



MCD Global Franchising Limited

**Modern Slavery Statement for
the 2025 Financial Year**





MCD GLOBAL FRANCHISING LIMITED (MGFL) MODERN SLAVERY STATEMENT FOR THE 2025 FINANCIAL YEAR

STATEMENT OF COMPLIANCE

This statement is published in accordance with section 54 of the UK Modern Slavery Act 2015 for the financial year ending 31 December 2025. It outlines the approaches we have taken to prevent modern slavery in our business.

This statement covers MCD Global Franchising Limited, a private limited company incorporated in England and Wales with company number 10332564. No other group companies are included in this report.

References in this report to "McDonald's" or "Global" policies, procedures and initiatives should be read as referring to McDonald's Corporation. "McDonald's" may also refer to our global brand.

References to "we", "our" "us" and "the Company" refers to MCD Global Franchising Limited (MGFL) and our respective employees and, for the avoidance of doubt, does not include franchisees, suppliers or their respective employees.



Our Business and Supply Chains



OUR BUSINESS

The McDonald's System

McDonald's is one of the world's leading foodservice retailers. Over 150,000 employees working in McDonald's corporate offices and McDonald's-owned and operated restaurants and over 2 million people working in McDonald's franchised restaurants. McDonald's, its franchisees and suppliers are collectively referred to as the "System", also known as McDonald's "three-legged stool."

Of the 45,356 McDonald's restaurants globally at year-end 2025, approximately 95% were franchised. Franchisees are our group of independent individuals and entities owning and operating McDonald's restaurants under a variety of structures. McDonald's franchised restaurants are owned and operated under one of the following structures - conventional franchise, developmental license or affiliate. The optimal ownership structure for an individual restaurant, trading area or market (country) is based on a variety of factors, including the availability of individuals with entrepreneurial experience and financial resources, as well as the local legal and regulatory environment in critical areas such as property ownership and franchising.

The McDonald's System relies on strong supplier relationships, prioritising those that meet our expectations of respecting fundamental rights for all people.

MGFL

The Company's core business is the development and licensing of franchise rights. As an integral part of the McDonald's Group the Company develops intellectual property and licenses the use of the McDonald's brand to a wide range of territories outside of the United States. The Company employs the staff necessary to perform the requisite functions related to the intellectual property rights it holds.

The Company's corporate function has 271 employees and operates from East Finchley, London. Corporate operations in this office include but are not limited to global supply chain, marketing, HR, finance, legal, impact, and technology functions. In preparing this Statement, information was gathered through engagement with internal departments, and data from Company and McDonald's systems.

Our Commitments

McDonald's is committed to respecting human rights as set out in the Universal Declaration of Human Rights and to developing and implementing its human rights approach in line with the UN Guiding Principles on Business and Human Rights ("**UNGPs**"). McDonald's respect the rights and principles of the International Bill of Human Rights, the International Labour Organization ("**ILO**") Declaration on Fundamental Principles and Rights at Work, the Convention on the Elimination of All Forms of Discrimination against Women, the Convention on the Rights of the Child and are signatories to the Women's Empowerment Principles.



The focus areas of the current McDonald's Human Rights Policy, which applies to the Company, include: child labour, data privacy, discrimination and harassment, education and employment creation, effective remedy, forced labour, freedom to associate (or not associate) and collectively bargain, inclusion, land rights, nutrition, Occupational Health and Safety ("**OHS**"), working conditions (contracts, hours, overtime, wages) and workplace security. The McDonald's Human Rights Policy specifically prohibits the use of child labour, human trafficking, and forced, bonded, indentured or prison labour. The process of identifying human rights focus areas is a dynamic one and we respect all human rights referenced in the Universal Declaration, beyond the above focus areas. For more information on our policies and procedures in this area, please see the section below on Policies and Governance.

OUR SUPPLY CHAINS

We understand that through the conduct of their activities, our business partners – including franchisees, contractors and suppliers – have the potential to impact human rights. We strive to work with business partners that share our commitments to human rights, safety, ethics and compliance and we seek to use our business relationships, aligned with the UNGPs, to encourage and support them to act in a manner consistent with the McDonald's Human Rights Policy and this Statement.

The global supply chain

The McDonald's global supply chain begins with thousands of direct suppliers and extends to a complex network of indirect suppliers that source ingredients for menu items, products, and other materials used in McDonald's business. The McDonald's System relies on strong supplier relationships, prioritising those that meet the expectation of respecting fundamental rights for all people. McDonald's expects all suppliers to adhere to the Supplier Code of Conduct and associated guidance, which mandates that suppliers respect human rights and promote their employees' health and safety.

Our supply chain

At a high level, our value chain includes various vendors such as software development companies, technology companies, law firms and other consultancies. Our relationships are built on a mixture of long-term partnerships and short term/spot purchases across goods and services. In addition, the Company's franchisees and developmental licensees employ their own staff and purchase food, packaging, equipment, and other goods and services from numerous independent suppliers.

Our understanding of our own operations and broader value chain continues to evolve. We are working to better understand our supply chain and have further work to do to fully support our supply chain mapping and to understand areas of higher risk from a modern slavery perspective. Going forward, we aim to continue maturing our supply chain assessments.

Industry Engagement

McDonald's collaborates with several industry groups to promote human rights, such as our active participation in the Consumer Goods Forum Human Rights Coalition, which strives to make human rights due diligence the industry norm in operations and supply chains, connecting the human rights and sustainability agendas.

To enhance the responsiveness of McDonald's supplier program to emerging human rights issues and risks, McDonald's serves on the Leadership Team of [AIM-Progress](#), a global business initiative focused on responsible sourcing. By partnering with AIM-Progress, McDonald's supports broader adoption of the UNGPs by suppliers across the globe.



Policies and Governance



OUR POLICIES

Strategic direction is set globally with implementation managed locally for MGFL employees, translating McDonald's Corporation's strategy into action.

Principal Global policies include:

- **Human Rights Policy:** McDonald's Human Rights Policy commits us to respect the rights of all people and communities who produce, serve and enjoy McDonald's food. McDonald's prohibits the use of child labour, human trafficking, and forced, bonded, indentured or prison labour.
- **Supplier Code of Conduct:** McDonald's Supplier Code of Conduct (the "**Code**") sets expectations for suppliers on critical topics including modern slavery, human rights, workplace environment, business integrity and environmental management. Fundamental to the Code is the expectation of ethical employment practices by suppliers and their supply chain, including subcontractors and third-party labour agencies. McDonald's expects its suppliers to hold their own supply chain, including subcontractors and third-party labour agencies, to the same standards contained in the Code. From an anti-modern slavery practice perspective, the Code specifically stipulates that the suppliers must:
 - ensure that underage labour is not used in the production or distribution of their goods or services; not use any form of slavery, including forced, bonded, indentured or involuntary prison labour;
 - create internal programs for handling reports of workplace grievances; and
 - not retain employees' government-issued identification, passport or work permits as a condition of employment.

The McDonald's Supplier Workplace Standards & Guidance Document ("**SWSGD**") addresses the need for suppliers to adopt appropriate grievance mechanisms; see section below on Grievance and Reporting Mechanisms for further details.

- **Responsible and Ethical Recruitment Principles:** McDonald's is committed to the principles of responsible and ethical recruitment. The Principles aim to prevent the exploitation of migrant workers and ensure responsible recruitment for this population at all McDonald's restaurants. Responsible recruitment requirements are also embedded in McDonald's Supplier Code of Conduct to help ensure migrant workers within the supply chain are safeguarded.
- We believe that 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.
- **People Brand Standards and Global Statement of Principles Against Discrimination, Harassment and Retaliation:** These set clear minimum expectations for treating everyone with dignity and respect, prohibiting all harassment, violence, intimidation, and discrimination, and upholding a safe, respectful, and inclusive workplace at all times.

These Global policies are routinely reviewed and updated as needed to reflect latest insights. For governance of these policies, please see the section below on Human Rights Governance.



For MGFL employees, we also maintain additional anti-slavery and human rights policies and procedures supplementing the Global policy framework. These include:

- **Modern Slavery Policy:** outlining our commitment to ensuring our people can and do speak up if they witness something that they believe may indicate an individual is at risk due to exploitation. The policy links to the Company's escalation and remediation framework to support the appropriate handling of concerns raised. This was launched in October 2024.
- **Safe, Respectful and Inclusive (SRI) Policies:** our Anti-Bullying & Harassment, Preventing Sexual Harassment, Social Media, Close Relationships at Work, Diversity & Inclusion, Respect in the Workplace, Young Worker, Managed Moves and Disciplinary policies outline our expectations of how employees behave, and how employees can tell us if they have experienced inappropriate behaviour. These are regularly reviewed, and updated at timely intervals in response to legislation and business changes. These were last updated in 2025.
- **Employee & Customer Safeguarding Policies:** outlining guidance for employees on what to do if they identify behaviour that they believe is a safeguarding concern and how to raise these concerns to ensure they are properly escalated and addressed. These were launched in September 2022.
- **Speak Up Channels:** Company employees can raise concerns about behaviour or modern slavery concerns in the workplace from other employees and third parties via a number of channels; including raising with their line manager, reporting to the People Services Helpdesk (PSHD), using the PSHD anonymous reporting form or using our Red Flag chat option, an AI ChatBot which is available 24/7 in multiple languages and routes directly into the PSHD.

Monitoring and review of policies

Our People function is responsible for the ongoing review of these local policies and procedures, with input from our Legal function as appropriate. In particular, the Company undertakes reviews of all local policies in response to legislative or regulatory changes, and/or business needs, and updates policies as appropriate.

Communication of Policies

The Global and local policies, including the code and Responsible and Ethical Recruitment Principles are effectively cascaded to MGFL employees as follows:

- Company policies are available to all MGFL employees via the internal communications platform and McD Connect.
- Updated policies are also communicated through internal comms channels or Office Updates.
- MGFL employees are required to complete annual mandatory e-learning, for example including on maintaining a Safe Respectful and Inclusive Workplace (including two modern slavery modules).

Suppliers and service providers

- We embed the Code into our standard contractual arrangements with suppliers and service providers.
- We also provide suppliers with copies of relevant policies.
- Globally managed food and packaging Supply Chain suppliers, are given access to training materials, including a webinar and FAQ document on the Code, and training materials related to updated audit and compliance requirements.



Enforcement of Policies

Enforcement of these policies for employees is carried out through the Company's disciplinary process. For example, where the Company is made aware of a policy breach, it will undertake an investigation and may initiate a formal disciplinary process, as appropriate.

The Company monitors and enforces compliance of the policies by its suppliers through supplier self-assessment on Human Rights, as discussed further in the section on Managing Risk below. The Global Supply Chain function is responsible for oversight of self-assessments on Human Rights, and the management of any resulting non-conformances.

During the most recent reporting period

- McDonald's updated the Code to include the following significant changes for suppliers:
 - Reduction of the total working hour limits to 60 hours per week.
 - Increased the minimum working age to 15 years of age, or higher if the required by local law.
 - To reflect changes made to the SWSGD (Supplier Workplace Standards & Guidance Document).



HUMAN RIGHTS GOVERNANCE

Global People and Global Supply Chain functions are responsible for McDonald's day-to-day human rights performance. Human rights professionals in the Sustainability & Social Impact team within the Global Impact function play a key coordinating role and manage a cross-functional Human Rights Working Group ("HRWG") that meets quarterly, as well as on an *ad hoc* basis as needed.

This HRWG also comprises representatives from Supply Chain, Compliance, Franchising, Legal, Marketing, Operations, People, Public Policy, Safety, Security, Sustainability and Social Impact, and is responsible for informing, implementing and championing McDonald's approach to human rights.

The executive sponsors of the HRWG are McDonald's Global Chief Impact Officer, Global Chief People Officer, Global Chief Restaurant Experience Officer, Global Chief Supply Chain Officer and Global Chief Legal Officer. The Global CEO and Global Senior Leadership team have oversight of human rights policies, commitments and management, as well as of Enterprise Risk Management, which may include specific human rights issues. The Board Committees have oversight of human capital management, including human rights.

The work of the HRWG is cascaded to local markets via Impact, People, Supply Chain or leads from other teams depending on the nature of the work and how it will impact market operations.

The HRWG and executive sponsors report to the CEO on human rights risks and share relevant updates to the Board Committees. The Corporate Responsibility Committee assists the Board of Directors in fulfilling its oversight responsibility through monitoring corporate culture, human rights management (including workplace health and safety) and inclusion. The Corporate Responsibility Committee Charter outlines the Committee's principal responsibilities, including reviewing and monitoring McDonald's strategies and efforts to address human rights. As part of this remit, senior management and relevant Board Committees are kept informed of human rights-related assessments, findings and intended disclosures including the identification and management of human rights focus areas.

Ultimate responsibility for modern slavery matters rests with the relevant McDonald's entity Board. Senior management, including local market leadership teams, report relevant information on human rights risks and activities to the Board as required.

Company-level governance is supported through global and local policies, including McDonald's Human Rights Policy, Supplier Code of Conduct and Standards of Business Conduct, which together set expectations for ethical practices across operations and supply chains.

Day-to-day management of modern slavery risks is led by a combination of functions at the market level, including Impact, People, Supply Chain and Compliance teams. These teams are responsible for embedding global requirements into local operations, including responsible recruitment practices, workforce risk monitoring, supplier engagement and training.

At an operational level, business teams are responsible for identifying and escalating concerns, supported by local People teams and established reporting channels. All employees are expected to remain vigilant and raise concerns relating to potential modern slavery risks, in line with Speak Up processes and local policy requirements.

A commitment to respect human rights is also set out in McDonald's Standards of Business Conduct, which apply to employees of McDonald's and its majority-owned subsidiaries including the Company. Company employees are trained on the standards and are required to certify annually their understanding of and commitment to upholding them.



GRIEVANCE AND REPORTING MECHANISMS

McDonalds' primary reporting mechanism is the Business Integrity Line. The Business Integrity Line is an anonymous channel staffed 24 hours a day, 365 days a year by a live operator from an independent company. Anyone, including Company employees and employees of business partners (such as suppliers or franchisees), can raise concerns via the Business Integrity Line. Both an online reporting tool and a local freephone telephone number are available.

Regardless of who uses the Business Integrity Line to raise an issue, all contacts received are reviewed by the McDonald's Global Compliance team. Reporters are protected from discrimination and retaliation in accordance with the McDonald's Standards of Business Conduct and Global Statement of Principles Against Discrimination, Harassment and Retaliation.

In addition to training, auditing and other aspects of the Supply Chain Human Rights ("SCHR") program, McDonald's generally requires suppliers to establish internal grievance mechanisms and provide their workers with their own robust internal procedures to raise issues. Guided by the UNGPs, McDonald's Supplier Workplace Standards & Guidance Document provides a step-by-step best practice process to help suppliers establish an effective grievance mechanism. McDonald's Business Integrity Line, and an email address for the SCHR Global Management team, is open to suppliers and their employees if they suspect or become aware of any alleged breaches to the Supplier Code of Conduct. The Code explicitly states that the supplier's reporting program must protect the worker's confidentiality and must prohibit retaliation in response to reporting issues.

Alongside global reporting mechanisms, for MGFL employees the Company operates a range of internal reporting routes, known as Speak Up channels. These include the ability for employees to raise concerns or queries directly with their line manager about an array of topics at any time during working hours.

Employee-related concerns raised through managers can be escalated internally to the People Services Help Desk (PSHD). Employees may also report concerns directly to the PSHD, either through direct contact or via an anonymous reporting form. All concerns received are assessed by the PSHD and routed to the appropriate team for further investigation or support, as required.

In 2024, to support PSHD team members in responding to modern slavery concerns raised, training was made available to team members, and in addition support resources were designed for specifically for the PSHD team. The PSHD have an established escalation framework for handling concerns.

In addition, employees have access to the Red Flag live chat to raise concerns. This platform allows employees to report issues in their chosen language, with translation provided through the system, and offers a dedicated channel for crew employees. All issues raised through Red Flag are escalated to the PSHD.



Assessing and Managing Risk



ASSESSING RISK

Human Rights focus areas

McDonald's conducted the following assessments to identify human rights focus areas, including forced labour, child labour, discrimination and harassment, working conditions and freedom of association and collective bargaining:

1. A global human rights assessment
2. A human rights impact assessment at farm level
3. Additional materiality assessments
4. Media monitoring
5. Tracking emerging trends
6. Consultation with SMEs across the business
7. Engagement with external human rights experts, suppliers and other stakeholders.

Global Human Rights Impact Assessment

The process for conducting the global human rights assessment included engagement with more than 80 SMEs across the McDonald's System including multiple markets, a review of relevant policies and protocols, a focused assessment on responsible recruitment, a benchmarking assessment and a focus area assessment across potential human rights impacts.

When identifying human rights focus areas, McDonald's considered a wide range of potential impacts by looking at relevant business activities and those rightsholders who may be impacted. Rightsholder groups in scope include but were not limited to corporate-level employees, restaurant workers, delivery drivers, supply chain workers (inclusive of transportation and logistics, on-site contractors), guests and local communities. Also in scope were specific populations with potential for increased vulnerability, including women, migrants, ethnic and religious minorities and people living with disabilities. Within scope of all assessment activities, McDonald's seeks to prioritise rightsholders who could be most impacted by McDonald's and its business partners' activities.

Human Rights impact assessment

In 2018, McDonald's engaged an external provider to conduct a Human Rights Impact Assessment ("**HRIA**") at the farm level. The assessment enabled us to identify that, of all the commodities we source, palm oil, tea, coffee and timber present the greatest risk of exposure to human rights concerns, with OHS, migrant workers and decent working time identified as the most salient risks.

The farm-level commodity assessment also included a stakeholder consultation with key NGOs to understand how industry experts view the human rights risks associated with the production of various commodities and how those risks can best be mitigated.

Since 2018, we have refreshed these findings for key commodities and updated recommendations through stakeholder engagement, including third party experts, in 2020 and 2021. Active engagement in industry groups and certification schemes keeps us informed of the latest risk trends and mitigation measures across priority commodities and geographies.

Risk assessment findings and corresponding recommendations enable us to strengthen our management frameworks and better identify, assess, prevent, mitigate and remediate key human rights issues. For example, as McDonald's updates its sustainable sourcing policies for specific commodities, these recommendations inform the human rights due diligence requirements for relevant suppliers.



Responsible sourcing

McDonald's approaches responsible sourcing holistically, understanding that the business can impact the livelihoods of people. To enable the McDonald's supplier program to anticipate and respond to emerging human rights issues and risks, McDonald's participates in various industry initiatives. See the section on Partnerships and Collaboration for further details.

McDonald's takes a risk-based approach towards from high-risk regions or commodities. This includes priority commodities such as fibre for guest packaging, palm oil, fish and coffee through standards and third-party certification schemes that respect human rights and communities, alongside environmental standards, through their audit or certification processes. [

Evolving Our Approach

McDonald's evaluated its approach to the allocation of resources for continued effective mitigation of supply chain human rights risks, against a backdrop of increasing human rights legislation, due diligence requirements and scrutiny. Further to this evaluation, McDonald's transitioned from its own proprietary audit programme to the Sedex Members Ethical Trade Audit ("**SMETA**"), managed by the Supplier Ethical Data Exchange ("**Sedex**").

The aim in moving to this audit protocol, which closely aligns with the Code, is to help facilitate better collaboration across brands on issues we can't solve alone – such as forced labour and child labour. It also helps us to reallocate our internal resources to focus on our highest areas of risk and support better remediation and continuous improvement.

By moving from our proprietary audit checklist to an industry tool like SMETA, McDonald's can put more focus on value-add drivers of improvement like stakeholder engagement, training and cross-functional opportunities to collaborate with other stakeholders to enact change.

In 2024, McDonald's benchmarked current efforts using the Sedex SMETA audit to ensure alignment. During 2025, McDonald's supported all suppliers, who are in scope of the SCHR programme, not already on the Sedex platform with this transition.



MANAGING RISK

Since launching its supplier audit programme, McDonald's has engaged with thousands of suppliers and facilities on respecting human rights and mitigating risk. McDonald's is proud that our suppliers take their commitments seriously and, in some cases, have their own robust compliance and reporting programmes that have been evaluated and approved as equivalent to McDonald's programme.

McDonald's is committed to the principles of responsible and ethical recruitment and has in place various measures - at global and local levels - to prevent worker exploitation.

While we believe in creating work opportunities for young workers, we also recognise the risk of child labour and other risks impacting young workers. In response, we have adopted measures to mitigate such risks, including having a minimum age requirement for employment and a Young Worker Policy. The Company will not employ workers below the school leaver age determined by each of the devolved nations. The same expectation applies to suppliers as reflected in the Supplier Code of Conduct. If a supplier detects underage labour, they must take immediate remedial action in partnership with a specialist underage labour prevention and remediation service provider.

Supplier due diligence

McDonald's has strict sustainable sourcing policies in place that specify requirements to source via established schemes, such as the Roundtable on Sustainable Palm Oil ("**RSPO**"), Rainforest Alliance, Fairtrade International, Forest Stewardship Council® ("**FSC**®") and the Programme for the Endorsement of Forest Certification ("**PEFCTM**").

Third-party supplier auditing

As part of the Sedex programme, supplier facilities must first complete the Sedex Self-Assessment Questionnaire (SAQ). The SAQ is used for risk assessment and to determine whether an on-site audit is required.

Where on-site audits are to be conducted, the SCHR programme engages several experienced social compliance auditing firms around the world to conduct SMETA third-party audits of facilities, worker housing and cafeterias. These audits investigate such concerns as recruitment fees, discrimination, wrongful confiscation of personal documents and other human rights considerations that McDonald's seeks to eliminate from its supply chain. Sedex SMETA audits conducted on behalf of McDonald's are semi-announced, in that auditors will communicate a two-month window during which the visit will take place. McDonald's has found this to be the most effective approach for supporting supplier readiness while maintaining benefits of unannounced audits. All audits include worker interviews in line with the SMETA process. The scope of the audit includes sub-contracted workers on site. The results from the audits are used to understand and make improvements to working conditions and environmental performance.

Taking effective action

Following audits, we review the findings and assess whether any intervention is needed. Where non-compliance is identified through an on-site audit, suppliers work with a third-party audit firm to complete a corrective and preventative action plan to address the non-compliance. The plan must provide specific time frames within which corrective action will be taken, root causes analysed and policies and procedures updated. In addition, the plan must be designed to avoid recurrence of the non-compliance and establish specific accountability. In instances of significant non-compliance, suppliers are subject to a follow-up audit to ensure that the non-compliance has been properly addressed. Termination of the relationship is considered only as a last resort and is a complex decision.



McDonald's SCHR programme is designed to support suppliers in meeting our standards. We prioritise continuous improvement, capacity building and corrective actions. However, in certain circumstances, such as instances of significant noncompliance with the Code, McDonald's may remove a supplier from the supply chain.

Please see section above on Grievance and Reporting Mechanisms for further information on how we ensure suppliers have in place robust procedures for workers to raise issues.

In our business

To monitor and support franchisees in complying with McDonald's standards, we have several procedures and teams in place, including:

- Business Reviews: carried out with each franchisee on an annual or biannual basis.
- Operations Performance & Customer Excellence (PACE) process: an "always on" consulting platform that identifies people management as one of three core areas to be assessed.
- A network of Franchise Business Consultants that supports franchisees on an ongoing basis to run successful operations and evaluate performance against our standards.

Through delivering the Business Review process and ongoing dialogue with franchisees, we help protect the McDonald's brand by supporting franchisees to operate in accordance with our expectations. In addition to the Business Review process, we complete routine visits to certain franchisee restaurants to assess and support restaurant performance, including supporting the sharing of people strategy best practices.

There are times when franchisees may be considered to not have fully complied with our standards. We take our responsibilities as a franchisor seriously, and we work with franchisees to help them improve and identify what, if any, additional support is required. Where improvements are needed, franchisees must develop the right action steps for improvement. In situations where a franchisee fails to comply with the prescribed standards, we take appropriate action tailored to the circumstances.

In addition to our review processes with franchisees, our existing procedures include several ways that an individual can report an incident or raise a concern. We require all restaurants to maintain their own reporting process within their own restaurants.

Our progress this year

Over the reporting year, we have consistently applied the processes and procedures described above. We keep these measures under review and will continue to evolve our approach as needed.

See also the section on Monitoring, Reporting and Measuring Effectiveness for further information on our outcomes during the year.



Training, Awareness and Partnerships



TRAINING AND AWARENESS

To enhance employees' understanding of human rights risks, online training on its Human Rights Policy is available to employees in 13 languages. The training includes a section on forced labour that identifies particularly vulnerable groups and outlines McDonald's commitments surrounding ethical recruitment. All McDonald's employees in our corporate teams are also required to certify annually their understanding of and commitment to upholding the Standards of Business Conduct.

All McDonald's restaurants – whether owned and operated or franchised – are subject to the same People Brand Standards and owned and operated restaurants are additionally subject to the Global Statement of Principles Against Discrimination, Harassment and Retaliation. The Company is responsible for ensuring that Company-owned restaurants implement these standards and supports franchisees with a suite of optional tools, resources, policies and training to help them meet the same expectations.

Franchisees have shared examples of how the People Brand Standards programme has strengthened their knowledge and understanding, and how it has enhanced their ability to act and respond in real-life scenarios when needed.

Given their important role in working with suppliers, we aim to ensure that all supply chain procurement employees undergo in-person and online training on human rights issues in global supply chains to support suppliers in meeting their expectations under the SMETA programme. Global training modules are focused on health and safety, involuntary labour (including recruitment and fee reimbursement) and underage labour. The SMETA programme includes an online training platform where suppliers can access guidance materials on preventing modern slavery. Training modules cover topics such as "Ensuring Eligibility to Work", "Protecting the Rights of Migrant Labour" and "Implementing Grievance Mechanisms". For example, the Migrant Labour training aims to educate suppliers on the risks related to modern slavery when sourcing migrant labour and some key actions they can take to ensure they are protecting the rights of migrant workers in their facilities. Additionally, McDonald's SWSGD is shared with all suppliers and provides detailed guidance on each aspect of the Code and how suppliers and their supply chains can meet our expectations.

McDonald's also offers optional live training sessions for suppliers with external human rights and supply chain experts. McDonald's has partnered with other brands and external consultancies across the industry to develop and train suppliers. For instance, McDonald's teamed up with AIM-Progress to train suppliers on the importance of responsible sourcing. Through this coalition, suppliers around the world received training on critical human rights issues.

We will continue to educate our workforce, and support our franchisees in educating theirs, with an "always on" model for training on preventing modern slavery. We deliver this with bespoke in-person training sessions and globally led e-learning modules, complemented by videos designed to raise awareness about modern slavery.

The Company is committed to embedding awareness of the risk of modern slavery across the workforce and the role everyone can play in preventing it.



PARTNERSHIPS AND COLLABORATION

McDonald's engages with relevant internal and external stakeholders to inform its approach to human rights in a variety of ways. For example, employees provide feedback through multiple reporting mechanisms, including via people managers, human resources and participation in surveys.

Partnerships are an important way for us to learn from others and create change in the broader community. To drive progress, McDonald's collaborates with several industry groups to promote human rights, such as our active participation in, and as Co-Chairs of, the Consumer Goods Forum Human Rights Coalition, which strives to make human rights due diligence the industry norm in operations and supply chains, connecting the people and planet agendas. Additionally, McDonald's has supported development of the "Converged Human Rights and Environmental Due Diligence Assessment Tool" as members of the Consumer Goods Forum and AIM- Progress with the Fair Labor Association and Proforest. This open-source tool is designed to support businesses to identify, prevent and address potential human rights and environmental risks throughout business operations and supply chains.

McDonald's is a strategic partner of the Centre for Sport and Human Rights and a participant in the Centre's Responsible Sport Council. The Centre brings stakeholders together to understand and address shared human rights challenges, advancing a vision of responsible sport that fully respects and promotes human rights by generating awareness, building capacity and delivering value-added impact. Sponsors of sport and sporting events are recognized as critical stakeholders in the global sports ecosystem. Participating helps McDonald's understand and identify measures McDonald's can implement to help in preventing human rights violations linked to sport and major events.

McDonald's is also a member of the Leadership Group for Responsible Recruitment, a collaborative effort to drive positive change in the way migrant workers are recruited. It provides a forum for us to learn and collaborate while inspiring broader, systemic change for the recruitment and employment of migrant workers.



Monitoring, Reporting and Measuring Effectiveness



MEASURING EFFECTIVENESS

For MGFL employees, key effectiveness indicators monitored in the reporting period included: monitoring completion rates of mandatory training and monitoring the use of various Speak Up channels.

Global Monitoring

In the McDonald's Human Rights Policy, McDonald's commits to regularly reviewing its approach to respecting human rights. McDonald's identifies shared opportunities to collaborate with others, including partner companies, civil society organisations and public authorities, to address challenging issues, and track and publicly report on progress on human rights management on a regular basis including to the extent required by law. McDonald's periodically assesses the effectiveness of existing grievance and complaints channels for identifying and addressing human rights issues. This applies to all rightsholders including workers, guests, communities and others.

As outlined above, McDonald's SCHR programme is designed to support suppliers in meeting our standards. We prioritise continuous improvement, capacity building and corrective actions and where non-compliance is identified through an on-site audit, suppliers work with a third-party audit firm to complete a corrective and preventative action plan. The plan must provide specific time frames within which corrective action will be taken, root causes analysed and policies and procedures updated.



STATEMENT OF APPROVAL

This statement is made pursuant to section 54 of the UK Modern Slavery Act 2015 and constitutes our modern slavery statement for the financial year ending 31 December 2025. The Board of MCD Global Franchising Limited approved this statement on 29 June 2026.

Signed by:

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Raven Moore
Director