Respecting Human Rights

Dear McDonald's Colleague,

McDonald's purpose is to feed and foster communities. Central to that purpose is our commitment to respecting human rights wherever we do business and fostering safe workplaces built on dignity, inclusion and respect.

In 2018, we introduced McDonald's Human Rights Policy which outlines your rights, as well as your responsibility to respect the rights of others in your work for McDonald's. I'm asking all McDonald's employees to review and understand the Policy.

Strong, safe communities are vital in creating a better world, and for McDonald's, this starts with reinforcing a culture of integrity and respect that will help us better serve our communities, and millions of customers, every day.

As we continue to evolve our approach to human rights, we're committed to engaging with employees and stakeholders to inform our own policy and influence change elsewhere.

Thank you for your support and commitment to live by our values every day as we continue to create a McDonald's that sets a positive example for its communities.

Chris Kempczinski

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McDonald's President and Chief Executive Officer



Human Rights Policy

Our Commitment

At McDonald's Corporation ("McDonald's"), we take seriously our responsibility to respect and promote human rights and to act with due diligence to avoid infringing on the human rights of others and addressing any impacts on human rights if they occur.

McDonald's is committed to respecting human rights as set out in the Universal Declaration of Human Rights. Our Human Rights Policy ("Policy") is also guided by the United Nations Guiding Principles on Business and Human Rights, the International Bill of Human Rights, and the principles set out in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.

We strive to foster safe, inclusive, and respectful workplaces wherever we do business and respect the fundamental rights of McDonald's employees, which are: freedom from slavery and child labor; freedom to associate (or not associate) and collectively bargain; equal opportunity for everyone; a safe and healthy workplace; and freedom from discrimination and harassment. Where McDonald's may impact the human rights of particularly vulnerable groups, such as migrant laborers, indigenous peoples, women, or children, we are also guided by other international standards that elaborate on their rights.

This Policy applies to McDonald's Corporation and its majority-owned subsidiaries worldwide. We encourage franchisees to uphold these principles and to adopt their own similar policies. This Policy should be read in conjunction with all relevant McDonald's policies and guidance. Our <u>Standards of Business Conduct</u> contain our commitment to respect human rights in our workplaces and applies to all McDonald's employees. Our <u>Supplier Code of Conduct</u> contains our human rights requirements for suppliers. Our <u>Commitment on Forests</u> addresses deforestation and land rights of affected communities.

The legal structures governing human rights, and the level of enforcement, vary widely across the countries in which we operate. Where conflicts exist between national and international standards, we adhere to the applicable national or local law, while seeking ways to respect international human rights principles.

Implementation and Remedy

We commit to reduce the risk of infringing on human rights by identifying, monitoring, and addressing any impacts on human rights to our employees, which we have caused or to which we have contributed. We provide access to remediation and encourage our business partners to do the same. We encourage open and honest communications among our employees and our business partners. Employees may raise human rights issues, or report potential or actual human rights violations through a number of reporting channels, including contacting Human Resources, or the Global Compliance Office. Reports received by the Global Compliance Office of alleged violations of the Standards of Business Conduct



or other McDonald's policies by McDonald's employees are reviewed and addressed as appropriate. Alleged violations of this Policy can also be reported by contacting McDonald's Business Integrity Line.

Nothing in this Policy is intended to prohibit employees from discussing wages, terms, or other conditions of employment, or to affect employees' rights to report matters to governmental authorities in accordance with applicable law. We will not impede state-based grievance processes via our employee system; we do not require employees to waive their right to use such external mechanisms to participate in our hotline.

We will not tolerate any retaliation of any kind directed against anyone who reports an issue concerning compliance with this Policy.

Governance, Engagement and Reporting

Human rights risks are considered as part of McDonald's ongoing processes to identify and assess risk. Board level oversight on matters related to human capital management, including human rights, is provided by the Public Policy and Strategy Committee of McDonald's Board of Directors. Human Resources manages this Policy and works with various departments across the company, including Global Supply Chain & Sustainability, and Corporate Affairs, on its day-to-day implementation.

We commit to engaging with stakeholders to understand their perspectives, improve our monitoring, analysis or remediation of human rights impacts, and better understand how to evolve our actions supporting this Policy. We also commit to report human rights commitments and efforts.

We recognize that this Policy statement must be a continuing effort. It requires ongoing work to assess our practices and our approach, considering changing global circumstances and an evolving global policy environment. We are dedicated to exemplifying good corporate citizenship through our commitment to respecting human rights and through our broader commitment to sustainability.

