



DRG
DIVERSIFIED
RESTAURANT
GROUP

QUARTER ONE

Company Newsletter



FROM SONOMA

Bigger, better, stronger! Despite the challenges we faced in 2021, DRG put together one of our strongest years to date and celebrated many successes! Last year, DRG sales totaled \$442 million, achieving 20 percent growth over 2020! This year, we are on track to bring in well over \$600 million in sales with the addition of our new stores in the Los Angeles DMA.

With that being said, I'd like to welcome everyone from J&R Hock and Century Fast Foods. We are thrilled to have such outstanding and talented teams who have joined forces to form DRG in Southern California. The DRG family now operates over 320 Taco Bells and Arby's across Alaska, California, Kansas, Missouri and Nevada.

This combined acquisition is not only the largest in our history, but also brings us back to Southern California where we entered the restaurant business nearly a decade ago. We would like to acknowledge the unwavering commitment it took to get the transactions closed by the DRG executive team led by Todd Kelly, Tom Douglas, Jim Brandon, Dale Herb, Danny Packer and Raul Lepe.

In addition, we would like to thank the incredible DRG acquisition and onboarding team: Laury Ketcham, Amy Loya and Jon Castro. They paved the way for the new employees to transition to DRG seamlessly, with support from Patrick Thantacheva, Brittany McPherson, Natalie Montas, Josie Caliboso and Kelli Anderson. Finally, thank you to the area coaches who supported Go Live Night & Day, including Geno Woolard, Connie Bejar, Dion McKinnon, Ariana Gomez and Ali Orduno.

We're honored to shepherd the great franchises Ray Hock and James DeBoard built over the past quarter-century. Welcome to the new field leadership team and the approximately 1,450 new team members joining the DRG family!

DRG Meats is making significant strides in growth as well. Last month, we opened our second Arby's restaurant in Fairbanks, AK. This is the 26th Arby's restaurant in the DRG portfolio and the first location with dual drive-thru lanes and a drive-thru pre-pay window. Thank you to VP Jason Dunn, Area Coach Noelle Spafford, General Manager Maria Zagal and team for creating a spectacular opening. In the dead of Alaska's winter, the new location is averaging nearly \$70,000 per week. Great work!

We have so much to be proud of and could not be where we are today without a company full of rock stars. Our business is constantly growing and reaching new heights because of our people's dedication, commitment and creativity. This year, we are giving back and investing even more in the employee experience and company culture. In the coming months, you will see new training programs, health benefits, more recognition and technology to make your day-to-day lives better!

Please take a few minutes to catch up on some of those initiatives in this newsletter. Here, you can also get to know your DRG family and feel connected to your 8,000+ team members as we share wins, successes, milestones and other news across DRG.

We are a people-first company dedicated to positively impacting the lives of our team and the communities in which we serve. As we enter 2022, we encourage you to think big, challenge yourself and have fun. If you don't know by now, the sky is the limit at DRG and no goal is unattainable. Here's to the best year yet!

SG ELLISON

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EMPLOYEE REFERRAL PROGRAM

What's better than working with a friend? Getting paid for it! Through our Employee Referral Program, you can earn up to \$750 when you refer a successful candidate. Connect with your field HR Representative to learn more.

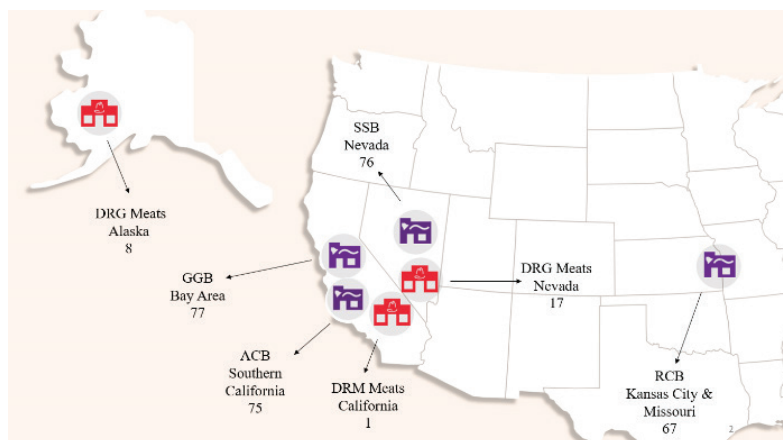
NEW

INTRODUCING THE NEW DRG SURVEY: OUR COMPANY, OUR IDEAS.

We want to hear from you. Your voices and opinions matter to us and so we've created an anonymous survey where you can leave feedback and ideas to help make your experience and that of your teammates the best it can be.



SCAN THE QR CODE
ABOVE TO TAKE THE
SURVEY NOW!



2022 DRG LEADERSHIP SUMMIT

The 2022 Leadership Summit is in the books! From March 8-10th, our above restaurant leaders from each market around the country gathered in Las Vegas for three days' worth of events, recognition and fun. At the summit, DRG executives presented some exciting initiatives and where we're heading in 2022. Area coaches and general managers shared best practices and learned from one another.



TUITION REIMBURSEMENT

Education is important to us. In addition to various brand scholarships that our teams have access to, all DRG shift managers and above who are full-time employees for at least six months, can offset the cost of school through our company tuition assistance program. We offer \$4,500 of assistance per employee, per year. Here's our breakdown:

- **\$1,500 PER SEMESTER**
- **\$1,000 FOR SUMMER CLASSES**
- **UP TO \$500 FOR GED OR FOREIGN LANGUAGE CLASSES**



DRG Spotlight

Meet **James Aman!** James is a DRG leader featured in this issue's **EMPLOYEE SPOTLIGHT!**

James entered the restaurant industry in 1981 on his 16th birthday as an employee for Burger King. He climbed the ladder to become a Director of Operations, where he oversaw 13 Burger Kings and two Del Tacos. The majority of his career was spent there before taking positions with other major brands. Today, he oversees five Taco Bell restaurants, four of which are thriving Taco Bell Cantinas located in San Ramon, Danville, Pacifica and San Francisco. His five restaurants totaled over \$13 million in sales in 2021. Amazing job!

The Pacifica Cantina, recognized as "the most beautiful Taco Bell in the world," attracts hundreds of thousands of locals and visitors from around the world every year. Recently, it was featured in several major news publications after James created a dream wedding reception for Analicia Garcia and her high school sweetheart Kyle Howser.

We asked James a little about DRG and what makes him successful.

DRG: You've been so successful at running four of our Cantinas. How do you do it?

JAMES: The most helpful factor in achieving this success is our people. I coach and educate employees to hold our standards at the Cantinas. I coach them to be the best that they can be, which supports me in what I do. Together, we create memorable experiences for our guests. By incorporating extra elements like custom swag and party planning for events, it elevates the Taco Bell experience to another level.

WHAT IS YOUR LONG-TERM GOAL WITH DRG?

I would eventually like to oversee all the Taco Bell Cantinas.

DRG: What do you love about your job?

JAMES: I love and appreciate that SG and Tom put their trust and faith in me. I operate these businesses as if they were my own. DRG is by far different from any other brand I've worked with. What first got me was the culture and how we take care of our employees. Any brand can claim that they take care of their employees but we truly practice what we preach. There are so many talented individuals. If you don't know something, there's always someone that does. There's a little bit of everything in this company; that makes us stronger.

DRG: List one piece of advice for your fellow team members.

JAMES: Take the time to choose the right individual for whatever position you're hiring for. Investing, coaching and spending time with that individual will make them successful. Lastly, avoid silent approval. In other words, correct things immediately with the team if there is an issue. Keep a consistent message to your team for standards.

DISCOVER MORE OF THE STORY!

Scan the QR codes below to read more about:



CANTINA
Dream Wedding



Pacifica
CANTINA

HUMAN RESOURCES



DRG Cares

At DRG, we're focused on making sure each member of our team feels supported, not only in our restaurants, but in their personal lives, too. That's why we created DRG Cares — a fund set up to assist members of our team in times of crisis or catastrophic circumstances.

Here's how it works:

1. If you have experienced a catastrophic event, you can visit www.DRGCares.org and fill out an application to receive assistance.
2. A third-party administrative committee will review the application.
3. If approved, we'll begin the process of issuing funds.
4. DRG Cares flourishes from donations straight from team members like you. Simply visit www.DRGCares.org and donate. You can also contribute (i.e. pay it forward) by donating via payroll deduction. Remember, all donations are tax-deductible. **If every employee donated just \$1 out of every paycheck, the fund would gain over \$200,000 annually!**



401(k) Program

Invest in Your Future Self!

To help you save for retirement, we have a comprehensive 401(k) plan. If you're a full-time employee working at least 1,000 hours per year, you've completed at least twelve (12) consecutive months of service, and you're 21 years old or older, you can contribute to this Safe Harbor plan.

THE BEST PART? We'll match your contribution dollar-for-dollar up to the first 3 percent of your salary. After that, we'll match 50 percent of your contribution on the next 2 percent you contribute. You also have the option to give part of your 401(k) contribution to DRG Cares.

New Mental Health Benefit

We are very excited to offer the Ginger app to all of our assistant managers and above — plus their dependents age 18+ — at no cost regardless of whether or not you're enrolled in DRG health benefits.

Ginger is an app that offers confidential, on-demand emotional and mental health support for your life challenges through coaching via text-based chats, self-care activities, and video-based therapy and psychiatry — all from the privacy of your smartphone. We care about our employees' mental health and well-being so that's why we're running a test with Ginger. We hope you find it useful so we can potentially provide it to all team members. Look for emails in your personal email inbox (the personal email you provided in the APS online self-service portal).



DO YOU STILL HAVE QUESTIONS? Scan the QR code to join a monthly interactive Ginger 101 session.

GIVING BACK

Did you know? Our CEO and founder David Grieve brought forth the initiative to implement Round Up across the Taco Bell brand. David and his wife, Kathleen, sit on the Taco Bell Foundation board and spearhead many fundraising activities aimed to support Taco Bell team members and their communities. In 2021, the Taco Bell Foundation raised **\$15 MILLION** through Round Up to benefit local grants and Live Más Scholarships.

Here's what we hope you'll help us accomplish in 2022:

- Raise more than ever before by rounding up year-round.
- Reach a \$5,000 per restaurant yearly goal; \$1.5 million across DRG!
- Participate in four TB incentives periods throughout the year. (DRG will reward select teams).
- **NEW:** You can receive 2 CORE bonus points by asking customers to round up in the drive-thru.



RECOGNITION

DRG SIGNATURE RESTAURANT + GOLDEN BELL 2021 RESULTS

Signature Restaurants are restaurants that deliver best-in-class service and have the people, unrivaled culture and fundamentals in place to serve delicious food from open to close! Being a Signature Restaurant means you have mastered the science and art of being a premier Taco Bell.

HOW TO REACH SIGNATURE STATUS:

- VOC Dissatisfied < 7%
- DT OTD 3:30 or less
- Ops & FS "At Standard"
- Six Certified Managers

GOLDEN BELL:

Achieve all of the above Signature Restaurant requirements and the top 100 general managers and area coaches achieve Golden Bell status. This leads to an invitation to the recognition event of the year most often held in Hawaii!

2021 GOLDEN BELL WINNERS



SARITA SINGH
GENERAL MANAGER

Restaurant 30937, Pittsburg, CA
Area Coach: Dolores Gonzalez

Dissatisfied: 2.9%
DT OTD: 2:32



BRYAN HERMOZA
GENERAL MANAGER

Restaurant 30796, San Carlos, CA
Area Coach: Chris Castellanos

Dissatisfied: 3.6%
DT OTD: 2:08



GERALD FERNANDEZ
GENERAL MANAGER

Restaurant 30758, San Mateo, CA
Area Coach: Chris Castellanos

Dissatisfied: 3.4%
VOC SPEED: 96%
(no drive-thru)



RECOGNITION

DRG SIGNATURE RESTAURANTS

Restaurant 30753, Bay Point, CA

General Manager: Julie Ann Dacasin
Area Coach: Dolores Gonzalez

Restaurant 30754, Pacifica, CA

General Manager: Janet Amador
Area Coach: James Aman

Restaurant 30755, Newark, CA

General Manager: Ratrecha Pickett
Area Coach: Ryan Brando

Restaurant 30764, Freedom, CA

General Manager: Teresa Marin
Area Coach: Mike Scheidegger

Restaurant 30766, Livermore, CA

General Manager: Zafia Begum
Area Coach: Griselda Godinez

Restaurant 30770, Soquel, CA

General Manager: Claudia Dedios
Area Coach: Mike Scheidegger

Restaurant 30774, San Leandro, CA

General Manager: Maria Briseno Bernal
Area Coach: Diana Flores

Restaurant 30776, Concord, CA

General Manager: Luz Ramirez
Area Coach: Carlos Portillo

Restaurant 30793, San Jose, CA

General Manager:
Miriam Barcenas Aguilar
Area Coach: Laurent Moulin

Restaurant 30795, Hayward, CA

General Manager:
Concepcion Avina Lopez
Area Coach: Diana Flores

Restaurant 30810, Tracy, CA

General Manager: Guadalupe Martinez
Area Coach: Griselda Godinez

Restaurant 31884, Carson City, NV

General Manager: Wilmer Limas
Area Coach: Mallory Hurtado

Restaurant 31885, Elko, NV

General Manager: Justin Stewart
Area Coach: Dawn Frazier

Restaurant 31902, Las Vegas, NV

General Manager: Anabel
Fernandez-Solis
Area Coach: Livi Olvera

Restaurant 31917, Las Vegas, NV

General Manager: Laura Urrea
Area Coach: Connie Bejar

**Restaurant 35243,
Independence, MO**

General Manager: Kayla Blystone
Area Coach: Layla Awo

Restaurant 39789, Orange, CA

General Manager: Lina Mam
Area Coach: Antonio Navarro

Restaurant 39790, Sylmar, CA

General Manager: Olga L Mata Romero
Area Coach: Martha Medina

Restaurant 39793, Hemet, CA

General Manager: Hilda Gallegos
Area Coach: Benjamin Gonzalez

Restaurant 39799, San Fernando, CA

General Manager: Gloria Valencia
Area Coach: Martha Medina

Restaurant 30787, Redwood City, CA

General Manager: Araceli Madrigal
Area Coach: Chris Castellanos

Restaurant 30791, Redwood City, CA

General Manager: Ramneet Kaur
Area Coach: Chris Castellanos

Restaurant 37328, Danville CA

General Manager: Edilberto Domingo
Area Coach: James Aman



BENEFIT UPDATES

ASSISTANT,
GENERAL
MANAGER AND

ABOVE: Benefits start the first of the month following 45 days of service.

TEAM MEMBER & SHIFT

LEADS: Benefits start the first of the month following one (1) year of service.

A **FULL-TIME EMPLOYEE** is any employee that works and averages 30 hours per week. Reach out to your HR or Benefits Department for additional information.

- To help you save, we **reduced employee premiums** (what you pay to maintain medical coverage) across the company.
- We **enhanced the life insurance coverage** (1x annual salary) for our assistant managers, general managers, area coaches and office staff without any cost to you.
- **Short-term disability insurance** is now covered for all full-time assistant managers and above.

Stay tuned for enrollment information in the coming months!

QUESTIONS? Connect with our USI Insurance Services partners:

888-336-7463 • brcca@usi.com



DRG OPENS ITS 6TH TACO BELL CANTINA IN WESTPORT, KANSAS CITY

According to Taco Bell CEO Mark King, DRG is the driver in the Taco Bell Cantina restaurant concept! Each DRG Cantina has a unique theme that embodies the surrounding community. This month, we celebrated the grand opening of our sixth Taco Bell Cantina in Westport, Kansas City. It is the first Taco Bell Cantina in Missouri and features a sports theme captured in murals with Kansas City Chiefs and Royals players battling it out over Taco Bell. The opening has been a huge success with locals loving the ability to enjoy their Taco Bell favorites and signature Cantina beverages. In fact, March 4th is now officially "Taco Bell Cantina Day" in Kansas City.



Congratulations to Our Employees Promoted to AMs & GMs!

N. CALIFORNIA

- Cecilia Aguirre**
Assistant Manager, 30793
- Fernando Avila**
Assistant Manager, 30762
- Karla Baltazar**
Assistant Manager, 30935
- Maria Carrillo**
Assistant Manager, 30745
- Sheyla Castellano**
Assistant Manager, 30938
- Jasmine Elizalde**
Assistant Manager, 30769
- Paul Hernandez**
General Manager, 30793
- Ishneet Kaur**
Assistant Manager, 30768
- John King**
Assistant Manager, 36249
- Briana Macias**
Assistant Manager, 30757
- Lexi May**
Assistant Manager, 30938

- Ana Montano**
Assistant Manager, 30763

- Pedro Ramirez**
Assistant Manager, 30801

- Sara Trejo**
General Manager, 30752

- Emely Zetina**
General Manager, 30933

KANSAS CITY

- Nathan Beets**
Assistant Manager, 34401

- Sydney Dodson**
Assistant Manager, 36467

- Christian Matlock**
General Manager, 35242

- Ayman Nimer**
Assistant Manager, 34410

- Brittany Pixley**
Assistant Manager, 34407

- Patricia Russo**
Assistant Manager, 35232

- Kayla Rodriguez**
General Manager, 35238

- Bryce TylerSt Clair**
Assistant Manager, 34399

NEVADA

- Daniella Avalos**
Assistant Manager, 36242

- Geraldine Bol-Alarcon**
General Manager, 31882

- Nik Buonocore**
General Manager, 38730

- America Cerros**
Assistant Manager, 32295

- Michelle Delk**
General Manager, 31892

- Merlina De Leon**
General Manager, 31864

- Antonio Diaz**
Assistant Manager, 31868

- Rosa Diaz-Escobar**
Assistant Manager, 31896

- Stephanie Hernandez**
Assistant Manager, 6568

- Rosa Lopez**
Assistant Manager, 31915

- Ticardo Lumbreras**
Assistant Manager, 31896

- Leticia Martinez-Garcia**
General Manager, 31877

- Pablo Munguia**
Assistant Manager, 31864

- Schermese Page**
General Manager, 31868

- Shirley Quezada**
Assistant Manager, 31865

- Pairis Tomlinson**
Assistant Manager, 7781

- Jason Thompson**
Assistant Manager, 36242

- Jacob Wadley**
Assistant Manager, 31243

S. CALIFORNIA

- Abigail Cruz**
Assistant Manager, 39806

- Edith Gonzalez**
General Manager, 39798

- Blanca Gutierrez**
General Manager, 39792

- Alberto Lobato**
General Manager, 39804

- Estefania Ortiz**
General Manager, 39831

- Nichole Salazar**
General Manager, 39796

- Karla Williams**
General Manager, 39848



- SUBMIT -
Content!



We're always looking for content to post on DRG's social media channels and the next newsletter! If you have insights, stories, pictures, or an employee for the next spotlight, share your ideas!

SIERRA BURK
Communications &
Media Manager:
sburk@drgfood.com

ANNOUNCEMENTS

Scholarships

In January, DRG employees applied for Live Más Scholarships. We look forward to congratulating recipients this spring!

New Technology for a Brighter Future



Introducing our new human resources platform, Workday! Workday makes it easy to change personal info, check your benefits, request time off, submit expenses and generate reports. It houses all your information in one place. Look for more information on Workday coming soon.

Bonus Program

Every shift manager, assistant general manager and general manager can supplement their salary with a bonus. Last year, our DRG employees earned a cumulative **\$4.5 million in bonuses**. That's almost double what was earned in 2020, a direct reflection of the amazing goals our teams reached across the company!

DETAILS:

- General managers have the potential to earn nearly \$20,000.
- Area coaches can earn up to \$26,000.

2022 TACO BELL BONUS METRICS:

- VOC 5 Bells
- VOC Dissatisfied
- Drive Thru Speed of Service
- RCP to Plan

2022 ARBY'S BONUS METRICS:

- VOG (Voice of the Guest):
- Drive Thru Speed of Service
- Lunch Window Time Speed of Service
- QBI (Quantity Based Inventory)
- RCP to Plan