



Fonterra's Food Safety & Quality Culture Approach

As part of our Food Safety and Quality (FSQ) strategy, Fonterra considers FSQ Culture a key component, to fulfil our promise to customers and consumers of uncompromising food safety and world class quality. We recognise that the mindsets and behaviours of our people are a key influence on our food safety outcomes.

Our Framework

Fonterra follows the Yiannas Food Safety Culture framework. We have worked closely with Frank Yiannas, the creator of the framework, to develop it further and use it as the basis of our global approach.

The approach identifies six dimensions that are needed to deliberately shift the culture of an organisation, in a successful and sustainable way.

Each dimension needs focus, but activity needs to begin with setting clear **expectations** of what good looks like and harnessing the power of organisational **leaders**.



Yiannas, F. 2009. Food Safety Culture: Creating a Behaviour-Based Food Safety Management System.

Our Approach

Our strategy is led by a team of change management and adult learning specialists within our Global Food Safety, Quality & Regulatory team. We began our focus on culture in 2014, working with our New Zealand plants to make their focus on food safety a personal promise and connect them to the wider Fonterra supply chain and their customer. Our broader culture work is about proactively building the culture we need to support our strategic direction. As a food organisation, food safety will always need to be a strong part of our identity, as such we have developed methods to measure culture to provide an understanding of how we are tracking and guidance on opportunities for improvement.

In recognition of the role we all play in running a food company, we are focusing on both our operational and non-operational staff, ensuring that the conversation about food and food safety starts from day one. The importance of food safety culture is recognised and sponsored by the senior executive, with progress and barriers reported to the senior lead team on a monthly basis.

Food Safety Culture in Action

Our approach with our manufacturing and warehousing sites focuses on:

- **Why:** Leading with our message of “Safe Food, Safe People, World Class Quality – It’s Our Promise”.
- **What:** Leading with our message of “FSQ Its Up to You”, and our risk-based expectations.

People

Control the risks we can bring to our product

- Follow all handwashing, sanitising and clothing exchange steps.
- Stay home if you are sick.
- Help others follow food safety procedures correctly.

Process

Control the process our product goes through

- Keep your HACCP as a live document to understand your risk and controls.
- Understand and meet all regulations / religious requirements.
- Record and report any non-compliance issues or deviations.
- Manage the risks in any intrusive maintenance.

If something's not right...

Product

Control product integrity through the chain to our customer

- Control the temperature of our product at all times.
- Keep foreign matter out of our product.
- Make sure product has the correct information for traceability and customer needs.
- Keep our product safe from intentional harm at all stages.

Treat the product as if you're feeding it to your family.

Plant

Control the environment our product is in

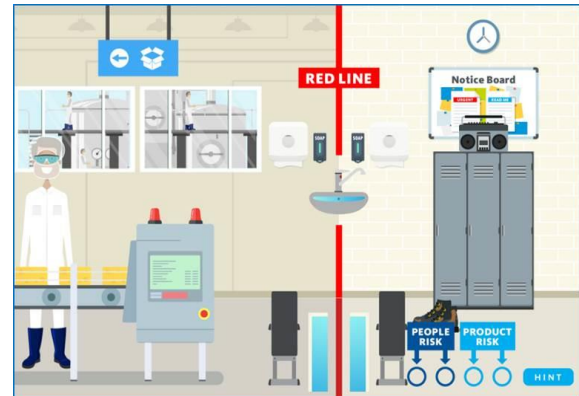
- Keep our environments pathogen-free
- Stop pests getting inside.
- Keep inside and outside areas clean, well organised with no cross contamination.
- Report any building leaks.

Speak up!

We use these four risk areas to structure our onboarding and refresher training around the **Why** and the **What**.



Food Safety & Quality Operations Onboarding resource:
'Food Safety Starts with Me' posters.



Food Safety & Quality Non-Operations
Onboarding e-learning

We are continuously working with sites to provide resources that support food safety and quality activities which can be applied in the context people operate in. We are also developing methods through which sites can demonstrate their ongoing culture work.



Assessment of Progress

We are assessing current state and progress against the Yiannas model dimensions. In 2017 we commissioned an independent assessment which gave us a detailed picture of our Australia and New Zealand business, followed by survey assessments which have continued across our wider business. We have since developed a culture measurement tool based on our cultural maturity model and have incorporated a culture component into our internal audits since 2019.

Next Steps

Culture change is a multi-year journey and requires consistent focus and leadership support. We began our culture change journey in 2014 with a focus on our New Zealand ingredients manufacturing and warehousing sites. We broadened our scope during 2017 to focus on our wider global network and our non-operational staff, and this continues to be our focus today.

We are on a continuous culture journey focus to mature, but assessment insights and customer feedback support the fact that we are making good progress. We keep reminding ourselves that to keep food safety as a core part of our identity, our DNA as an organisation, we need to give it focus and energy.



Safe Food. Safe People. World Class Quality. It's our Promise.