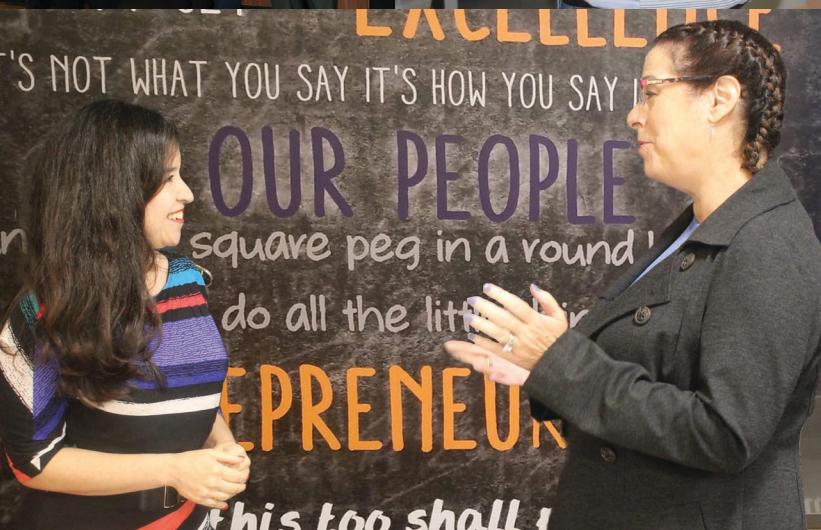


TEAM Schostak Family Restaurants'



Truths to *Leading the Way*





Our Core Purpose is *why we exist.*

Our Vision is *what we strive for.*

Our Mission is *what we do.*

Our Core Values are *how we act.*

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CREATE
opportunities that
make lives

BETTER



John Terry, Area Director, Wendy's: In 2022, John Terry was promoted from Senior General Manager (SGM) at MOD Pizza to Area Director for Wendy's. Barb Pasciak, Wendy's Vice President of Operations, said "John worked very hard perfecting his skills in the SGM role for MOD Pizza. Throughout this process, it has been great to watch John learn and grow becoming an Above Restaurant Leader of the Year for MOD/Del Taco for 2021. When the opportunity became available in the Wendy's division, I thought of John immediately. Growing his skills through *Train & Develop* opportunities, along with his ability to communicate with TEAM Members and execute his quarterly business plans at a high level made him the person for the job!"

Linda Wendling, TEAM Member, Applebee's Canton: Linda Wendling lives Our Core Purpose, *Create opportunities that make lives better* at TEAM Applebee's Canton and in her life. From fellow TEAM Members to our Guests to the Community, she makes the world a better place. Through her commitment to creating a *Clean & Safe* environment, Linda touches every part of Applebee's Canton from the parking lot to the front door to the dining room. From day one, Linda shared her work ethic and her warmth, setting the tone for *Exceeding Expectations* and *Family Atmosphere*. She decorates the dining room for every occasion and is willing to help whenever anyone needs a hand. She trains all new hires on the host stand, which is a crucial part of the restaurant's daily success. Beyond the business, Linda is a leader in her church visiting members in the hospital, hosting baby showers and birthday parties, participating in a meal train program and organizing a backpack and a winter coat program for local youth.





Carlos Diaz, Olga's Kitchen: Carlos started his career with TSFR Olga's Kitchen in 2019 the day after his 17th birthday. Carlos recalls, "I was greeted by the most welcoming, fun team anyone could ask for. A few months went by and I wanted to start working more so I was trained as a kitchen specialist." With the ability to work two different positions, Carlos' versatility enabled him to assist his TEAM more during the peak of COVID and then with a challenging staffing situation, Carlos accepted the opportunity to learn to cook. Carlos says "At that time, I was not sure what I wanted to do with my life. I just graduated high school and was taking college

classes, but I had no real aim in my education." Carlos earned the respect of the TEAM and management and was offered a promotion to supervisor. He says "This opportunity opened my eyes to a whole new line of jobs and really got me thinking. I said yes and my life immediately changed from there." The day before his first solo shift, Carlos approached Steve Rokita, General Manager at Olga's Washtenaw, and asked if he was ready for the challenge. Steve reassured him that he was ready and coached him saying that every day that you show up you will learn new things to take yourself to the next level. Carlos comments "So that's what I did. I learned everything I could every day so I could take myself to the next level and I still do it every day. I eventually got there as my hard work was recognized and I was promoted to Assistant Manager in a short time. TEAM Schostak Family Restaurants has given me the chance to pursue my future and allows me to do something that I like to do."

Jake Emerick, IT Manager: Jacob started with Applebee's Three Rivers in 2011 as a dishwasher moving into a cook position in 2012. Sandy Reinhardt, Chief Information Officer, remembers TSFR needed a POS Technician for the west side of the state in 2015 and Jake applied. Sandy said "Jake's understanding of the restaurant environment and his positive attitude made him a perfect fit for the IT Department. We often say that if you have technical aptitude, we can teach you how to fix POS equipment,



but we cannot teach you to have an attitude of service and support. You have to have that ingrained in your personality. Quite simply, Jake gets it, which allows him to make lives better every day as he works in our restaurants.” Jake continually seeks opportunities to *Train & Develop* including in the areas of security, networking, and menu management truly embodying *Truism #3 – Training is a shared responsibility*. He is currently enrolled at Cleary University working to improve his business skills to complement his technical skills. Recently, Jake was promoted to IT Manager earning this opportunity through hard work, a desire to learn and grow, and his ability to **Achieve Results**.



Pat Ross, General Manager, Applebee's Wyoming: Pat Ross joined TSFR Applebee's in 2005 in Walker under then General Manager, Jeremy Braswell. Pat says “I started at a slower pace, but Jeremy challenged me to be better and *Execute at a Higher Level*.” Over the years, Pat’s enthusiasm for learning and focus on TEAM culture was noticed and rewarded with opportunities to *Train & Develop* and grow his career. Next, Pat had the opportunity to demonstrate his versatility as Bar Manager in Ludington where he persevered through many challenges, creating a great bar culture and *Family Atmosphere*. In 2016, Pat moved to the Grand Rapids market to be closer to friends and family embracing the opportunity for *Work/Life Balance*. As Bar Manager in Gaines, he took an already solid bar culture to the next level and grew sales and a loyal base of regulars. As Pat excelled in the Bar Manager positions, he was promoted to Area One Bar Manager in 2020. As an Area Bar Manager, Pat showed his leadership skills and in 2021 he became the Assistant General Manager in Gaines. When Pat was sent to help turn Applebee's Cascade around, he demonstrated solid efforts and effectiveness, making him the top candidate for the Wyoming General Manager position opening. Pat made an immediate impact on **Our People** and on **Delighting our Guests** at Wyoming. From the day Pat joined TSFR Applebee's, TSFR leaders *Created opportunities that make lives better* for him, and Pat has in turn developed a culture living **Our Core Purpose** in every restaurant he touches.

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truism

truism | \trü-i-zem \

noun

Definition of truism

:an undoubted or self-evident truth

*Culture travels by stories and the
lessons learned from these stories.
The lessons then become truths to live by.*

*This book is about TSFR's truths
— or **Truisms**, as we call them —
and the stories behind them.*

Truisms guide us in Our Vision to

Lead the Way.



TEAM SCHOSTAK NAMED APPLEBEE'S FRANCHISEE OF THE YEAR

In 2022, TEAM Schostak Family Restaurants celebrated 10 years as an Applebee's franchisee by winning the most prestigious award from the brand.

The Abe Gustin Franchisee of the Year award is awarded in honor of the man who helped Applebee's become one of the nation's most iconic brands in casual dining and recognizes a franchisee that embodies what it means to be *Eatin' Good and Doin' Good in the Neighborhood*.

TSFR was recognized for its continued commitment to **Our People** and the Applebee's brand and for our leading sales performance. The Applebee's announcement stated "With a priority on development and career-pathing for every level of the organization, TSFR leads the way, guided by its **Core Purpose** to "*create opportunities that make lives better*." Their efforts have led to industry recognition as an employer of choice and statewide Top Workplace in their markets across Michigan for the past four consecutive years as well as national recognition this year as a Top Workplace USA."



OUR VISION, what we strive for, is to **Lead the Way** for each of our brands. We strive to not only be *Best in the Workplace and Best on the Block*, but also to be the best franchisee in the system for the franchise brands we operate.

This is truly **Leading the Way!**

The key to our success is the TSFR Roadmap and our focus on bringing that roadmap to life in every one of our restaurants. AND the only way we bring the TSFR Roadmap to life is through our number one **CORE VALUE, Our People**.

~ Mark Schostak



A talented, engaged TEAM
THAT PROUDLY
DELIGHTS OUR GUESTS
AND Increases Profits
for
THE BENEFIT OF ALL

IT ALL STARTS WITH A TALENTED, ENGAGED TEAM

To be the best restaurant on the block requires us first to have the best talent on the block.

We must be committed to recruiting, training and retaining our *talented, engaged TEAM*.



WE WILL NOT BE BEST ON THE BLOCK UNTIL WE ARE BEST IN THE WORKPLACE!

We must be “Best on the Block” is a Truism from TSFR’s first days as a Burger King® franchisee starting in small towns like Alpena and West Branch where all the QSRs were on the same block.

We learned that we had to set ourselves apart from the competition by **Delighting Our Guests** in the restaurant and in the **Community**.

In 2018, I presented at TSFR’s Leadership Conference about the honor of being Top Workplace in the Detroit Free Press. I said we will not be “Best on the Block” unless we are first “Best in the Workplace.”

“Best in the Workplace” means your restaurant is fully staffed, we are honoring time off requests and we are having **candid** conversations. But the #1 determining factor in maintaining a **talented, engaged TEAM** is a talented, engaged leader.

~Mark Schostak, Executive Chairman



LEAD THE WAY BY BEING THE SAFEST AND BEST ON THE BLOCK

In 2020, a worldwide pandemic changed almost everything, but our commitment to the TSFR Roadmap served as our North Star and allowed us to **Lead the Way** through uncharted waters and unprecedented times. In today's world, **Our People** and our Guests must be confident in the safety practices we put in place and feel assured that we consistently execute against our *safest on the block* protocol in all our restaurants.

Another Truism came out of this time and was formally introduced at the 2021 Leadership Conference: ***Lead the Way by being the Safest and Best on the Block.***



THE GUEST EXPERIENCE WILL NEVER EXCEED THE TEAM MEMBER EXPERIENCE

When we create a great TEAM Member experience with a *Family Atmosphere* and sense of **Community** within each one of our restaurants, our TEAM Members will deliver on the brand promise and proudly **Delight Our Guests**.

It's up to leaders to ensure TEAM Members have what they need to be productive, motivated and focused. When leaders fulfill this calling, they lay the foundation for a high-performance **Best in the Workplace** culture that is ready to excel at any challenge.

Every TEAM Member deserves to be in a top workplace.



The recipient of the TSFR Culture Drivers Award clearly and consistently exemplifies the *Truism: The Guest experience will never exceed the TEAM Member experience.*

The TSFR Culture Drivers Award is a tremendous accomplishment for TEAM MOD Woodhaven because the award recognizes the hard work they have done to take care of **Our People**. Day in and day out, the TEAM shows up to work with a smile, inspired to build off of the *Family Atmosphere* in the restaurant.

A big factor in creating a *Family Atmosphere* is building an

environment that is positive no matter the circumstances. TEAM Members feed off of the energy of management - with the leader setting the tone by staying positive during uncertain times. Building a culture of acceptance is just as important because it allows work to be a place for **Our People** to be themselves. A strong culture is how TEAM MOD Woodhaven *Executes at a High Level.*



TRAINING IS A SHARED RESPONSIBILITY



In other words, we can't make you do it -- you need to want it!

TSFR will provide you all the tools and experiences to become a great TEAM Member; however, YOU have to be your own best champion and seek out learning and added responsibilities yourself.

**"You can lead a horse to water,
but you can't make it drink."**

~Jerry Schostak, 2nd generation owner

Mark Schostak and his brothers Bobby, David and Ricky learned this from their father, Jerry Schostak, who passed away in 2014.

Jerry's view on parenting was that he would provide his children with a roof over their heads, a good education and opportunities — including the family business — but ultimately they were each responsible and accountable for their growth and successes.



HIRE SLOW - FIRE FAST

Two of the most important decisions we make are who joins the TEAM and who stays on the TEAM. Carefully build your TEAM in order to create a successful business with a *safest and best in the workplace* culture leveraging TSFR's tools to aggressively screen, interview and hire the right fit.

Excellent candidates go quickly, so be thorough but act swiftly to review applicants and set up interviews to make the right decisions to secure talent. Ensure schedule expectations are understood and can be met to ensure *Work/Life Balance* as well as the needs of the business.

Despite the careful work put into the hiring decision, if a new hire does not meet expectations, evaluate the TEAM Member thoughtfully and take action swiftly.



- Safest and Best in the Workplace
- Candidate Selection
- Interviews
- Reference Checks
- Offer Process
- Welcome to TSFR!

REWARD THE DOERS

We must continually recognize **Our People** and make sure they know that their successes matter to the organization's Mission.

To establish a daily culture of execution, there must be a clear link between what you want to accomplish and what you are rewarding.

Leaders have the responsibility for setting the right rewards for doers. At TSFR, we set our business priorities measured by our metric scorecard and "[reward the doers.](#)"



PUT YOUR BEST PEOPLE ON YOUR BIGGEST OPPORTUNITIES

The best performers get the best opportunities.

Laura Szczepanski is a prime example of a valued TSFR TEAM Member who has been rewarded with career growth opportunities over the years.

Over an almost 40-year career with TSFR, Laura went from a TEAM Member to Assistant Manager to General Manager and in 2006 to Director of Training for our Burger King® business. When we sold the Burger King® business in 2015, Laura moved into the role of Director of Learning & Development for Del Taco and MOD Pizza.

In 2021, Laura added Wendy's to her role as Director of Learning & Development with responsibility for implementing Development Days and quarterly business plans for TSFR's 55 Wendy's restaurants.



Laura Szczepanski

THE "WHOLE" PERSON COMES TO WORK EACH DAY

Every TEAM Member plays a critical role in the success of TSFR, and when they come to work they bring their whole experience with them. The key to being a Top Workplace company is TSFR's Core Value **Our People** and **Work/Life Balance**. By building and maintaining a culture of celebration, compassion and support - celebrating birthdays and accomplishments, flexible scheduling, and helping each other through tough times, we recognize the "whole person."

Created in 2017 as a continued investment in **Our People's** well-being, the **TSFR Care Fund** has provided over 880 grants totaling over \$1,000,000 to TEAM Members in need. Today, over 75% of TSFR TEAM Members contribute to the fund through direct deposit of a portion of each paycheck. The Schostak family contributes every year to help fund grants to recipients.



THE EXPERIENCE BECOMES THE STANDARD



TSFR earned Top Workplace Detroit Free Press in 2008, but not again until 2018. That's when the phrase was coined 'We cannot be one and done' launching us to repeat awards in 2018, 2019, 2020, 2021 and now our fifth Top Workplace in a row in 2022.

In 2022, TSFR was awarded its first Top Workplaces USA. In 2023, TSFR earned that honor again as one of only two Michigan companies in the top 50. Being a Top Workplace is part of our culture. We know we are capable of achieving this honor so *The experience becomes the standard*.

Living the TSFR Roadmap with a strong culture focused on **Our People**, each and every TEAM Member must be part of a *family atmosphere* with caring and responsive leaders who support *work/life balance, reward achievements* and present opportunities for *training & development*.

TEAM Schostak strives to be a Top Workplace each and every day.

Do not walk by anything in your restaurant that requires attention -- model the behavior you expect.

The TSFR Roadmap guides us and tells us what is important and how to behave. The Roadmap is just words until communicated through the ranks and put into action by cascading the message to all TEAM Members through clear communication.

The experience becomes the standard when a restaurant leader walks by a dirty table, ignores crew members out of uniform or tolerates unacceptable behaviors. TEAM Members are paying attention to everything that a leader does. How you treat your restaurant, TEAM Members and Guests sets the tone for the whole restaurant. Pay attention to your internal and external atmosphere and set a standard of excellence.



DO WELL BY DOING GOOD



TSFR will become the **community's** restaurant of choice, by living our core value of **Community**.

We are changing lives in the **communities** we serve.



[Doing well by doing good](#) starts in our individual trade areas. Every TSFR restaurant must become part of the fabric of the **Community** by

partnering with the right organizations - ones that match our commitment and passion to make a difference in people's lives.



TSFR's commitment to our **Community** also gives **Our People** opportunities they may not have had otherwise to give back in their own **communities** and contribute to causes meaningful to them. From Dine to Donate fundraisers to helping TEAM Members through the **TSFR Care Fund**, we all [do well by doing good](#). And feel good in the process.

GET THE MONEY TO LIVONIA

It is a daily challenge keeping the cash on track to Livonia with attempts to stop and redirect it such as internal theft, scams, robberies, and other crisis situations.

We have integrated and upgraded platforms for remote viewing of closed-circuit television (CCTV) to monitor every location. With upgraded intrusion alarm monitoring and added enhanced technology, we make every effort to safeguard all funds maintaining *profits for the benefit of all*.



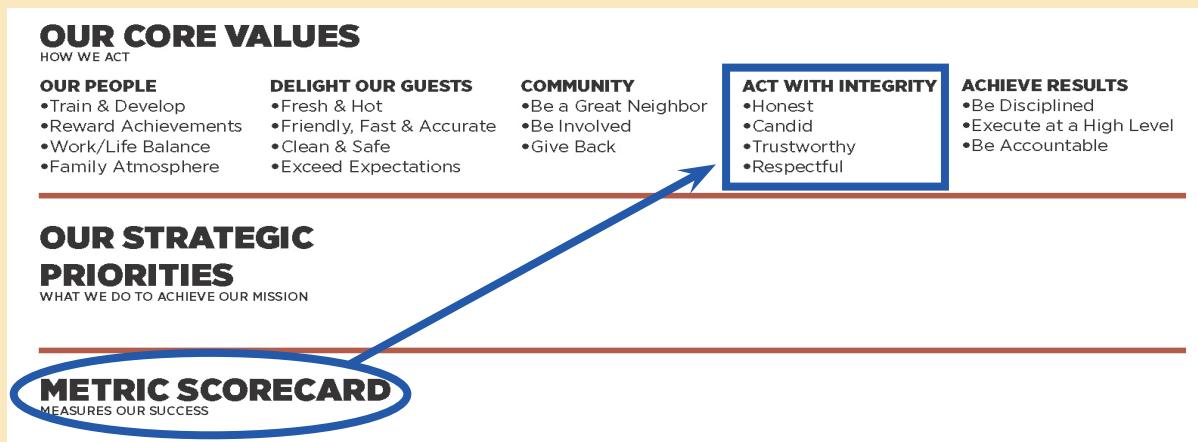
POOR RESULTS ARE COACHABLE; FAKE RESULTS ARE TERMINABLE

Our Core Value, **Achieve Results** stresses the importance of *Being Disciplined, Executing at a High Level* and *Being Accountable*.

If you are struggling to **Achieve Results** or hit a target, it is critical that you ask for assistance. Do not feel pressured to falsify or otherwise intentionally manipulate a result to stay off a list, hit a bonus or win a contest. ASK FOR HELP - respect is earned through hard work and candid conversations.

We have “*A talented, engaged TEAM*” that can coach you to get you where you need to go as long you always **Act with Integrity!**

Without integrity, nothing else matters - the results we achieve only count if they are achieved with discipline, accountability AND integrity.



PEOPLE COME TO WORK EACH DAY WITH THE INTENTION OF DOING A GREAT JOB

If you believe that people want to do a great job, then we must have **candid** conversations with them when they are not meeting the standard; you are doing **Our People** a disservice if you do not let them know when they are falling short.



WE APPRECIATE LOYALTY AND TENURE, BUT WE EXPECT RESULTS

Day in and day out, Paul Soulliere and Cyndi Barnes provide the numbers that leadership and operations need to make critical business decisions.

They both understand TSFR's business and what is critical for our success. They both take data accuracy extremely seriously, because decisions made on inaccurate data do not mean anything.

Paul has over 20 years with TSFR and Cyndi has over 30.

Loyalty, tenure, AND results!



DO NOT GET AHEAD OF YOUR CAPACITY TO EXECUTE

Organizations that are disciplined with planning are successful. That's how you win.

During the coronavirus pandemic, Michigan lawmakers approved off premise alcohol sales from restaurants. Our Applebee's TEAM leaders thought that beer and wine would be a tough sell because of grocery store availability and we couldn't match retail prices. In further discussions, we agreed we could offer fairly complex cocktails that the Guest couldn't get at the grocery store or make easily at home.



There were important considerations and challenges to implementing an alcohol sales to go platform. Through careful planning, training and marketing including training videos, we carefully readied our TEAMS to start the new program safely and in full compliance. There were new regulations to learn, clearly communicate and follow. If we got it wrong, it could not only cost us the opportunity for a new revenue stream, but potentially our liquor licenses. And we had the opportunity to **Lead the Way** by helping Applebee's see the plus side of cocktails to go and adding \$5 Muchos To Go to our online ordering platforms.

EVERYONE MUST PLAY (EMP)

We are a TEAM and in order to [Lead the Way](#), everyone must be fully committed to contribute to the TEAM's success.

To [Lead the Way](#) . . . Everyone Must Play !

When the company is implementing a plan or a program, everyone must buy in and be on board. It is full participation.

The best leaders give TEAM Members a purpose - one that empowers them and lays the foundation for a high-performance work culture. We must set the stage ahead of time, so our TEAMs are not only ready to excel at any challenge, but they fully understand the challenge and are "all in."



NEVER ACCEPT THE STATUS QUO

You must start with belief and resolve. Certain circumstances make achievement more challenging, but even more rewarding for the effort. At TSFR, we do not take the path of least resistance. A restaurant in a challenging trade area can be successful. A really busy restaurant can still achieve great speed of service. Tough demographics for staffing doesn't mean you can't staff that restaurant. A restaurant company can offer great benefits.

The restaurant industry's profit margins are exceptionally slim compared to other types of businesses, so the idea of implementing a free college tuition program for TSFR's thousands of employees and their families was groundbreaking. In 2019, TSFR was the first participant when Cleary University launched a tuition assistance program. An innovative partnership with Cleary University, at its inception the TSFR Tuition Benefits Program provided 100 percent of tuition costs for TSFR's eligible employees and their families. In just over three years, more than 125 TSFR employees/family members graduated with master's degrees, bachelor's degrees or completed courses at Cleary.



TSFR offers unique benefits to attract and retain a talented, engaged TEAM including a percentage off food at all TSFR restaurants, \$120 annually towards a purchase related to health and wellness, and discounts on computers, entertainment and retailers.



CONTROL WHAT WE CAN CONTROL

We can't always control what is happening outside our four walls — construction, intrusion, a world-wide pandemic — but we **CAN** control our ability to execute our Mission, strategic priorities and systems which position us to **Achieve Results**.

Through leadership and commitment to control what we can control during the pandemic, TEAM Applebee's Southgate made a difference in the Southgate **Community** while showcasing TEAM Schostak's commitment to **Delight our Guests** — *Clean & Safe*.

In 2020, the City of Southgate recognized the TEAM's commitment to **Community** with the first-time Adaptability Award. Created to recognize a Southgate business that demonstrated adaptability during the challenges of the COVID-19 pandemic and had a positive impact on the Southgate community, the city put together a video showcasing TSFR's *Clean & Safe* systems and processes and the first patio Southgate put in place to increase seating and drive sales.



GOOD BUSINESSES GET CAPITAL



We do not put money into restaurants that are not hitting their metrics.

Good businesses are rewarded with revitalizations and further investments.

In early 2021, we had the pleasure of introducing the newly revitalized TEAM Wendy's Clare restaurant to the [Community](#). This is the first of TSFR's Wendy's to undergo a full image activation under an ambitious program to revitalize most of TSFR's Wendy's restaurants.



The Clare restaurant was chosen because they [Achieve Results](#). But a good business is not just one that [Achieves Results](#), we also make certain that we have the right TEAM in place with a solid culture, complimentary skills and readiness that will drive the business to a new level.







OUR CORE PURPOSE

WHY WE EXIST

Create opportunities that make lives better.

OUR VISION

WHAT WE STRIVE FOR

Lead the Way

OUR MISSION

WHAT WE DO

A talented, engaged TEAM that proudly Delights Our Guests AND increases profits for the benefit of all.

OUR CORE VALUES

HOW WE ACT

OUR PEOPLE

- Train & Develop
- Reward Achievements
- Work/Life Balance
- Family Atmosphere

DELIGHT OUR GUESTS

- Fresh & Hot
- Friendly, Fast & Accurate
- Clean & Safe
- Exceed Expectations

COMMUNITY

- Be a Great Neighbor
- Be Involved
- Give Back

ACT WITH INTEGRITY

- Honest
- Candid
- Trustworthy
- Respectful

ACHIEVE RESULTS

- Be Disciplined
- Execute at a High Level
- Be Accountable

OUR STRATEGIC PRIORITIES

WHAT WE DO TO ACHIEVE OUR MISSION

METRIC SCORECARD

MEASURES OUR SUCCESS

