



Nuestra Familia Restaurants Limited

Section 172(1) Statement

The Directors understand the importance of their section 172 duty to act in good faith to promote the success of the Company.

The success of the Company, for the benefit of all its stakeholders, is the driving factor behind all decisions made by the Directors.

Decision making processes are structured to enable the Directors to evaluate the merit of proposed business activities and the likely consequences of decisions taken over the short, medium and long term.

The Directors remain mindful that any strategic decisions taken can have long term implications for the business and its stakeholders, and these implications are carefully assessed. An example of this is in decisions taken relating to capital investment in terms of possible new store acquisitions, restaurant conversions and equipment upgrades.

When making decisions, the interests of any key relevant stakeholders will always be considered, including employees, suppliers, customers, the community and the environment.

Our People are key to our success. That is why we endeavour to create jobs and opportunities for all our people, regardless of gender, age, or life stage that enhance their work experience. Understanding how our people feel about McDonald's is vital. The Directors take active steps to ensure that the suggestions, views and interests of the workforce are incorporated and considered as part of any decision-making process, helping to ensure that our employees are given the right support to help achieve their full potential. We have developed various employee communication channels such as Workplace/McD Connect, MyStuff and the McDonald's UK Intranet, which provide regular people, team, operations and promotional activity updates in addition to providing access to employee assistance programs and a means for employees to share ideas and feedback. We also conduct regular in-house surveys into our employee's job satisfaction and how they feel about their role in the Company. We encourage and provide access to online learning and development, as well as providing our people with a mobile friendly platform to manage their own data, holidays, time off and access to view their wage slips.

Our Customers are the reason for our existence and we therefore strive to provide high quality food with superior service in clean and welcoming restaurants, all at a great value.



Our Suppliers understand the long-term commitment of McDonald's UK, and this has enabled them to grow with us and drive positive change within their own businesses.

The Directors carefully consider the impact of our business on the **communities and the environments** in which our restaurants operate. We arrange regular litter collections in the local area around our restaurants. Recycling units are installed in our restaurants and our paper cups, cardboard, used plastics are separated ready to be sent to recycling centres in the UK. We endeavour to help our customers build communities, support charitable organisations, and use our size, scope and resources to help make local communities and the environment a better place.

In all our activities the Directors require that employees and suppliers conduct business with the highest ethical and professional standards by adhering to our Standards of Business Conduct set by McDonald's Corporation.

Some examples of how the Directors consider these groups during meetings and discussions include the following:

- The Head of HR will provide an update on restaurant recruitment and retention; and report on all relevant employee-related matters, including feedback and updates from our employee surveys and Restaurant Action Teams.
- As part of the monthly meetings, the Directors and Senior Leadership Team considers monthly data relating to customer metrics and customer feedback.
- The Head of Finance will provide an overview on individual restaurant and overall business performance - summarising headline position and short/medium term outlook on profitability and business cash flow.

Further examples of how the Company engages with key stakeholders are detailed below:

Employees

- As a business we leverage our Restaurant Action Teams to help us identify key areas of opportunity and ways in which we can drive improvements in the working environment within our restaurants.
- Action Team leads with meet our Head of HR on a monthly basis to discuss progress and full Action Team meetings are held where all restaurant teams
- The Directors and Senior Leadership Team receive regular recruitment & retention information and this is reviewed and carefully considered with appropriate actions and strategies put in place to ensure our restaurants are appropriately staffed

**Customers:**

- On a monthly basis the business fully reviews and assesses key customer data as provided through direct customer feedback (Food for Thoughts) and feedback received through the McDonald's Customer Services team. This is supplemented by McDonald's established PACE (Performance and Customer Excellence) metrics.

Suppliers

- The Company; through its Directors and Operations Leadership team maintain strong communications lines in place with all key suppliers; monitoring supplier performance and keeping them abreast of Company plans and expectations.

Communities & The Environment

- The Company is an active member of various Business Improvement Districts (BIDs) – Burnley BID, Colne BID, Penrith BID and Kendal BID.
- Through our individual restaurants we support a number of local charities and support many local community fundraising initiatives.
- Every year our restaurants provide many young students with an insight into the world of work and the hospitality industry through our Work Experience programmes and additionally our management teams engage with schools directly through ad-hoc support sessions (e.g. career days, mock interviews)

Lenders

- Both through the Directors and the Head of Finance, the Company is in regular contact with our bank's relationship director – discussing the current business trading environment, short & medium-term business outlook and cash flow projections.
- Through half-yearly face to face meetings we continue to discuss medium & long-term investment plans and the bank's strategy and ability to support with these.

Disclaimer – The above statement has been prepared by the Directors of Nuestra Familia Restaurants Limited and is not an approved statement from McDonald's Restaurants Limited.