Standards of Business Conduct

The Promise of the Golden Arches

“The basis for our entire business is that we are ethical, truthful and dependable.”
“The basis for our entire business is that we are ethical, truthful and dependable. It takes time to build a reputation. We are not promoters. We are business people with a solid, permanent, constructive ethical program that will be in style...years from now even more than it is today.”

– Ray Kroc, 1958
We place the customer experience at the core of all we do
Our customers are the reason for our existence. We demonstrate our appreciation by providing them with high quality food and superior service, in a clean, welcoming environment, at a great value. Our goal is QSC&V for each and every customer, each and every time.

We are committed to our people
We provide opportunity, nurture talent, develop leaders and reward achievement. We believe that a team of well-trained individuals with diverse backgrounds and experiences, working together in an environment that fosters respect and drives high levels of engagement, is essential to our continued success.

We believe in the McDonald’s System
McDonald’s business model, depicted by the “three-legged stool” of owner/operators, suppliers, and company employees, is our foundation, and the balance of interests among the three groups is key.

We operate our business ethically
Sound ethics is good business. At McDonald’s we hold ourselves and conduct our business to high standards of fairness, honesty, and integrity. We are individually accountable and collectively responsible.

We give back to our communities
We take seriously the responsibilities that come with being a leader. We help our customers build better communities, support RMHC, and leverage our size, scope and resources to help make the world a better place.

We grow our business profitably
McDonald’s is a publicly-traded company. As such, we work to provide sustained profitable growth for our shareholders. This requires a continuing focus on our customers and the health of our system.

We strive continually to improve
We are a learning organization that aims to anticipate and respond to changing customer, employee and system needs through constant evolution and innovation.

We aspire to be our customers’ favourite place and way to eat.
To achieve this mission, our actions as individuals and as a system must reflect our Values.
The relationship that exists between McDonald’s and each of its employees is employment at will. This means that either party to the employment relationship may terminate the relationship at any time for any reason, with or without cause or prior notice. Nothing in the Standards of Business Conduct creates any contractual rights between McDonald’s, its employees or any third party. McDonald’s reserves the right to determine how the Standards apply to any particular situation, and to amend or modify the Standards as appropriate without prior notice or agreement. The applicability of any amendments or modifications to an individual employee will depend on the circumstances and applicable law.
INTRODUCTION

THE STANDARDS OF BUSINESS CONDUCT

These Standards of Business Conduct are a guide to the ethical and legal responsibilities we share as members of the McDonald’s family. This is not a complete rulebook that addresses every ethical issue that might arise. It is not a summary of all laws and policies that apply to McDonald’s business. It is not a contract, and it does not replace good judgment. Rather, the Standards of Business Conduct give us guidance and direct us to resources to help us make the right decisions.

APPLICABILITY OF STANDARDS

These Standards of Business Conduct apply to employees of McDonald’s Corporation and its majority-owned subsidiaries worldwide. Non-employee members of McDonald’s Board of Directors must abide by the Code of Conduct for the Board of Directors of McDonald’s Corporation, which is posted and maintained at the McDonald’s website at www.mcdonalds.com. The Standards do not apply to our owner/operators, suppliers or their employees. However, as members of the McDonald’s System, we expect them to be aware of the Standards, to develop their own policies and procedures that are consistent with the spirit of the Standards and to fully support our employees in complying with the Standards. This shared commitment will help ensure that we earn our reputation as a company that conducts business with integrity.

PUBLICATION, AMENDMENTS AND WAIVERS

The current version of the Standards of Business Conduct will be posted and maintained on the McDonald’s website at www.mcdonalds.com. Amendments will also be posted on the website, as required by applicable law. In the extremely unlikely event that a waiver of the Standards of Business Conduct for executive officers would be in the best interests of the Company, it must be approved by the Audit Committee of McDonald’s Corporation, and disclosed promptly as required by law. Because the Standards of Business Conduct are revised periodically, please check the website for the most recent version.
MANAGEMENT COMMITMENT
McDonald’s management is committed to living up to high standards of ethical behaviour. The McDonald’s Board of Directors in the U.S. oversees the Company’s commitment to ethics and compliance with legal standards. To help our employees live up to our Standards of Business Conduct, McDonald’s has established the Global Compliance Office. This office is responsible for overseeing the Company’s compliance with these Standards and other McDonald’s policies. Apart from the Global Compliance Office, the employees can also contact the Company’s Legal department or the Human Resources department for any help.

PERSONAL ACCOUNTABILITY
To the rest of the world, each of our actions represents McDonald’s, and we must do our best at all times to uphold the reputation of our Company. Our success depends on each of us accepting personal responsibility for doing the right thing. We accept the obligation to stop or prevent actions that could harm customers, the System or McDonald’s reputation, and to report any such actions as soon as they occur.

Employees who violate the law or the Standards of Business Conduct are subject to disciplinary action, up to and including termination of employment.

ADDITIONAL RESPONSIBILITIES OF SUPERVISORY EMPLOYEES
Those employees who have supervisory authority over others are in positions of trust and influence. Therefore, they have special responsibilities under the Standards of Business Conduct to sustain an ethical work environment and to lead by example. They must ensure that the employees who report to them understand and follow the Standards and complete all required compliance and ethics training. In addition, they must communicate relevant McDonald’s policies to employees and assist them in understanding such policies.

Supervisors must maintain open and honest two-way communication with employees. This means encouraging employees to ask questions, make suggestions and report wrongdoing. Finally, supervisors must follow up on allegations of wrongdoing that are brought to their attention and take appropriate corrective or disciplinary action.

OPEN COMMUNICATION/ BUSINESS INTEGRITY LINE
At McDonald’s, we speak honestly and openly and listen for understanding. We raise questions or issues, even if they are difficult.

If you know of any violation of the Standards of Business Conduct or of any applicable law, you are responsible for reporting the violation immediately.

There are a number of ways to raise issues. If you believe that a law has been violated, consult with the Global Compliance Office or the Legal Department immediately. For other matters, you can talk to your direct supervisor or another member of management, or contact Human Resources or the Global Compliance Office. You can also call the McDonald’s Business Integrity Line, a toll-free telephone line reserved specifically for employee calls on ethics and compliance issues.

The McDonald’s Business Integrity Line is staffed 24 hours a day, 7 days a week, 365 days a year by an outside firm experienced in handling sensitive calls. Phone 1-800-261-9827 within the United States. Reverse charges if outside the U.S. Interpreters are available. Callers may report anonymously, and no attempt will be made to identify them. Anonymous callers should know, however, that it is sometimes more difficult to follow up on issues raised anonymously.
WE PLACE THE CUSTOMER EXPERIENCE AT THE CORE OF ALL WE DO

OUR CUSTOMERS

PRODUCT QUALITY AND SAFETY

Clean restaurants. Great tasting and safe food. Child-friendly Happy Meal toys. These have long been hallmarks of McDonald’s, and fundamental to our brand promise.

McDonald’s is committed to ensuring that the foods and beverages we serve to our customers are safe. This means working with our suppliers who monitor, test and track ingredients. In addition, we have a comprehensive program to ensure the safety of all toys and promotional items. Our safety and quality standards for food, beverages, toys and promotional items meet or exceed all applicable government requirements. We support additional measures to help protect consumers and ensure the safety of local food supplies. We view this as part of our responsibility as a good corporate citizen, and we know it is also essential to the continuing growth and profitability of our business.

It is the responsibility of every McDonald’s employee to follow all applicable safety and hygiene policies and procedures. Notify your manager if you become aware of a problem relating to the safety of our products.

Walking the Talk

“We are representing the McDonald’s brand every single day and with every word, every message that we give to our customers—and to our fellow employees.”

—McDONALD’S EMPLOYEE
CONFIDENTIAL INFORMATION

Information is a valuable asset. Do not disclose confidential information to anyone outside McDonald's, and do not discuss it with McDonald's employees who do not have a business need to know the information. Confidential information may include, for example, unpublished sales and financial information, major Company changes, product or operating formulas and methods, marketing and real estate plans, research results, employee data, and information about relationships with suppliers, franchisees and others. Treat any information as confidential if it could be helpful to competitors, breach the privacy of employees, franchisees or customers, or be harmful to the McDonald’s System if publicly disclosed.

Take precautions against accidentally disclosing confidential information. For example, mark it appropriately, never discuss it in public places and keep your laptop secured. Never send confidential information through e-mail unless you have taken precautions to ensure it is safe.

MARKETING

Our brand promise begins even before our customers enter our restaurants, with advertising and marketing that is truthful, tasteful and worthy of one of the world’s most well-known retail brands. McDonald’s Golden Arches Code: Policies & Standards contains information on our commitment to how and what we communicate in our advertising and marketing, as well as our legal and trademark policies and standards.

Question: What is confidential information?
Answer: Confidential information is all non-public information that might be of use to competitors or harmful to the owner of the information if disclosed. Examples would include information on business plans or operations that are not known to the general public or competitors.

Question: I just returned from a regional meeting where I learned about McDonald’s exciting new product plans and excellent financial results that will be announced soon. I am very proud of McDonald’s success and am eager to share the news. Can I tell my family, or answer questions if a reporter contacts me?
Answer: No. This information has not been released to the public and is confidential. Unauthorized disclosure could have serious consequences. For example, McDonald’s could be placed at a competitive disadvantage or exposed to legal liability. Never disclose confidential Company information to reporters or anyone outside McDonald’s.

PERSONAL DATA

We respect and value the privacy of our employees, customers and franchisees, and maintain confidentiality when handling their personal information. This means that you must treat all employee, customer and franchisee personal data with care and respect, while guarding against inappropriate access and disclosure. You must never use any such data for personal benefit or in any other inappropriate way.

McDonald’s Golden Arches Code: Policies & Standards

Available on McDonald’s Intranet AccessMCD

Proper Protection of Confidential Information:

- Miguel only discusses potentially confidential or trade secret information with those in the Company who have a need to know, and limits distribution of information to the smallest possible group.
- Carol always puts confidential information in a locked drawer when she goes to lunch.
- Ritu never leaves her laptop unattended or shares her password with anyone else. Whenever she leaves her workstation, she either locks her computer or switches it off.
- Since Joe’s job involves employees’ personnel files, he always keeps them in a locked cabinet.
- Rita always obtains a signed confidentiality agreement from prospective vendors before providing them with information about McDonald’s.
OUR PEOPLE

EMPLOYMENT EXPERIENCE
We provide opportunity, nurture talent, develop leaders and reward achievement. We believe that a team of individuals with diverse backgrounds and experiences, working together in an environment that fosters respect and drives high levels of engagement, is essential to our continuing business success.

PROTECTION AGAINST RETALIATION
McDonald’s protects employees against retaliation. We strictly prohibit retaliation against employees who report misconduct, raise a concern or cooperate in an investigation, provided that the employees have acted in good faith and with a reasonable belief that the information provided is true. Anyone who retaliates will be subject to disciplinary action, up to and including termination of employment. If you believe that you have been the subject of retaliation, contact Human Resources, the Legal Department or the Global Compliance Office.

WE ARE COMMITTED TO OUR PEOPLE
INCLUSION AND DIVERSITY

McDonald’s is committed to diversity and equal opportunities for everyone. We respect the unique attributes and perspectives of every employee, and we rely on these diverse perspectives to help us build and improve our relationships with customers and business partners. We embrace the diversity of our employees, franchisees, customers and business partners, and work hard to make sure everyone at McDonald’s feels welcome.

McDonald’s provides equal treatment and equal employment opportunity without regard to race, ethnicity, colour, religion, gender, age, national origin or ancestry, physical or mental disability, sexual orientation, military status or any other basis protected by law. This policy applies to our employees, applicants, independent contractors, franchisees, vendors and suppliers. It also applies to all aspects of McDonald’s dealings with customers and to our employment decisions, including recruitment, hiring, placement, development, promotion, training, scheduling, benefits, compensation and termination.

SAFE WORKPLACE

We are committed to providing a safe and healthful working environment for our employees. We require all employees to abide by safety rules and practices and to take the necessary precautions to protect themselves and their fellow employees. For everyone’s safety, employees must immediately report accidents and unsafe practices or conditions to their immediate supervisors.

ALCOHOL AND DRUGS

As a McDonald’s employee, you cannot possess or use alcohol or illegal drugs in the workplace, or while engaged in any job-related activity. You cannot work under the influence of alcohol, illegal drugs or any substance that could prevent you from performing your job safely and effectively. You cannot distribute any drugs or alcohol at work. You cannot possess or consume alcohol on Company premises except at McDonald’s-sponsored social events where alcohol is authorized.

Question: Several of my co-workers often tell distasteful jokes, but I am not comfortable telling them these jokes are offensive to me. Does McDonald’s allow this?

Answer: No. Respect for people is a long-standing McDonald’s value. Since you are not comfortable talking to your colleagues about the need for this inappropriate behaviour to stop, raise your concerns with your supervisor or Human Resources. If you wish to report anonymously, call the Business Integrity Line at 1-800-261-9827.

HUMAN RIGHTS AND THE LAW

We support fundamental human rights for all people. We will not employ underage children or forced labourers. We prohibit physical punishment or abuse. We respect the right of employees to associate or not to associate with any group, as permitted by and in accordance with applicable laws and regulations. We comply with employment laws in every market where we operate.

For more information on these topics, see:

McDonald’s Human Resource Operating Guidelines

Available on McDonald’s Intranet

AccessMCD

RESPECT AND DIGNITY

Each of our employees throughout the world deserves to be treated with fairness, respect and dignity. We provide equal opportunity for employees and applicants.

McDonald’s employees have the right to work in a place that is free from harassment, intimidation or abuse, sexual or otherwise, or acts or threats of physical violence. We do not tolerate verbal or physical conduct that demeans another person, unreasonably interferes with another’s work performance or creates an intimidating, abusive, hostile or offensive work environment.

For purposes of this policy, harassment includes slurs, offensive remarks, jokes, electronic communications, and other visual, verbal or physical conduct that could create an intimidating, hostile or offensive work environment.

In addition to the above, “sexual harassment” includes unwelcome sexual advances, requests for sexual favours and other conduct of a sexual nature.

Question: Jerry and his supervisor, David, travel together on business quite frequently. Each time they travel, David charges small personal items to his Company American Express card and Jerry is aware of David’s charges. Jerry would like to let someone know that David is improperly using his Company credit card, but he is afraid that this will affect his job. Is it Jerry’s responsibility to report David’s questionable charges?

Answer: Yes. Jerry should report David’s charging activities without fear of retaliation. He has several options. He can report David’s charging activities directly to David’s supervisor, contact the Global Compliance Office, or if he prefers to report anonymously, he can contact the Business Integrity Line at 1-800-261-9827.
McDONALD’S SYSTEM

ACTING IN McDONALD’S BEST INTEREST
We act for the long-term benefit of McDonald’s, never for personal gain or to favour family or friends.

OWNER/OPERATOR RELATIONSHIPS
We built our great System by helping owner/operators achieve their potential in a positive business relationship with McDonald’s. We did this by treating them with respect, fairness and honesty, through good times and difficult ones. Treating our owner/operators right continues to be a key to our success, and is the responsibility of all employees.

These Standards do not apply to McDonald’s owner/operators or their employees, who are independent business men and women. However, we expect our owner/operators to maintain high standards of integrity and to abide by all applicable laws and regulations, including laws regarding human rights, workplace safety and worker compensation and treatment.

WE BELIEVE IN THE McDONALD’S SYSTEM
SUPPLIER RELATIONSHIPS

As a supplier to the first McDonald’s, Ray Kroc knew the importance of building strong relationships with suppliers. We still do. We treat our suppliers respectfully, fairly and honestly, and expect our suppliers to treat us in the same way.

McDonald’s bases its relationships with suppliers on lawful, efficient and fair practices. Although these Standards of Business Conduct do not apply to our suppliers, we expect our suppliers to adhere to applicable legal requirements in their business relationships, including those with their employees, their local communities and McDonald’s. In addition, all of our suppliers are required to affirm our Code of Conduct for Suppliers.

As a global company, McDonald’s does business with suppliers from many countries of diverse cultural, social and economic circumstances. McDonald’s is committed to fair employment practices and strives to provide a safe, healthful and productive work environment for its employees. In turn, we strive to work with suppliers who share our values. This means our suppliers are expected to share our support of fundamental rights for all people: to treat their employees with fairness, respect and dignity and to follow practices that promote health and safety.

We regularly review and update our sourcing and sustainability activity to ensure it consistently meets our standards. We strive to work with suppliers that are committed to our universal principles of doing business in a responsible and ethical manner.

Question: Do McDonald’s suppliers and owner/operators complete the annual certification of compliance with the Standards of Business Conduct?

Answer: No. However, suppliers and owner/operators are expected to uphold similar principles as those outlined in the Standards and support McDonald’s employees in complying with the Standards. In addition, they are expected to operate their businesses ethically and abide by all applicable laws and regulations.

McDonald’s Code of Conduct for Suppliers

Available on McDonald’s Intranet AccessMCD and www.mcdonalds.com
ETHICS

WE OPERATE OUR BUSINESS ETHICALLY

PROTECTING COMPANY ASSETS

All McDonald’s employees must safeguard Company assets, including our most valuable asset: our brand. One of the ways we protect our brand is to prevent the improper use of the McDonald’s name, trademarks or other intellectual property.

You are responsible for proper use and protection of Company assets, and must use them only for legitimate business purposes. Exercise good judgment and responsibility in your use of Company assets, and do not abuse any privileges that you receive in your position at McDonald’s. Company assets include financial assets, vehicles, office supplies, equipment, computers, networks, software, telephone and internet services, voice mail and e-mail.

- Never use Company computers or networks in a way that could compromise the security or integrity of Company information or software.
- Never use Company computers or networks to access, receive or transmit materials that are inappropriate, illegal or may violate our policy regarding confidentiality.
- Do not loan, borrow, donate, sell or dispose of any Company property unless specifically authorized by the officer in charge.
- Never use Company property, information or position for personal gain.
- Never take part in any action that involves theft, fraud, embezzlement, extortion or misappropriation of property.
CONFLICTS OF INTEREST

Each of us must avoid any situation in which our personal or financial interests might cause our loyalties to be divided. We must avoid even the appearance of a conflict of interest that might cause others to doubt our fairness or integrity. You are responsible for disclosing any actual or potential conflict of interest situation to the Legal Department or the Global Compliance Office, and abiding by any conditions placed on you to control or eliminate the conflict. Such conditions may include, for example, removing you from decision-making on behalf of McDonald’s or having you dispose of the outside interest that creates the conflict.

Doing Business with Family and Friends

A conflict of interest may arise when you have any business dealings with family members or close personal friends. You must disclose any potential conflict of interest to both your supervisor and the Global Compliance Office. Also, be very cautious about sharing information with relatives or friends who work for competitors, or have business interests in competitors. The same holds true if you have family or friends who work for McDonald’s suppliers, vendors, service providers or owner/operators, or have business interests in such companies.

Outside Employment and Other Business Arrangements

All of us have a primary duty to advance McDonald’s interests. Outside employment or other business arrangements must not interfere with this obligation. As a McDonald’s employee, you may not accept or receive compensation from any supplier or business entity with whom you are conducting business on behalf of McDonald’s.

Question: My brother owns a company that he believes can supply higher-quality and less expensive supplies to McDonald’s than the current vendor. Can we use his company?

Answer: Maybe. Always notify your supervisor, or the individual responsible for making purchasing decisions, of any close relationship you have with any of our vendors as well as disclosing the potential conflict of interest to the Global Compliance Office. Each situation will be reviewed on a case-by-case basis.

Question: I have developed a friendship with a supplier and am considering entering into a partnership with him in a business venture unrelated to McDonald’s. Would this violate Company policy?

Answer: Yes, it probably would. Even if you are able to keep your personal and financial dealings from affecting your judgment on behalf of the Company, others may perceive that you are biased. Before taking any action, you must discuss your plans with both your supervisor and the Global Compliance Office.

Gifts, Favours & Business Entertainment

We will not pay bribes or provide anything of value that may influence or appear to influence the judgment or actions of another. We will not seek or accept bribes, kickbacks or any improper payments. We exercise good judgment and moderation in providing business gifts or entertainment. We respect the policies of other organizations with which we do business.

The purpose of business gifts and entertainment in a commercial setting is to create goodwill and sound working relationships.

The following applies to Company employees, immediate family members of Company employees, and agents or third parties working on behalf of the Company:

Do not offer, give or accept any gift, entertainment or other personal benefit if it:

- Is inconsistent with customary business practices;
- Is cash or a cash equivalent;
- Is excessive in value;
- Could be construed as a bribe or payoff; or
- Violates any laws or regulations.

If you are not certain about whether any gift, proposed gift or other personal benefit is appropriate, you must consult your supervisor and the Legal Department before taking any action.

Question: One of my vendors asked me to speak at a conference that they are sponsoring and has offered to pay all of my expenses. Can I accept this offer?

Answer: Maybe. If your supervisor approves, you can agree to speak at the conference. However, McDonald’s generally does not allow vendors to pay travel and hotel costs for employees. Discuss the invitation with your supervisor since this situation depends on the specific facts and circumstances.

Question: In my country, refusing a gift from a business associate can be considered an insult. What should I do if I am offered an expensive gift and know that I will cause offence if I do not accept it?

Answer: If it is customary to exchange gifts in the local culture and you believe that you will harm McDonald’s business relationships if you do not accept a gift, you may accept the gift on behalf of the Company. You must then disclose the gift to your supervisor to determine appropriate disposition, or you may contact the Global Compliance Office for guidance.
Employees may not own a substantial interest in any competitor of McDonald’s, or any business entity that is currently doing business, or seeking to do business with McDonald’s. This rule applies to both direct and indirect ownership. As per the applicable laws in the U.S., “Substantial interest” is an ownership interest greater than 5% of the total net worth of the employee and immediate family members, or greater than 1% of the outstanding equity securities for investments in a public company. The definition of “substantial interest” may vary from country to country.

As per Indian Income Tax laws, a person has “substantial interest” if he is a beneficial owner of at least 20% or more of the equity capital or total voting power in the company. There may be an exception for investments in mutual funds or managed accounts in which employees do not choose the investment.

Do not take personal advantage of business or investment opportunities that are discovered through the use of Company property, information or position. This includes directly or indirectly buying, leasing or otherwise acquiring rights to any property or materials if McDonald’s might appear to affect your judgment on business decisions relating to that enterprise. Be mindful of potential conflicts that may arise in investments in private and public companies, and be sensitive to any insider trading issues that may be associated with investments in public companies. (See "Inside Information and Securities Trading" on page 39 of this Standards booklet for more information.)

Almost all business records, including e-mail and computer records, may become subject to public disclosure in the course of litigation or governmental investigations. Records are also often obtained by outside parties or the media. Therefore, you should be clear, concise, truthful and accurate when recording any information. Avoid exaggeration, colourful language, guesswork, legal conclusions, and derogatory characterizations of people and their motives.

Handle all documents in accordance with McDonald’s Records Management Policy. Contact the Legal Department if you have any doubt about whether to save or destroy a document.

**Question:** I have my own business and do a lot of my business over the internet. I have been using my McDonald’s computer to send e-mail and search the internet for my own business on my lunch break and after work. Is this okay?

**Answer:** No. Using Company equipment and/or internet service to pursue or conduct non-McDonald’s business is not acceptable.

**BUSINESS RECORDS AND COMMUNICATIONS**

Shareholders count on McDonald’s to provide honest and accurate information and to make responsible business decisions based on reliable records. All financial books, records and accounts must accurately reflect transactions and events. They must also conform both to generally accepted accounting principles and McDonald’s system of internal controls. To ensure the accuracy of all McDonald’s records, you must never:

- Make false entries or alter receipts on expense reports;
- Enter false information on time sheets;
- Alter or falsify quality or safety results;
- Understate or overstate known liabilities or assets;
- Maintain undisclosed or unrecorded liabilities, funds or “off the book” assets;
- Improperly record or fail to record items that should be expensed; or
- Make any entry that intentionally hides or disguises the true nature of any transaction.

**ELECTRONIC COMMUNICATIONS USAGE**

Everything related to McDonald’s e-mail and other electronic communications systems, including all communications and information created, received, saved or sent on McDonald’s systems, is the property of the Company. Employee e-mail sent and received through Company computers, including e-mail and internet search activity using third-party internet service providers, is subject to search and monitoring, with or without notice, regardless of whether the Company’s systems are accessed in or out of the office, or whether the communications pass through the Company’s server. The Company will periodically and randomly perform monitoring of individual employee usage. For these reasons, employees have no personal right to privacy in any material created, received, saved or sent using the Company’s e-mail or computer systems, including through third-party internet service providers, nor an expectation of privacy in such communications. In addition to complying with these requirements, all employees must read and comply with McDonald’s Electronic Communications Policy, which is available on AccessMCD.

**McDonald’s Electronic Communications Policy**

**Available on McDonald’s Intranet AccessMCD**
THE LETTER AND SPIRIT OF THE LAW

Our first and most fundamental obligation in every place where we do business is to obey the letter and spirit of the law. This applies both to McDonald’s employees and to third parties acting on behalf of our Company. If you have a concern about the legality of any matter, you are responsible for consulting with the Legal Department before any potentially illegal acts have taken place.

INTERNATIONAL BUSINESS

McDonald’s complies with all applicable laws and regulations wherever we do business. Almost every country in the world prohibits making payments or offers of anything of value to government officials, political parties or candidates in order to obtain or retain business. We must never pay commissions or fees to dealers, distributors, agents, finders or consultants that are used as a bribe or kickback.

Though we are a Company incorporated in India, some U.S. laws may apply to our business even being outside the U.S. Among these are laws that:

- Ensure that companies do not cooperate in any way with unsanctioned boycotts;
- Restrict trade with certain countries;
- Prohibit dealings that could aid terrorists or organizations that support terrorists; and
- Require that transactions are not being used for money laundering.

ANTI-BRIBERY

For more than three decades, the U.S. Foreign Corrupt Practices Act (“FCPA”) has applied to McDonald’s business operations globally. The FCPA is a U.S. law that makes it a crime to pay or offer to pay anything of value, directly or indirectly, to any non-U.S. official, including employees of state-owned companies, political candidates or anyone acting on behalf of a public organization and is applicable to all subsidiaries and joint ventures of U.S. Companies. The FCPA also requires that all publicly-traded companies maintain a system of internal controls and books and records that accurately reflect every transaction.

All employees, agents, consultants, representatives and joint venture partners acting on behalf of McDonald’s or its controlled subsidiaries must fully comply with the provisions of the FCPA. We do not tolerate violations. Compliance is a condition of employment or association with our Company.

Interpreting the FCPA is not a simple task. There are times when situations fall into the “grey areas” of the FCPA. If you have any questions regarding the FCPA or a request for payment, contact the Global Compliance Office or the Legal Department.

For more information on Anti-Bribery, see:

Policy for Selection of Foreign Agents

Available on McDonald’s Intranet AccessMCD
COMMUNITY AND GIVING BACK

McDonald’s has a long, proud tradition of giving back to our local communities. We know it is the right thing to do, and that it is one of our great strengths. As leaders in social responsibility, we have a positive influence on our neighbourhoods, people and the environment.

Our Company, employees and owner/operators donate millions of dollars and countless hours to charitable organizations around the world, particularly those that address the needs of children. We also rise to the occasion when disasters strike, working with owner/operators, suppliers and disaster relief organizations to assist victims and relief workers.

Ronald McDonald House Charities (“RMHC”) and its local Chapters have a special place in our philanthropy. Each year McDonald’s restaurants raise millions of dollars for RMHC and other children’s causes. McDonald’s helps defray RMHC’s general and administrative costs and certain other costs it would otherwise incur to raise funds and deliver program services.

WE GIVE BACK TO OUR COMMUNITIES
Our Communities

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Corporate Social Responsibility

We take seriously the responsibilities that come with being a leader. We leverage our size, scope and resources to help make the world a better place. We publish our Worldwide Corporate Responsibility Report to provide information on the impacts of our business, as well as our most recent initiatives in areas including the environment, nutrition and sustainability.

Environmental Responsibility

McDonald’s is committed to environmental responsibility, and everyone in the System has a role to play in living up to that commitment. We focus our efforts on areas where we can have significant impact on critical environmental issues, including climate change, natural resource conservation and waste management.

We continuously listen, learn and invest in innovations that can improve our environmental footprint. We partner with other organizations to raise environmental awareness. We work with our key suppliers to promote environmentally responsible practices in their operations.

Question: While attending a business function in Los Angeles, I had the opportunity to attend a $200-a-plate dinner in support of a politician running in the next election. I included the cost of the dinner on my expense report, but my supervisor will not approve the expense. Since McDonald’s covers the cost of meals for employees travelling on business, why would my supervisor not approve this dinner charge?

Answer: McDonald’s will not cover this expense because it was not pre-approved by the head of Government Relations. You must cover the dinner expense from your own funds. Otherwise, it could appear that you were donating to the candidate in your capacity as a McDonald’s employee and that McDonald’s was supporting this candidate.

Sustainable Supply Chain

We envision a supply chain that profitably yields high-quality, safe products without supply interruption while leveraging our leadership position to create a net benefit by improving the ethical, environmental and economic outcomes.

McDonald’s Worldwide Corporate Responsibility Report

Available on McDonald’s Intranet
AccessMCD and
www.mcdonalds.com
Most of the countries in which we operate around the world have fair competition or antitrust/consumer protection laws in place to safeguard the rights of consumers to the best products at the best prices. McDonald’s supports and complies with these laws. In India, the Consumer Protection Act, Competition Act and Monopolistic and Restrictive Trade Practices (MRTP) Act, among other things, generally prohibit:

- Entering into any formal or informal agreement or understanding with competitors that fixes, controls or affects prices, products, terms of sale, costs, profits or profit margins, markets or market share, or distribution practices.
- Agreements or understandings with competitors to allocate customers or products, to boycott suppliers or persons with whom they would otherwise transact business, or to bid or not to bid on business generally.
- Entering into any agreement in respect to production, supply, distribution, storage, acquisition or control of goods or provision of services, which causes or is likely to cause an appreciable adverse effect on competition within India, unless such agreement increases efficiency in production, supply, distribution, storage, acquisition or control of goods or provision of services.
- Entering into an agreement with enterprises or persons at different stages or levels of the production chain in different markets, in respect to production, supply, distribution,
storage, sale or price of, or trade in goods or provision of services, including:

(a) tie-in arrangement; which includes any agreement requiring a purchaser of goods, as a condition of such purchase, to purchase some other goods;

(b) exclusive supply agreement; which includes any agreement restricting in any manner the purchaser in the course of his trade from acquiring or otherwise dealing in any goods other than those of the seller or any other person;

(c) exclusive distribution agreement; which includes any agreement to limit, restrict or withhold the output or supply of any goods or allocate any area or market for the disposal or sale of the goods;

(d) refusal to deal; which includes any agreement which restricts, or is likely to restrict, by any method the persons or classes of persons to whom goods are sold or from whom goods are bought;

(e) resale price maintenance, which includes any agreement to sell goods on condition that the prices to be charged on the resale by the purchaser shall be the prices stipulated by the seller unless it is clearly stated that prices lower than those prices may be charged.

Competition laws also govern our relationships with suppliers and owner/operators. Employees who work with supplier councils or local advertising cooperatives should consult the Legal Department about any fair competition or antitrust issues. If you have a question about these issues or any other discussion, decision or action that has potential antitrust implications, consult the Legal Department before taking any action.

**Question:** In the course of doing my job at McDonald’s, I learned that one of our suppliers is about to announce a breakthrough that should greatly increase the value of its stock. May I purchase shares of stock in the supplier now before the news is public?

**Answer:** No, for two reasons. First, this would be a conflict of interest. You are not allowed to use information acquired solely as a result of your relationship with McDonald’s for personal benefit. Second, using this information could be insider trading, which is illegal. You may not buy or sell shares based on non-public information you receive about McDonald’s or other companies in the course of your employment at McDonald’s.

**TRADE PRACTICES**

Information about competitors and suppliers is a valuable asset. We respect the rights of competitors and suppliers, and we will act fairly toward them in the marketplace. We strive for competitive advantages through superior research, marketing, execution, quality and service — never through unethical or questionable business practices. We do not engage in unfair or illegal trade practices.

The following rules apply when McDonald’s or anyone working on our behalf gathers or uses information concerning competitors or suppliers:

- Respect the proprietary rights of others, including patents, copyrights and trademarks;
- Do not accept, disclose or use information that was disclosed to you in breach of a confidentiality agreement;
- Do not disclose or use information that could be proprietary or confidential without consulting the Legal Department;
- Do not use unethical or illegal methods to gather information about other companies;
- Do not steal trade secret information, or persuade past or present employees of other companies to disclose trade secrets; and
- Do not take any action that could create an appearance of an improper agreement with competitors.

**INSIDE INFORMATION AND SECURITIES TRADING**

Information that has not been made available to the public and that a reasonable person would consider important in making an investment decision is commonly called inside information. Inside information also includes information that relates to other public companies’ stock. Examples of inside information would be significant upward or downward revisions to earnings forecasts, significant restructurings, management changes and important product or litigation developments.

It is illegal to buy or sell securities of any company, including McDonald’s, based on inside information. It is also illegal to inform others about inside information, or to make stock buying or selling recommendations to others based on such information.
CONTINUOUS IMPROVEMENT

CORPORATE GOVERNANCE AND INTERNAL CONTROLS
We believe that effective corporate governance begins with an independent Board of Directors which monitors the Company’s performance on behalf of shareholders. We also have a system of internal controls and reporting mechanisms designed to protect the assets and operations of the Company and to provide management and the Board with accurate, honest and timely information. The Audit Committee of McDonald’s Corporation and its outside auditor provide independent oversight in connection with the preparation of the Company’s financial statements and the Company’s internal control systems. Employees are required to live up to the letter and spirit of our system of internal controls, and to cooperate fully with any audit or investigation.

INTERNAL INVESTIGATIONS
McDonald’s takes allegations of misconduct very seriously. If you become aware of an internal investigation, or if you are asked to provide information or to assist with an internal investigation, the following rules apply:

- You may not discuss anything about the investigation with any person, either inside or outside of McDonald’s, without the express consent of those authorized to conduct the investigation;
- You are required to disclose any relevant information in a complete and truthful manner, and to cooperate fully with the authorized investigation team throughout the course of the investigation; and
- If you interfere with or provide false information in the course of the investigation, you may be subject to disciplinary action, up to and including termination of employment.
Each of us must personally stand for these values, but still, we are stronger when acting together in our goal of upholding them. Get support if you need it. These resources are a good place to start.

**PEOPLE/YOUR EXTENDED TEAM**
- Your supervisor
- Another member of management
- Your officer-in-charge
- Human Resources
- Legal Department
- Internal Audit
- Business Integrity Line 1-800-261-9827
- Employee Assistance Programs (EAP)

You can obtain copies of McDonald’s Standards of Business Conduct from Human Resources or the Legal Department for your area or from the Global Compliance Office.

**POLICIES/YOUR EXTENDED INFORMATION NETWORK**
Copies of these policies are available through www.mcdonalds.com or AccessMCD:
- Code of Conduct for Suppliers
- Electronic Communications Policy
- Golden Arches Code: Policies & Standards
- Human Resource Operating Guidelines
- Policy for Selection of Foreign Agents
- Records Management Policy
- Worldwide Corporate Responsibility Report

There may be additional policies that serve as resources. Employees are expected to be aware of and comply with additional policies that govern their job.

**REPORTING CONCERNS**

- Employee has ethics or compliance question or concern
  - Employee speaks with direct supervisor or other manager
  - Employee contacts Global Compliance Office directly: face-to-face, phone, e-mail, fax or mail
  - Employee calls Business Integrity Line (may choose to remain anonymous)
  - Global Compliance Office provides guidance or investigates issue
  - Information forwarded to Global Compliance Office
  - Employee makes informed decision OR Issue is resolved
  - Global Compliance Office provides guidance or investigates issue
  - Information forwarded to Global Compliance Office
  - Employee calls Business Integrity line (may choose to remain anonymous)
  - Global Compliance Office provides guidance or investigates issue
  - Information forwarded to Global Compliance Office
  - Employee makes informed decision OR Issue is resolved

**ADDITIONAL RESOURCES**

- Haydee Olinger
  Corporate Vice President
  Chief Compliance Officer

- Gloria Santona
  Corporate Executive Vice President. General Counsel and Secretary

**GLOBAL COMPLIANCE OFFICE**
P.O. Box 4567
Oak Brook, IL 60522-4567
Phone: 630-623-3522
Fax: 630-623-7125
or business.integrity@us.mcd.com
or BUSINESS INTEGRITY LINE 1-800-261-9827

The Business Integrity Line is staffed by a live operator from an outside company, 24 hours a day, 7 days a week, 365 days a year. Calls are free, confidential and may be made anonymously. Interpreters are always available.
Frequently Asked Questions about the Global Compliance Office:

Question: What are my options for reporting an issue or concern?
Answer: You can contact the Global Compliance Office in many ways:
1. Meet face-to-face with a member of the Global Compliance staff.
2. Call Global Compliance: 630-623-3522
3. Fax to Global Compliance secure fax line: 630-623-7125
4. Mail hard copy to Global Compliance secure address: P.O. Box 4567, Oak Brook, IL 60522-4567
5. E-mail to Global Compliance secure e-mail: business.integrity@us.mcd.com
6. Business Integrity Line: 1-800-261-9827

Question: If I call the Business Integrity Line, will I have to give my name?
Answer: No. Your call goes to a third party who will listen to your questions and concerns without collecting identifying information.

Question: How will I know whether my issue was addressed?
Answer: The Global Compliance Office initiates investigations. We work with many other departments including Human Resources, Internal Audit and Security when conducting investigations and bringing them to closure. When you call to follow up on your question or concern, we will give you an answer or tell you that appropriate action has been taken. We must respect all parties involved in an investigation, so the amount of information that we can provide will be different in each situation.

Question: What if someone makes a false accusation?
Answer: It depends. We are very thorough in our investigations and we respect all employees. No disciplinary action will be taken without a full investigation. However, an employee who knowingly makes a false report will be subject to discipline, up to and including termination.

Stop and Reflect

Is it legal? Is it right?
Will customers, co-workers, friends and family approve?
Will I feel good about my decision tomorrow?
If the answer to all these questions is "yes" — then you are on the right track.

SUPPLEMENT TO THE STANDARDS OF BUSINESS CONDUCT RELATING TO THE U.S. FOREIGN CORRUPT PRACTICES ACT

McDonald’s expects its employees to comply with applicable local laws and to maintain high ethical standards at all times. The Standards of Business Conduct apply to McDonald’s employees in the United States and in all other countries of the world in which McDonald’s operates. This supplement emphasizes and clarifies aspects of the Standards relating to the United States Foreign Corrupt Practices Act (“FCPA”), a U.S. anti-bribery law that applies to McDonald’s Corporation, its subsidiaries, joint ventures and its officers, employees, representatives and agents.

1. Payments to Government Officials. No employee of McDonald’s Corporation or any subsidiary or joint venture shall offer or make any payment to secure, maintain, or direct business to any government official. “Government Official” would include employees of any foreign government, government agency, public international organization or political party. “Government Official” would also include any political official or candidate for public office, or any person acting in an official capacity for or on behalf of any of the above. The FCPA also prohibits payments made indirectly through a third party, especially if it is likely or certain that the payment or offer of payment will be made to a government official for the purposes of influencing the official’s acts or decisions.

2. Cash and Third Party Country Payments or Gifts. To avoid even the appearance of impropriety, no payments to any third party shall be made in cash other than documented cash disbursements. No corporate check shall be written to “cash,” “bearer” or third party designees of the party entitled to payment. No payments shall be made outside the recipient’s country of residence without prior written approval of the General Counsel of McDonald’s Corporation. In addition, no entertainment or gifts may be offered, or travel expenses paid, to any government official without prior written approval of your Legal Department or Area of the World General Counsel.

3. Books and Records. Employees must help to ensure that corporate books and records accurately and fairly reflect in reasonable detail all transactions and dispositions of assets. McDonald’s prohibits creating or maintaining undisclosed or unrecorded funds or assets for any purpose. No employee shall participate in falsifying any accounting or other business record. All employees must respond fully and truthfully to any questions from McDonald’s Corporation’s internal or independent auditors.

Standards of Business Conduct
**Calls to the McDonald’s Corporation Business Integrity Line in the United States.**

In order to contact the McDonald’s Corporation Business Integrity Line in the United States, please locate the local AT&T Direct Access Number for the country you are calling from on the list below:

<table>
<thead>
<tr>
<th>Country</th>
<th>Access Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>American Samoa</td>
<td>1-800-225-5288</td>
</tr>
<tr>
<td>Australia (Telstra)</td>
<td>1-800-881-011</td>
</tr>
<tr>
<td>Australia (Optus)</td>
<td>1-800-551-155</td>
</tr>
<tr>
<td>Bahrain</td>
<td>800-00-001</td>
</tr>
<tr>
<td>Bahrain (Cellular)</td>
<td>800-000-00</td>
</tr>
<tr>
<td>Bahrain (US Military Bases)</td>
<td>800-000-05</td>
</tr>
<tr>
<td>Brunei</td>
<td>800-1111</td>
</tr>
<tr>
<td>China (PRC-South, Shanghai-Telecom)</td>
<td>108-888</td>
</tr>
<tr>
<td>China (PRC-North, Beijing CNCG)</td>
<td>108-888</td>
</tr>
<tr>
<td>Cyprus</td>
<td>800-900-10</td>
</tr>
<tr>
<td>Egypt (Cairo)</td>
<td>2510-0200</td>
</tr>
<tr>
<td>Egypt (Outside Cairo)</td>
<td>02-2510-0200</td>
</tr>
<tr>
<td>Fiji</td>
<td>004-890-1001</td>
</tr>
<tr>
<td>Guam</td>
<td>1-800-225-5288</td>
</tr>
<tr>
<td>Hong Kong (Hong Kong Telephone)</td>
<td>800-96-1111</td>
</tr>
<tr>
<td>Hong Kong (New World Telephone)</td>
<td>800-93-2266</td>
</tr>
<tr>
<td>India</td>
<td>000-117</td>
</tr>
<tr>
<td>Indonesia</td>
<td>001-801-10</td>
</tr>
<tr>
<td>Israel (Bezeq)</td>
<td>1-80-949-4949</td>
</tr>
<tr>
<td>Japan (KDDI)</td>
<td>00-539-111</td>
</tr>
<tr>
<td>Japan (Softbank Telecom)</td>
<td>00-663-5111</td>
</tr>
<tr>
<td>Japan</td>
<td>00-441-1111</td>
</tr>
<tr>
<td>Japan (NTT)</td>
<td>0034-811-001</td>
</tr>
<tr>
<td>Jordan</td>
<td>1-880-0000</td>
</tr>
<tr>
<td>Korea (Korea Telecom)</td>
<td>00-729-11</td>
</tr>
<tr>
<td>Korea (ONSE)</td>
<td>00-369-11</td>
</tr>
<tr>
<td>Korea (DACOM)</td>
<td>00-309-11</td>
</tr>
<tr>
<td>Lebanon (Beirut)</td>
<td>1-800-226-801</td>
</tr>
<tr>
<td>Lebanon (outside Beirut)</td>
<td>01-426-801</td>
</tr>
<tr>
<td>Macau</td>
<td>0800-111</td>
</tr>
<tr>
<td>Malaysia</td>
<td>1-800-80-0011</td>
</tr>
<tr>
<td>Mauritius</td>
<td>01-120</td>
</tr>
<tr>
<td>New Zealand</td>
<td>000-911</td>
</tr>
<tr>
<td>Pakistan</td>
<td>00-800-01-001</td>
</tr>
<tr>
<td>Philippines (Globe, Digitel)</td>
<td>105-11</td>
</tr>
<tr>
<td>Philippines (PLDT)</td>
<td>1010-5511-00</td>
</tr>
<tr>
<td>Reunion Island</td>
<td>0800 99 0011</td>
</tr>
<tr>
<td>Saipan</td>
<td>1-800-2255-288</td>
</tr>
<tr>
<td>Saudia Arabia</td>
<td>1-800-10</td>
</tr>
<tr>
<td>Singapore (SingTel)</td>
<td>800-011-1111</td>
</tr>
<tr>
<td>Singapore (StarHub)</td>
<td>800-001-0001</td>
</tr>
<tr>
<td>Slovakia</td>
<td>0-800-000-101</td>
</tr>
<tr>
<td>South Africa</td>
<td>0-800-99-0123</td>
</tr>
<tr>
<td>Sri Lanka (Colombo)</td>
<td>2-430-430</td>
</tr>
<tr>
<td>Sri Lanka (outside Colombo)</td>
<td>112-430-430</td>
</tr>
<tr>
<td>Syria</td>
<td>0-801</td>
</tr>
<tr>
<td>Taiwan</td>
<td>00-801-102-880</td>
</tr>
<tr>
<td>Thailand</td>
<td>001-999-111-11</td>
</tr>
<tr>
<td>Thailand</td>
<td>1-800-0001-33</td>
</tr>
<tr>
<td>Turkey</td>
<td>0811-288-0001</td>
</tr>
<tr>
<td>U.A.E</td>
<td>0-800-121</td>
</tr>
</tbody>
</table>

The mark ^ appearing in some TT Direct codes means “await second dial tone”.

After you locate this number, please follow the following instructions:

Make sure you have an outside line (if using a public phone, make sure it can be used to make international calls).

**STEP 1:** Enter the AT&T Direct Access Number for the country you’re calling from.

**STEP 2:** When you hear the English-language voice prompt or series of tone prompts, enter your toll-free McDonald’s Business Integrity Line number: 800-281-9827 (DO NOT press “1” or “0” before dialing the telephone number).

**STEP 3:** The call will be connected to McDonald’s Business Integrity Line.