Responsible and Ethical Recruitment Principles

v. October 2022

Our Commitment to Responsible and Ethical Recruitment

At McDonald's, we are committed to the principles of responsible and ethical recruitment and are requiring the same of our business partners across our system, including our franchisees/ Developmental Licensees (DLs) and our suppliers. No migrant worker should have to pay recruitment fees and related costs to secure their employment. This commitment is informed by the Employer Pays Principle and the ILO's general principles and operational guidelines for fair recruitment.

McDonald's condemns all forms of slavery, forced labor, human trafficking, or exploitation, and we prohibit such practices across our business, supply chain and all McDonald's brand restaurants. These expectations are outlined in our <u>Supplier Code of Conduct</u>, our <u>Standards of Business Conduct</u>, and our <u>Human Rights Policy</u>.

Standards

When engaging in the recruitment of migrant workers, the following standards will be implemented by McDonald's Corporation, our majority-owned subsidiaries, and franchisees/DLs:

- Workers do not pay recruitment fees—whether to a private labor broker/employment agent or to the employer itself;
- Workers are provided contracts in a language fully understandable by the workers at the point of recruitment and prior to deployment;
- McDonald's and our franchisees/DLs do not keep or withhold any government-issued identification, monetary deposits, bonding or other collateral as a condition of employment;
- If workers reside in employer-provided housing, there must be a plan for management of safe housing and accommodation, including that it is fit for purpose and in good repair; and
- McDonald's and our franchisees/ DLs apply these standards to themselves and to third parties recruiting and/or managing labor on their behalf. We make our Responsible and Ethical Recruitment Principles available to other third-party contractors to educate them on our responsible recruitment standards and encourage them to develop similar policies and procedures for their own business operations.

These standards will be implemented at the market level taking into account the particular details and risks of the communities in which the McDonald's brand operates. Additionally, McDonald's will continue to provide resources and tools to help franchisees/ DLs ensure these standards are met within their organizations.

Ensuring Responsible and Ethical Recruitment of Migrant Workers

We encourage open and honest communication among our employees and our business partners. Employees of McDonald's and its majority-owned subsidiaries may raise recruitment-related issues, or report potential or actual responsible recruitment violations through a number of reporting channels, including contacting Human Resources, Business Integrity 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.