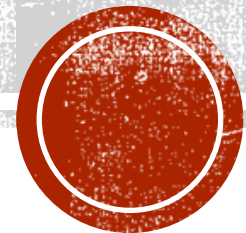
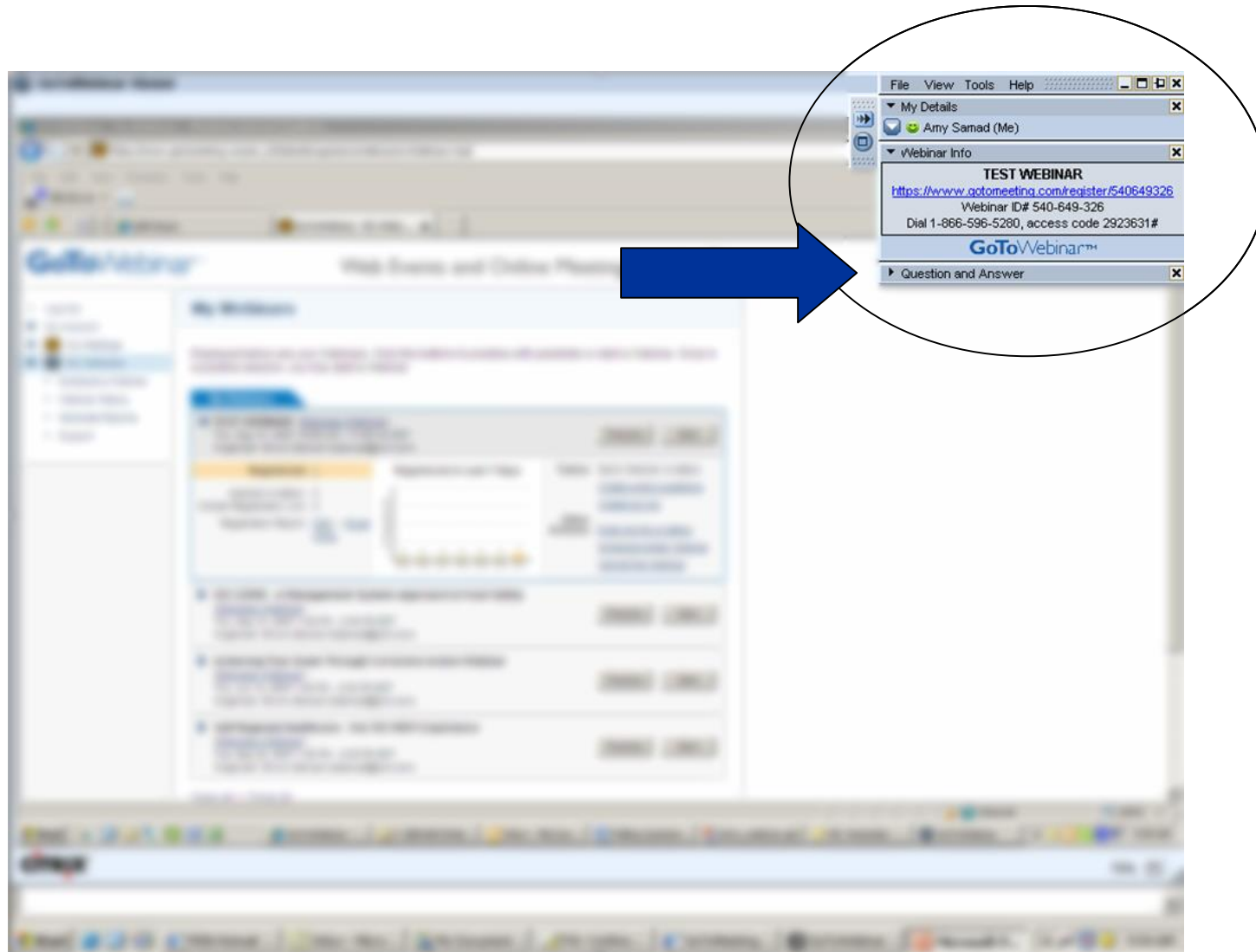


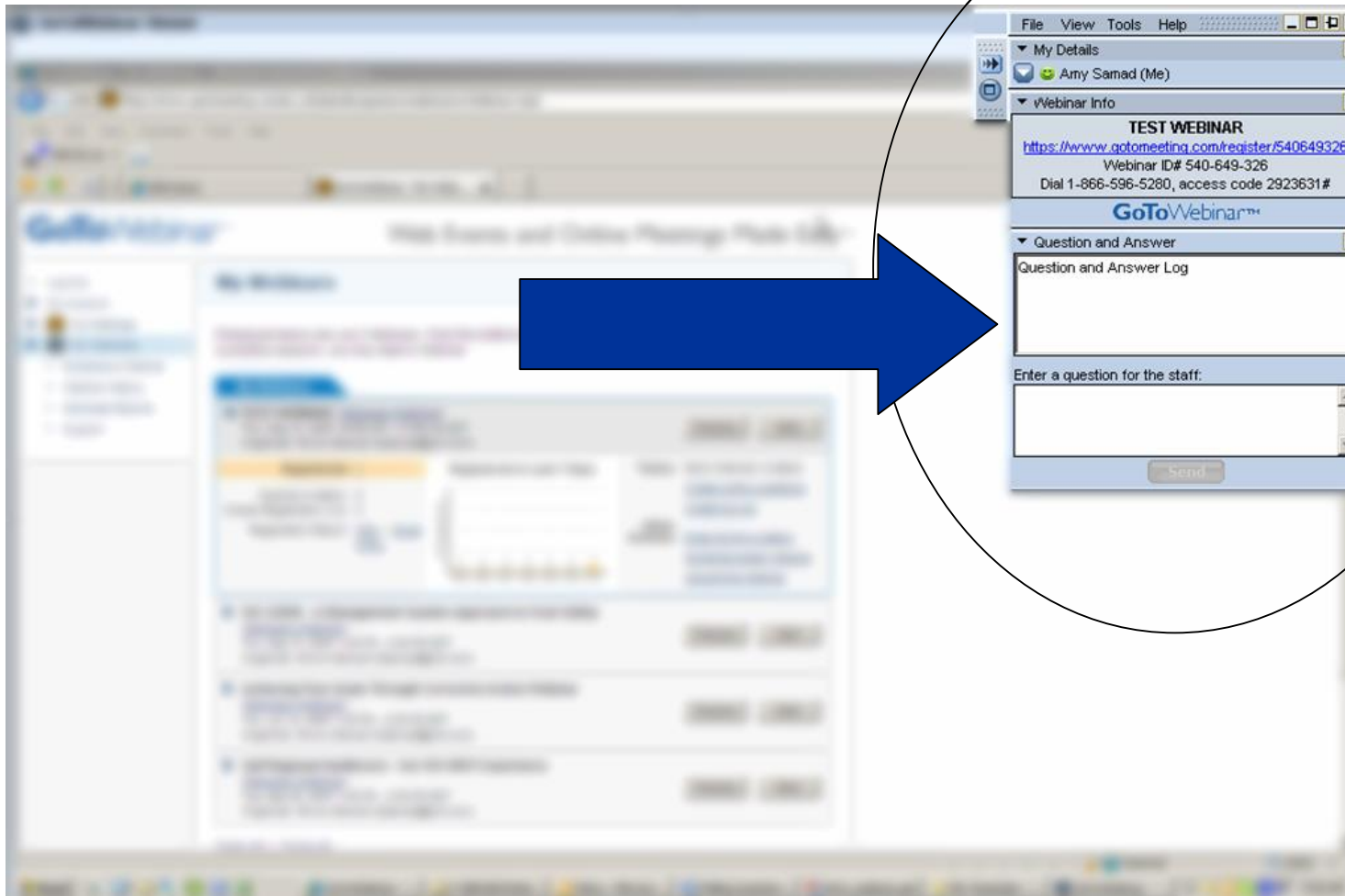


SUPPLIER QUALITY, DO YOU HAVE AN EFFECTIVE PROGRAM?

PJRFSI – Partner for Food Safety



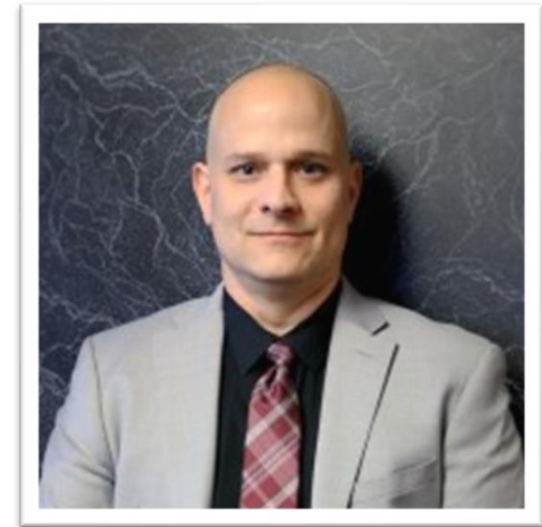




PJRFSI – Partner for Food Safety

Paul Damaren

Senior Vice President of Food Safety &
Supply Chain, PJRFSI





Supplier Quality, Do you have an effective program?

Peter Begg, Vice President Quality and Food Safety

Hearthside Foods

Growing to Serve Customers' Evolving Needs

Hearthside



Formed in 2009

An innovative and disruptive external manufacturing partner delivering a new level of value to leading brands in select categories



Rapid Organic and Acquisition Growth

Customer, category, capability and location growth driven by customer demand for an expanding set of value chain services



Greencore 2018 Merger

The combination produced the industry's leading external manufacturer with capabilities across more categories and greater capacity for innovation and value creation

Hearthside today operates 38 locations and serves many of the world's leading brands.

Our 10,000 employees are focused on delivering trust, quality and value.



Granola Touch of H

PACKAGING

Ambient packaging,
kitting, assembly

BARS/COMAN

Nutrition, energy,
snack & more

BAKING

Cookies, crackers,
components

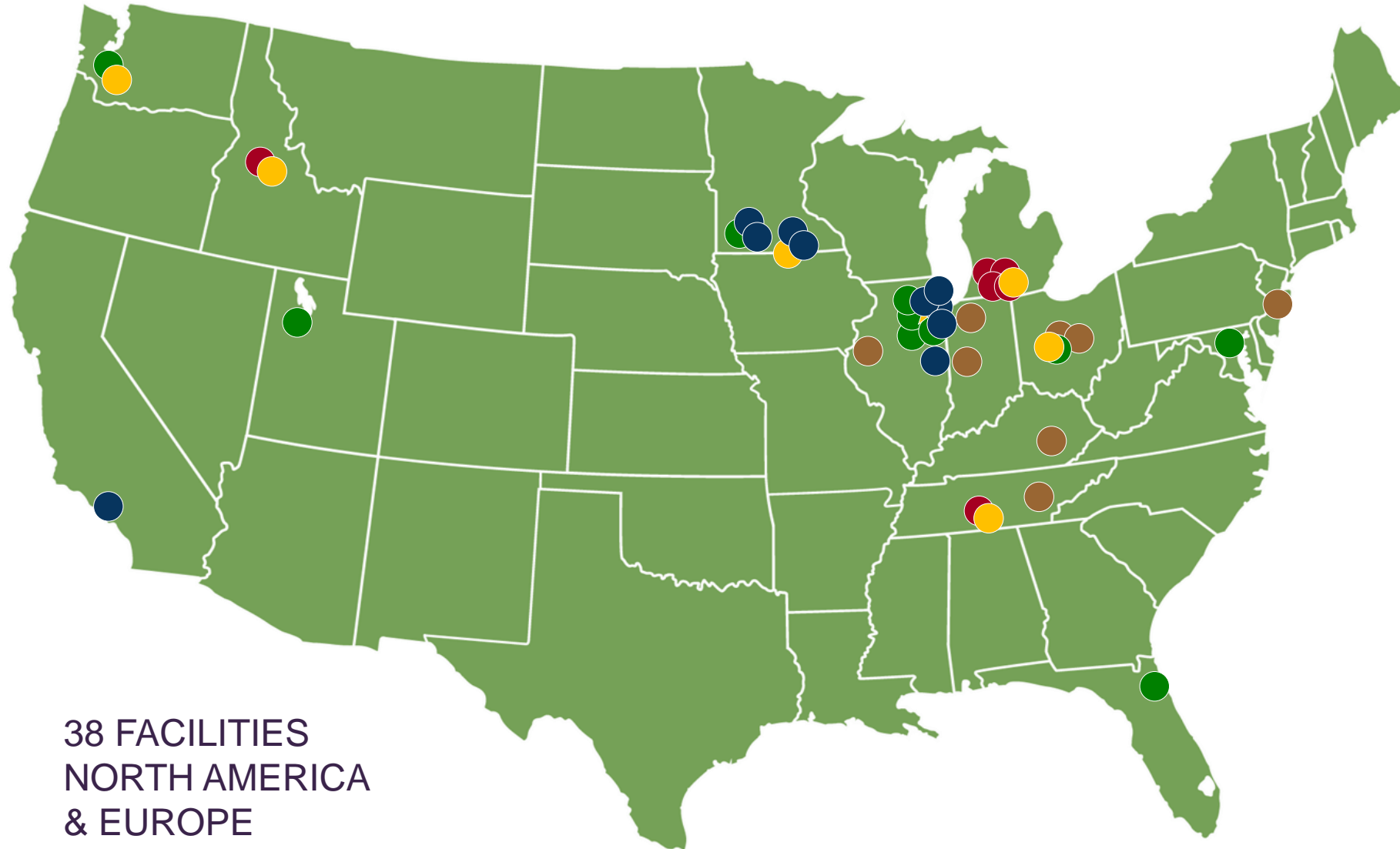
USDA

Fresh, frozen,
and packaging

11.3



MULTI-CUSTOMER, SEMI-DEDICATED, AND DEDICATED



PACKAGING

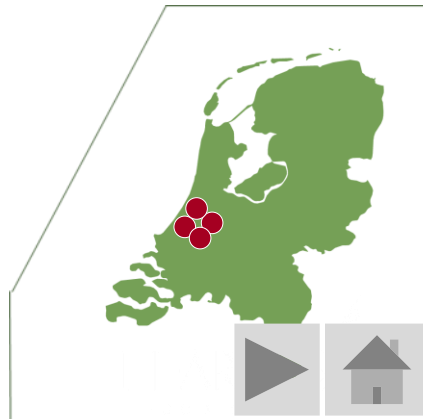
BAR/COMAN

USDA

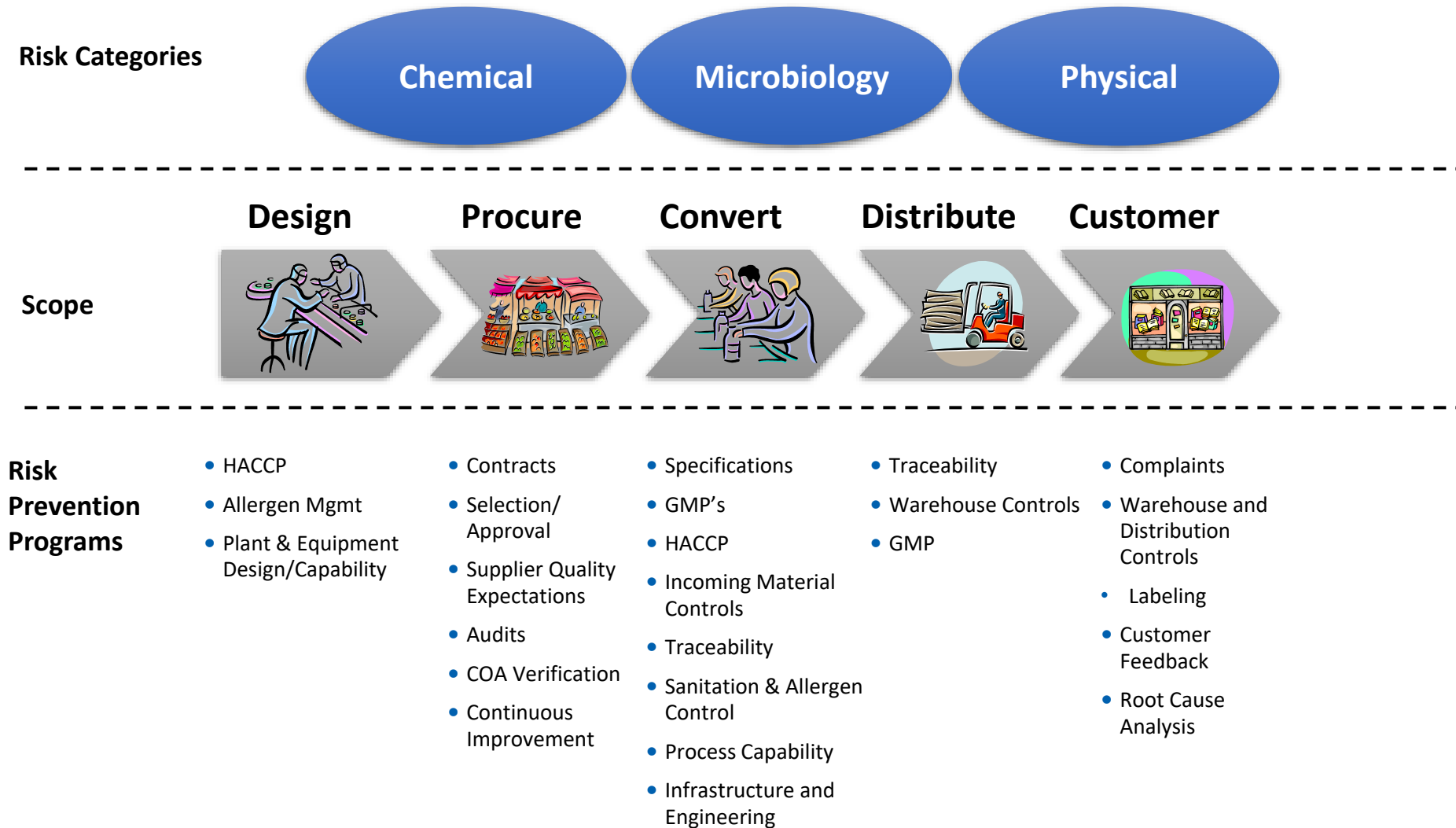
BAKING

R&D CENTERS

38 FACILITIES
NORTH AMERICA
& EUROPE



HFS has an Integrated Quality Management Approach that focuses on Systems across Key Factors in the Supply Chain



Quality / Food Safety Programs Assess, Manage, and Mitigate Risk

- **Risk Assessment**

- Supplier Approval & Management – determine suppliers' risk profile and ability to meet HFS standards before use and on an ongoing basis
- Hazard Analysis & Critical Control Points (HACCP) – focused on prevention, identifies conversion risks, controls, and monitoring compliance
- Third Party Validation - validation of key systems; HACCP, Microbiology, Allergen, Supplier

- **Risk Management**

- Auditing – risk based approach to assesses compliance to policy and execution of programs leading to corrective/ preventive actions – includes both internal and external audits
- Raw Material Testing and Verification – incoming material testing program to verify the effectiveness of preventative programs
- Training – drive awareness of policies, programs, roles & responsibilities and enhances organizational competency
- Traceability – programs to manage and trace materials thru finished goods
- Specification Management – specification development and change management process for materials, processes, and finished goods

- **Risk Mitigation**

- Crisis Management – defined company wide process for proactive and effective management of issues minimizing potential impact to the business



Areas to Consider in your Supplier Quality Program

- Do you have a Supplier Quality Expectations Policy or Manual?
- Do you clearly list the Quality requirements that your suppliers must meet?
- Do you have a supplier approval process?
- Do you risk tier your suppliers into High, Medium, Low (using Micro/Chemical/Physical, Country of Origin, Financial Impact, etc)?
- How do you handle Food Fraud with your high risk materials?
- Do you perform COA verification on some frequency for high risk/high impact materials?
- Do you have a Notification process for suppliers when an issue occurs?
- Do you have a disapproval process for suppliers (such as for a failed audit, repeat Quality problems, or Food Safety issue)?
- Do you perform on-site audits of your suppliers?
- Do you have KPI's for your suppliers?



Documents that you may want to consider for your supplier management program:

- **Product Specifications**
- **Continuing Pure Food Guarantee**
- **Copy of most recent 3rd party audit report and corrective actions**
- **HACCP Flow Diagram and CCP Summary**
- **Allergen Information**
- **Halal / Kosher certificate**
- **Copy of a typical Certificate of Analysis**
- **Material Safety Data Sheets (MSDS)**
- **GM/BE Certificate**
- **Certificate of Origin**
- **Packaging Specifications**
- **California Proposition 65 statement (if applicable)**
- **Product Warranty/ Shelf Life**
-



Examples of Supplier Quality Issues:

- **Micro Failures due to lack of understanding of requirements**
- **Identity failure (potential fraud) due to lack of Supply Chain controls**
- **Foreign material in raw material**
- **Packaging with incorrect information**



Implications for not having strong a Supplier Quality Program

- **Service/Availability issues due to raw material non-conformities**
- **Potential Food Safety issue leading to a recall**
- **Compliance to the FSVP**
- **Meeting your Food Safety Plan and Preventive Controls requirements**
- **FDA engagement with your sites**

Quality is a mind-set not a function

Effective Quality Culture consists of four key elements:

1. Compelling sense of purpose:

A clear inspiring vision, & a practical plan to get there

2. Engaging leadership:

Visible and authentic leaders who engage regularly with people

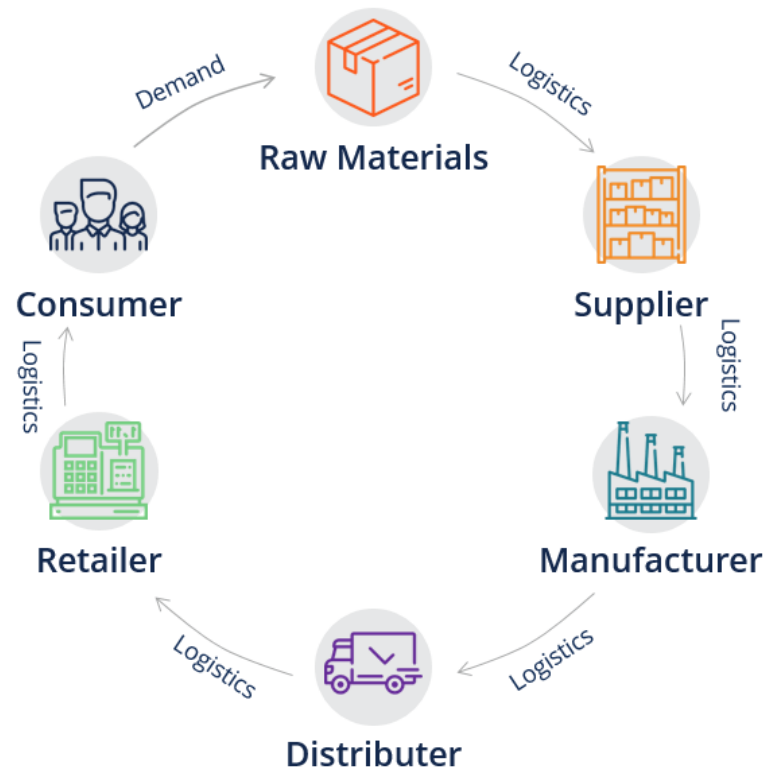
3. Personal responsibility at all levels:

Recognising the importance and impact of personal behaviour.

4. An effective process of continuous improvement:

Practical tools that enable shared learning & effective feedback.

Considerations for Building a Robust Audit Program w/ PJRFSI



A word cloud centered around the theme of **RISK MANAGEMENT**. The word **RISK** is the largest and most prominent, rendered in large red letters. **MANAGEMENT** is written in large black letters below it. Other words in various sizes and orientations include: **STRATEGY**, **IDENTIFICATION**, **COST**, **RETENTION**, **CONTEXT**, **PRIORITIZATION**, **EVALUATION**, **PROCESS**, **BUSINESS**, **TREATMENT**, **SCOPE**, **IMPACT**, **REDUCTION**, **KNOWLEDGE**, **ANALYSIS**, **OPPORTUNITY**, **RESOURCES**, **INDEX**, **EVENT**, **OBJECTIVE**, **SOLUTION**, **PROJECT**, **DISTANCE**, **RETENTION**, **METHOD**, **SHARING**, **REDUCTION**, **KNOWLEDGE**, **ANALYSIS**, **OPPORTUNITY**, **RESOURCES**, **INDEX**, **EVENT**, **OBJECTIVE**, **SOLUTION**, **PROJECT**, **DISTANCE**.



ASSESS RISK



CONTROL RISK

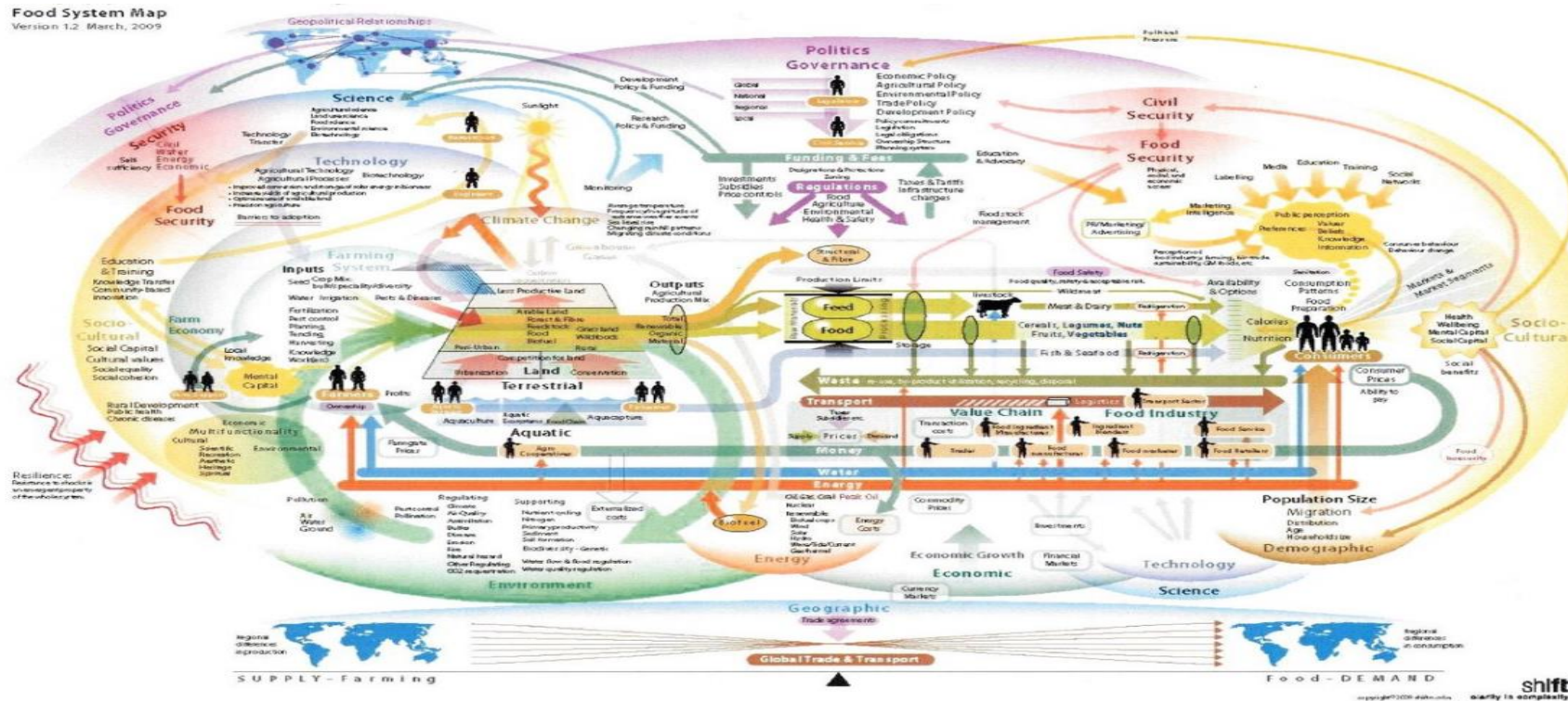


REVIEW CONTROLS

A photograph showing a long, single-file line of German Shepherds sitting on a paved surface. They are all looking towards a small black and white dog that is standing in a puddle in the foreground. The background features a building with large windows and some greenery.



While Parnell's conviction is based on distribution and sale of known adulterated product, the FDA has stated that under FSMA and using the [Park Doctrine](#) as a basis, every senior executive will be held responsible for food safety-related outbreaks *whether they knew about the problem or not*.





RISK CONSIDERATIONS

LETS DEFINE YOUR STORYBOARD



Risk Factor	Concept
Management Approach	Vision
	Planning
	Improvement
	Controls
Product Quality	New Product Introduction
	Reaction to Defects
	Containment/ Detection
	Understanding Error Cause
Delivery	Capacity
	Priority
	Raw Material
	Flexibility
Food Safety/Security	Food Defense
	Management System
	Allergen Control

Risk Factor	Concept
Responsiveness	Pro-activeness
	Data Analysis
	Empowerment
Financial Stability	Reliance on our business
	Risk of Acquisition
	Risk of Bankruptcy
Cost Control	Defect Costs
	Raw Materials
	Development Costs
	Shipping Costs
Brand Protection	Environmental Performance
	Social Accountability
	Social Responsibility

MANAGEMENT APPROACH

Concept	Potential Questions (should be "scoreable" – traffic light approach)
Vision	Where will company be in 5 Years?
	What market(s) do you want to be in?
	What is your focus for future success (e.g. growth, profit, world-class, market leader, full service, diversification)
Planning	How is the introduction to new processes/ technology/ equipment planned?
	How do you plan to handle increases in capacity and growth?
	How do you plan for attrition and staff turn over?
	Have you identified and planned for business continuity risks?
Improvement	What key improvement initiatives were completed in past year?
	What key improvement initiatives are planned or in progress?
	What drives the need for change (customers, productivity, market changes, profit, etc.)?
	How do you know changes are effective/ have a positive result?
	Who is involved in making changes/ improvements?
Controls	What processes are key to ensuring our expectations are being met?
	Are key processes documented?
	What tools are used for training new employees?
	Is there value in a formal Quality System (like ISO)?



FINANCIAL STABILITY

Concept	Potential Questions (should be "scoreable" – traffic light approach)
Reliance on our business	What percentage of suppliers business is with us?
	How dependant is the supplier on our industry?
	How long can the supplier remain viable if our demand is stopped or reduced?
Risk of Acquisition	Is the supplier's technology of particular interest to competitors?
	Is the supplier's owners/executive involved in the day to day operation?
	Is the supplier's owners/executive committed to ongoing growth?
Risk of Bankruptcy	Does the supplier appear financially stable?
	Is Supplier investing in new technology, business growth, long-term investments?
	How long could the supplier survive a complete disruption in operations (are plans in place to ensure this doesn't occur)?

UPCOMING WEBINARS

[HTTPS://WWW.PJRFSI.COM/WEBINARS/](https://www.pjrfsi.com/webinars/)



Date: Tuesday May 4th, 2021 – 2:00pm – 3:00pm EST

Webinar Title: [Traceability, what does it really mean in "your" programs?](#)

Webinar Description - Join CEO Jennifer Crandall from Safe Food En Route along with SVP Paul Damaren, PJRF SI as they discuss the traceability rule at a high level and how that impacts your programs.

Speakers:

- Jennifer Crandall, CEO & Co-Founder



Date: Thursday May 6th, 2021 – 2:00pm – 3:00pm EST

Webinar Title: [Ensuring Product Safety, Accreditation and Regulatory Compliance using Laboratory Information Management System, "LIMS"](#)

Webinar Description - Join CEO Michael Gannon, Senior LIMS Consultants Russel MacKenzie and Jai Bhana from Orbis Labsystems along with Tracy Szerszen, President, Perry Johnson Laboratory Accreditation, "PJLA", as we talk about laboratory compliance requirements, what a LIMS system does and how it benefits your organization as well as why and when it is important to use accredited labs for your products.

Speakers:

- Michael Gannon, CEO, Orbis Labsystems
- Russel MacKenzie, Senior LIMS Consultant, Orbis Labsystems
- Jai Bhana, Senior LIMS Consultant, Orbis Labsystems
- Tracy Szerszen, President, PJLA



Date: Thursday May 13th, 2021 – 2:00pm – 3:00pm EST

Webinar Title: [Food Safety Culture Excellence & Food Safety Americas 2021 Update](#)

Webinar Description - Food safety culture excellence is everywhere! Join Jessica Burke and Paula Parejo from BRCGS as they discuss its principles, the importance of culture in our industry and the paradigm shift that all industries are facing. BRCGS was the 1st scheme owner to implement in their standards, but now, today, can be found everywhere. We will also speak to relevant industry examples of how it has been used to benefit overall product safety. Finally, with the annual conference, one week away, we will discuss last minute topics on Food Safety Americas conference.

Speakers:

- Jessica Burke, Delivery Partner Relationship Manager, BRCGS
- Paula Parejo, Marketing Strategist, BRCGS





You've
got **QUESTIONS**
we've got **ANSWERS**