Assess Food Safety



HACCP CCP Monitoring

- Monitor trends and patterns
- Investigate root causes
- Document compliance



Employee & Guest Illness Reports

- Track complaints and analyze trends
- Ensure timely exclusions
- Identify possible blind spots



Self Assessments & 3rd Party Audits

- Proactive identification and correction
- Allow teaching and training
- Standardized scoring for benchmarking



Training Compliance

- Test knowledge
- Track completion
- Maintain regulatory certifications



Health Inspection Results

- Highlight and prevent reoccurring findings
- Validate policies meet code



Maintenance & Repairs

- Track completion and asset management
- Drive vendor accountability and SLA adherence
- Identify problem equipment



Guest Feedback & Social Media

- Track and trend complaints
- Identify possible blind spots



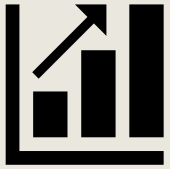
Pest Control Vendor Records

- Identify problem areas
- Quickly address risks



Using Metrics to Measure Success

Show progress over time



- Analyze trends
- Create score cards and measurements
- Before and after views

Track Goal Achievement



- Compare results with goals
- Measure progress and assess health of programs

Identify High Performance

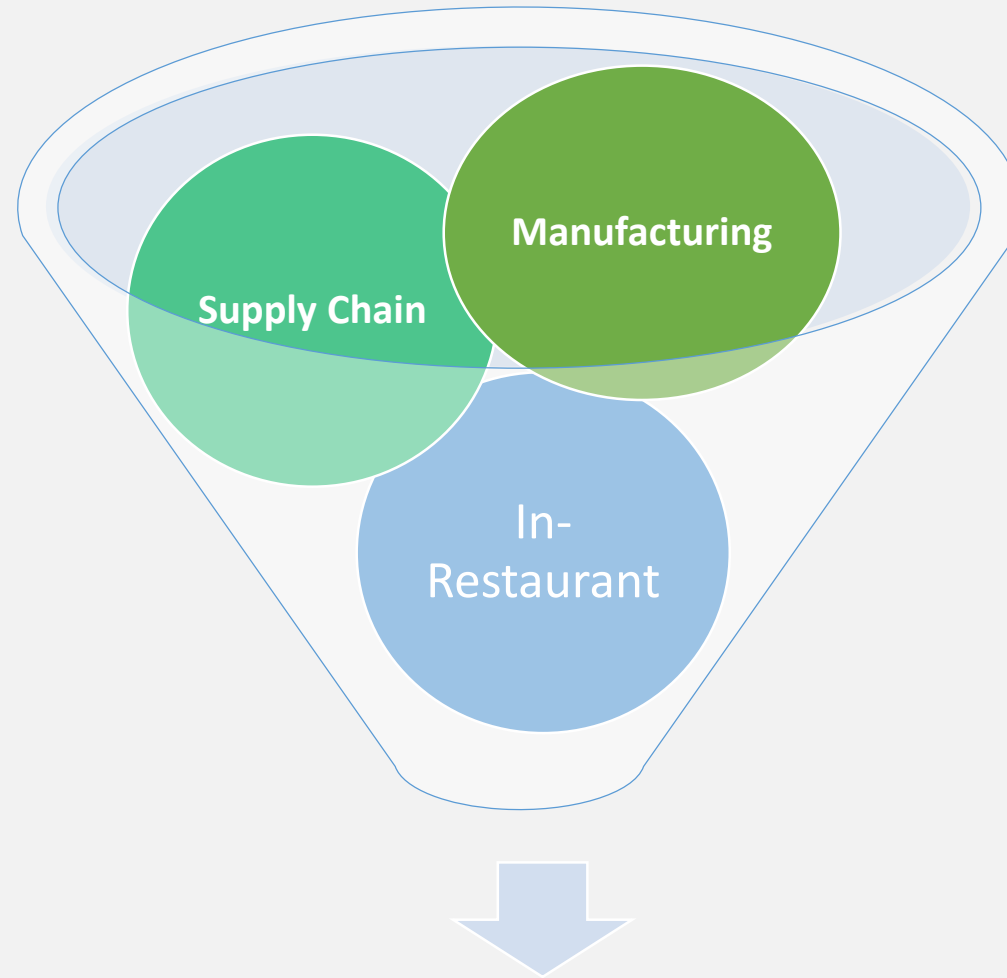


- Recognize top performers
- Foster culture
- Identify strong leaders

Benchmark



- Internal
- External



Key Learnings

Tips for Success

Strategic Initiatives

Align rewards with goals to drive meaningful actions

Leadership Commitment

Securing leadership buy-in is critical to sustain success

Keep it Simple

Streamlined data and messaging enhance clarity and effectiveness

Foster Healthy Competition

Use rankings or leaderboards to boost engagement

Ensure Data Integrity

Regular validation maintains credibility

Rightsized Data Approach

Collect the appropriate amount of data for your current capabilities

Potential Pitfalls

Data Overload

Avoid overwhelming users with too much data – focus on what matters most

Unrealistic Goals

Set clear, attainable objectives to manage expectations

Overlooking Wins

Recognize and celebrate small victories to build moral

Missing Feedback Loops

Engage stakeholders early and often to assess and refine effectiveness

Continuous Improvement

Be Adaptive

Remain flexible and ready to course-correct as needed

Tap into Expertise

Partner with industry professionals to stay ahead of trends

Stay Fresh

Keep content relevant, dynamic and current

Solicit Insights

Regularly gather feedback from employees and guests to guide progress

Thank you!