## **TACO BELL: 2025 RGM QUARTERLY INCENTIVE PLAN**

The following bonus plan is designed to reward eligible employees for their leadership, achievement of certain goals, and for their continued service to the Company. If your restaurant excels and meets the defined goals, you will be eligible to earn an incentive. **The total reward payout for Quarterly, CORE, and Kicker incentives is \$13,000/year.** 

	SUPREME:	COMPLAINTS/PER 10K TRANS:	TRANSACTIONAL GROWTH:	DIRECT LABOR % vs. PLAN %:	ICOS:
BREAKTHROUGH	5 STARS <b>\$450</b>	12 OR LESS \$450	> 3% \$450	MADE % \$450	< 1.80% <b>\$450</b>
TARGET	4.5 STARS \$3 <b>75</b>	12-15 <b>\$300</b>	1 - 3% \$300		1.80% - BRAND TARGET \$300
THRESHOLD	4 STARS \$300	15-18 <b>\$150</b>	MISSED \$0	MISSED %	> BRAND TARGET \$0

The following metrics are included in the Supreme program: Customer Feedback, Speed of Service, Manager Complement, CORE Ops Score

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## **BRAND SYSTEMS EXECUTION:**

We are interested in ensuring that our store leaders are executing the Taco Bell Brand Operating Systems on every shift. This is the single most important expectation of each RGM. This is best measured through our CORE program, which occurs two (2) to three (3) times annually. In 2025, the Company will continue to incentivize excellence in this area through the CORE Reward Program. **RGMs will participate in the CORE rewards program as a standalone component, which does not impact the quarterly incentive payout.**We will pay for the first two COREs that are completed (subject to Brand strategy).

# of CORE AUDITS		FSC Deviations = 1 – 4, and OPS GREEN		FSC Deviations > 9, OR OPS Fail
2	\$1000	\$750	\$500	<b>\$0</b>

<sup>\*</sup>In the event your store only has 2 CORE events for the year, you will receive \$500 in the 4<sup>th</sup> quarter payout.

# **INCENTIVE KICKERS:**

The Company is also interested in rewarding sustained excellence across our stores. As such, **RGMs are also eligible to receive the following annual "kickers" in addition to the Quarterly Incentive & CORE Reward payouts**:

Kicker Type:	Requirement:	Amount:
"Signature Restaurant"	RGM must achieve "Signature Restaurant" eligibility at year end.	\$1,000/year
"Supreme Rating"	RGM must achieve 5-star rating YTD.	\$1,000/year

Kickers are paid out one time per year, along with the Q4 quarterly payout. An RGM must be in position for at least 12 months to be eligible for an annual kicker.

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## TACO BELL INCENTIVE PLAN CONDITIONS & ELIGIBILITY:

An employee must satisfy several conditions to be eligible to earn a bonus. Specifically, the employee must have met the high standards below:

- Must be employed and considered active by the Company at the time of payout to be eligible to receive a bonus payout.
- Learning Zone (LZ) qualifier required 92% to be eligible for non-CORE incentive.
- LZ% will calculate by Quarter End Results (includes Job Role, Food Safety, and Experience Training).
- Must pass FSA/Ops to be eligible for CORE Reward Payout.
- CORE payout only applies to the quarter in which the CORE and FSC occurred.
- Area Coaches are eligible for up to 40% of their RGMs bonus payout.
- Directors of Operations are eligible for up to 25% of their RGMs bonus payout.
- The Company reserves the right to change or alter this incentive plan at any time and at its sole discretion.

Bonuses are provided to employees to reward them for the work they perform during each quarter, which contributes to the success of the Company. If an employee is promoted, transfers, or is on leave during a quarter, the employee will only be eligible for a prorated bonus based on the number of days the employee worked in a bonus-eligible position during the quarter.