

Company Name McDonald's
Industry Agricultural Products (Supply Chain only)
Overall Score (*) 27.1 out of 100

Theme Score	Out of	For Theme
4.3	10	A. Governance and Policies
7.9	25	B. Embedding Respect and Human Rights Due Diligence
2.9	15	C. Remedies and Grievance Mechanisms
2.8	20	D. Performance: Company Human Rights Practices
6.7	20	E. Performance: Responses to Serious Allegations
2.6	10	F. Transparency

(*) Please note that any small differences between the Overall Score and the added total of Measurement Theme scores are due to rounding the numbers at different stages of the score calculation process.

Please note also that the "Not met" labels in the Explanation boxes below do not necessarily mean that the company does not meet the requirements as they are described in the bullet point short text. Rather, it means that the analysts could not find information *in public sources* that met the requirements *as described in full* in the CHRB 2019 Methodology document. For example, a "Not met" under "General HRs Commitment", which is the first bullet point for indicator A.1.1, does not necessarily mean that the company does not have a general commitment to human rights. Rather, it means that the CHRB could not identify a public statement of policy in which the company commits to respecting human rights.

Detailed assessment

A. Governance and Policies (10% of Total)

A.1 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.1	Commitment to respect human rights	1	<p>The individual elements of the assessment are met or not as follows: Score 1</p> <ul style="list-style-type: none"> • Met: General HRs commitment: The company indicates that 'McDonald's has a deep responsibility to respect the rights of people who work for the Company, and to do business with Franchisees, suppliers and business partners that respect human rights for their respective employees. It also states that 'Our commitment to respect human rights is defined in our Standards of Business Conduct, which apply to all employees of the Company, and in our Supplier Code of Conduct, which applies to McDonald's suppliers globally'. [Standards of Business Conduct: corporate.mcdonalds.com & Human rights on website 2019, 25/03/2019: corporate.mcdonalds.com] • Met: UDHR: The company indicates that 'At McDonald's, we conduct our activities in a manner that respects human rights as set out in The United Nations Universal Declaration of Human Rights'. [Standards of Business Conduct: corporate.mcdonalds.com & Human Rights Policy, 28/11/18: corporate.mcdonalds.com] • Not met: International Bill of Rights: The company indicates that 'Our Human Rights Policy ("Policy") is also guided by the United Nation Guiding Principles on Business and Human Rights, the International Bill of Human Rights, and the principles set out in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work'. However to be guided by does not imply a commitment, therefore this statement can not be used. [Human Rights Policy, 28/11/18: corporate.mcdonalds.com & Human rights on website 2019, 25/03/2019: corporate.mcdonalds.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> • Not met: UNGPs: As indicated above, the wording used by the Company does not meet the requirements according to CHRB criteria. [Human rights on website 2019, 25/03/2019: corporate.mcdonalds.com & Human Rights Policy, 28/11/18: corporate.mcdonalds.com] • Not met: OECD: However, the Company indicates that 'In developing the Standards and other Company policies that relate to human rights, we inform ourselves by reference to such documents as [...]the OECD Guidelines for Multinational Enterprises'. [Report of the sustainability and corporate responsibility committee of the board., 09/01/2014: corporate.mcdonalds.com & Report of the sustainability and corporate responsibility committee of the board., 09/01/2014: corporate.mcdonalds.com]
A.1.2	Commitment to respect the human rights of workers	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: ILO Core: The company indicates that 'Our Human Rights Policy ("Policy") is also guided by [...] the International Labour Organization's Declaration'. Although being guided by the ILO does not imply a formal commitment to the Declaration, the Company commits to 'respect the fundamental rights of McDonald's employees, which are: freedom from slavery and child labour; freedom to associate (or not associate) and collectively bargain; equal opportunity for everyone; a safe and healthy workplace; and freedom from discrimination and harassment'. [Human Rights Policy, 28/11/18: corporate.mcdonalds.com & Human rights on website 2019, 25/03/2019: corporate.mcdonalds.com] • Not met: Explicitly list All four ILO for AG suppliers: The code for suppliers contains commitments in relation to child labour, discrimination, forced labour and freedom of association. In relations with this last one, the code states that 'suppliers shall respect the rights of workers to associate or not to associate with any group, as permitted by and in accordance with all applicable laws and regulations'. Regarding collective bargaining, the Company indicates on its website that 'the supplier guidance document clearly explains our expectation: [...] that suppliers respect the rights of people to bargain collectively where such rights are established by law or contract'. However, based on this, it is not clear whether this commitment is extensive to all suppliers generally (except those where law prohibits it) or only to those where collective bargaining is included in contracts. [McDonald's Supplier Code of Conduct: corporate.mcdonalds.com & Human rights on website, 14/08/2019: corporate.mcdonalds.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Explicit commitment to All four ILO Core: The company indicates that 'We[...] respect the fundamental rights of McDonald's employees, which are: freedom from slavery and child labor; freedom to associate (or not associate) and collectively bargain; equal opportunity for everyone; a safe and healthy workplace; and freedom from discrimination and harassment.' [Human Rights Policy, 28/11/18: corporate.mcdonalds.com & Human rights on website 2019, 25/03/2019: corporate.mcdonalds.com] • Met: Respect H&S of workers: The company indicates that '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'. [Standards of Business Conduct: corporate.mcdonalds.com] • Met: H&S applies to AG suppliers: The supplier code indicates that 'suppliers shall have systems to prevent, detect and respond to potential risks to the safety, health and security of all employees'. Moreover the document states that the Company 'expect all suppliers, regardless of the cultural, social and economic context, to meet our expectations of fundamental rights for all people. This means treating their employees with fairness, respect and dignity, and following practices that protect health and safety for the people working in their facilities, all in compliance with national and local law'. [McDonald's Supplier Code of Conduct: corporate.mcdonalds.com & Respecting human rights on website: corporate.mcdonalds.com]
A.1.3.AG.a	Commitment to respect human rights particularly relevant to the industry - land	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Respect land ownership and natural resources: The company's commitment on forests states that 'we will work throughout our supply chains to achieve the following: [...] Respect human rights, Respect the right of all affected communities to give or withhold their free, prior and informed consent for plantation developments on land they own legally, communally or by custom, Resolve land

Indicator Code	Indicator name	Score (out of 2)	Explanation
	and natural resources (AG)		<p>rights disputes through a balanced and transparent dispute resolution process'. 'This commitment applies to all raw material supply chains'. [Conserving Forests: corporate.mcdonalds.com]</p> <ul style="list-style-type: none"> • Not met: Respecting the right to water: The company indicates that 'water is so essential to our entire business, we're developing a holistic strategy around both the conservation of clean water and its efficient and safe use. To do this, we are partnering with experts like WWF and the World Resources Institute to identify the risks and create a stewardship approach'. It also indicates that is member of the Alliance for Water Stewardship. However no evidence has been found of a specific commitment to respecting the right to water made by the Company. [Protecting Water Resources: corporate.mcdonalds.com] • Met: Expecting suppliers to respect these rights: See above. Commitment on land affects all supply chains of the group. [Conserving Forests: corporate.mcdonalds.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: FPIC for all: The company indicates that they 'Respect the right of all affected communities to give or withhold their free, prior and informed consent for plantation developments on land they own legally, communally or by custom' [Conserving Forests: corporate.mcdonalds.com] • Not met: Respecting the right to water: See above • Not met: Expecting suppliers to respect these rights: Evidence found regarding land but not on right to water.
A.1.3.AG.b	Commitment to respect human rights particularly relevant to the industry – people's rights (AG)	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Women's rights: The Company states on its website: 'In 2019, we launched our BETTER TOGETHER: Gender Balance & Diversity Strategy, which aims to improve the representation of women at all levels of the Company, achieve gender equality in career advancement, and champion the impact of women on the business. In addition, McDonald's signed the UN Women's Empowerment Principles to underscore our commitment to progress'. It also indicates that 'we conduct our activities in a manner that respects human rights as set out in the United Nations Declaration of Human Rights.' and that 'Where the Company may impact the human rights of particularly vulnerable groups, such as migrant labourers, indigenous peoples, women, or children, we are also guided by other international standards that elaborate on their rights'. [Human rights on website, 14/08/2019: corporate.mcdonalds.com & McDonald's Launches Push for Gender Balance and Diversity - Press Release on Company's website, 08/03/2019: news.mcdonalds.com] • Not met: Expects suppliers to respect these rights: The company indicates that 'Fundamental to our Supplier Code of Conduct is an expectation of ethical employment practices by our suppliers and their supply chain, including subcontractors and third-party labor agencies. Our Code clearly prohibits any form of slave, forced, bonded, indentured, or involuntary prison labor and prohibits suppliers and third-party labor agencies from retaining employees' government-issued identification, passports or work permits as a condition of employment'. However, these expectations do not include a commitment to Women's, Children's or Migrant's Rights [Human rights on website 2019, 25/03/2019: corporate.mcdonalds.com & McDonald's Supplier Code of Conduct: corporate.mcdonalds.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: CEDAW/Women's Empowerment Principles: 'In 2019, we launched our BETTER TOGETHER: Gender Balance & Diversity Strategy, which aims to improve the representation of women at all levels of the Company, achieve gender equality in career advancement, and champion the impact of women on the business. In addition, McDonald's signed the UN Women's Empowerment Principles to underscore our commitment to progress.' [Human rights on website, 14/08/2019: corporate.mcdonalds.com & McDonald's Launches Push for Gender Balance and Diversity - Press Release on Company's website, 08/03/2019: news.mcdonalds.com] • Not met: Child Rights Convention/Business Principles • Not met: Convention on migrant workers • Not met: Expecting suppliers to respect these rights
A.1.4	Commitment to engage with stakeholders	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Commits to stakeholder engagement: The company indicates that 'there is no single solution to human rights issues, which is why it's critical that we engage all stakeholders within the McDonald's System, including McDonald's employees, suppliers, Franchisees and business partners, to respect the fundamental rights for

Indicator Code	Indicator name	Score (out of 2)	Explanation
			all people.” In addition they also state the responsibility supervisors have to maintain open and honest communication with employees'. [Human rights on website 2019, 25/03/2019: corporate.mcdonalds.com] Score 2 <ul style="list-style-type: none"> • Met: Commits to engage stakeholders in design: The company indicates that 'We commit to engaging with stakeholders to understand their perspectives, improve our monitoring, analysis or remediation of human rights impacts, and better understand how to evolve our actions supporting this Policy'. [Human Rights Policy, 28/11/18: corporate.mcdonalds.com]
A.1.5	Commitment to remedy	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Commits to remedy: The company indicates that “We commit to reduce the risk of infringing on human rights by identifying, monitoring, and addressing any impacts on human rights to our employees, which we have caused or to which we have contributed. We provide access to remediation and encourage our business partners to do the same.” [Human Rights Policy, 28/11/18: corporate.mcdonalds.com] Score 2 <ul style="list-style-type: none"> • Not met: Not obstructing access to other remedies • Not met: Collaborating with other remedy initiatives • Not met: Work with AG suppliers to remedy impacts: The company indicates that “We also expect our suppliers to provide their own internal reporting mechanisms, to ensure their employees have a safe and timely way to report workplace concerns without the fear of retaliation”. The supplier code of conduct also contains additional guidelines in relation to reporting grievances. However no evidence found in relation to commitment to working with its suppliers to remedy adverse impacts (either through the suppliers remedial mechanisms or developing with them third party non-judicial remedies). [Human rights on website 2019, 25/03/2019: corporate.mcdonalds.com & McDonald’s Supplier Code of Conduct: corporate.mcdonalds.com]
A.1.6	Commitment to respect the rights of human rights defenders	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Zero tolerance attacks on HRs Defenders (HRDs): In its Code of Conduct the Company indicates that ‘McDonald’s strictly prohibits retaliation of any kind directed against an employee who reports an issue concerning compliance with the Standards’. The company also states on its Human Rights website ‘We do not tolerate retaliation of any kind against anyone who reports an issue. We do not tolerate unlawful threats, intimidation, physical, or legal attacks against human rights defenders.’ [Standards of Business Conduct: corporate.mcdonalds.com & Human rights on website, 14/08/2019: corporate.mcdonalds.com] Score 2 <ul style="list-style-type: none"> • Not met: Expects AG suppliers to reflect company HRD commitments: The company indicates that reporting programs shall protect worker whistleblower confidentiality and prohibit retaliation. However no evidence has been found of an expectation to neither tolerate nor contribute to threats, intimidation and attacks against human rights defenders. [Standards of Business Conduct: corporate.mcdonalds.com]

A.2 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.2.1	Commitment from the top	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: CEO or Board approves policy: The Company's code of conduct is signed by Chief Executive officer, as it is the Human Rights policy. [Standards of Business Conduct: corporate.mcdonalds.com & Human Rights Policy, 28/11/18: corporate.mcdonalds.com] • Met: Board level responsibility for HRs: The Corporate Responsibility Committee of the board ‘monitors the Company’s activities and risks as they relate to human rights, community engagement, diversity, employment practices, the environment, government relations, products, public affairs, safety and sourcing’. [Report of the sustainability and corporate responsibility committee of the board., 09/01/2014: corporate.mcdonalds.com] Score 2 <ul style="list-style-type: none"> • Not met: Speeches/letters by Board members or CEO
A.2.2	Board discussions	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Board/Committee review of salient HRs: The document describing the duties of the Corporate Responsibility Committee of the board states that ‘The

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			<p>Sustainability and Corporate Responsibility Committee provides independent oversight of the Company's risk profile and its mitigation strategies related to sustainability and corporate social responsibility matters. This Committee is comprised of five Directors, all of whom meet the requirements of independence under New York Stock Exchange rules. The Committee monitors the Company's activities and risks as they relate to human rights, community engagement, diversity, employment practices, the environment, government relations, products, public affairs, safety and sourcing'. The Committee charter describes the duties and responsibilities in relation to sustainability goals, metrics and reporting. [Report of the sustainability and corporate responsibility committee of the board., 09/01/2014: corporate.mcdonalds.com]</p> <ul style="list-style-type: none"> • Not met: Examples or trends re HR discussion: The company indicates that "In the interest of responding to potential interest in this topic, the Committee has decided to publish management's report along with this assessment so as to inform shareholders of the Company's efforts." However, information related to this report was released in January, 2014. [Report of the sustainability and corporate responsibility committee of the board., 09/01/2014: corporate.mcdonalds.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both examples and process
A.2.3	Incentives and performance management	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Incentives for at least one board member • Not met: At least one key AG HR risk, beyond employee H&S <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Performance criteria made public

B. Embedding Respect and Human Rights Due Diligence (25% of Total)

B.1 Embedding Respect for Human Rights in Company Culture and Management Systems (10% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.1	Responsibility and resources for day-to-day human rights functions	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Commits to ILO core conventions: See indicator A.1.2 [Human Rights Policy, 28/11/18: corporate.mcdonalds.com] • Met: Senior responsibility for HR: The company indicates that 'The Company's Global Chief Compliance Officer oversees communications, training and compliance related to the Standards and associated policies, including those related to human rights'. The Company also reports having a 'scale for good leadership team' which brings together 'cross functional senior executives from across the Company who are accountable for leading McDonald's strategy for responsible leadership'. The team is chaired by the Chief Supply Chain and Sustainability Officer. [Report of the sustainability and corporate responsibility committee of the board., 09/01/2014: corporate.mcdonalds.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Day-to-day responsibility: The Global Chief Compliance Officer's office is responsible for 'monitoring changes in law and best practices as relate to those areas of business conduct covered by the standards; coordinating investigations related to violations of the Standards (including those related to human rights); ensuring appropriate actions are taken to deal with policy violations; revising policies or processes to address changing laws or in response to any identified systemic compliance issues; and communicating regularly regarding compliance activities to senior management and the Board of Directors'. [Report of the sustainability and corporate responsibility committee of the board., 09/01/2014: corporate.mcdonalds.com] • Met: Day-to-day responsibility for AG in supply chain: The 'Scale for Good leadership team' is chaired by Francesca DeBiase, Chief Supply Chain and Sustainability officer. Also, the Global Supply Chain and sustainability group has responsibility for managing the global supply chain policies, goals and commitments, setting responsible sourcing expectations for suppliers, and coordinating with market supply chain teams to engage suppliers at local level'. [Scale for good, 03/09/2018: corporate.mcdonalds.com]
B.1.2	Incentives and performance management	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Senior manager incentives for human rights • Not met: At least one key AG HR risk, beyond employee H&S

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			Score 2 <ul style="list-style-type: none"> Not met: Performance criteria made public
B.1.3	Integration with enterprise risk management	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Met: HR risks is integrated as part of enterprise risk system: The company indicates that 'Human rights risks are dealt with by management as a sub-set within the Company's broader enterprise risk management processes. The Committee sees a benefit in management's reviewing and considering risks comprehensively on an annual basis, as it creates an opportunity to understand and evaluate interdependencies in a manner that could not be accomplished by focusing on a single risk area'. [Report of the sustainability and corporate responsibility committee of the board., 09/01/2014: corporate.mcdonalds.com] Score 2 <ul style="list-style-type: none"> Not met: Audit Ctte or independent risk assessment: In its Corporation Audit & Finance Committee Charter, the Company states 'The Audit & Finance Committee is a standing committee of the Board of Directors. The purpose of the Committee is to assist the Board of Directors in fulfilling its oversight responsibility relating to... (v) the evaluation of management's process to assess and manage the Company's enterprise risk issues...' Further, in its Report of the Sustainability and Corporate Responsibility Committee of the Board of directors it reports assessing compliance with policies in different ways and that 'from time to time, the Global Compliance Office engages independent third parties to perform in-depth assessments or audits'. However, there is no evidence on how the board or an independent third party evaluates the adequacy of the policies and systems to manage the risk (e.g. how is the system in doing its job, is it actually efficient) and how it was handled during the company's last reporting year. [AUDIT & FINANCE COMMITTEE CHARTER, 28/07/2016: corporate.mcdonalds.com & Report of the sustainability and corporate responsibility committee of the board., 09/01/2014: corporate.mcdonalds.com]
B.1.4.a	Communication /dissemination of policy commitment(s) within Company's own operations	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Met: Commits to ILO core conventions: See indicator A.1.2 [Human Rights Policy, 28/11/18: corporate.mcdonalds.com] Met: Communicates its policy to all workers in own operations: 'In order to help Company employees understand their rights, and their duty to respect the rights of others, all Company employees are required to complete training on the Human Rights Policy in 2019, and it will be incorporated into onboarding for new employees moving forward. [...] Our policy and training are available in 14 languages.' [Human rights on website, 14/08/2019: corporate.mcdonalds.com] Score 2 <ul style="list-style-type: none"> Met: Commits to all 4 ILO core conventions: See indicator A.1.2 [Human Rights Policy, 28/11/18: corporate.mcdonalds.com] Not met: Communication of policy commitments to stakeholder: No evidence found of how the Company communicates its policy to stakeholders, including local communities. [Human Rights Policy, 28/11/18: corporate.mcdonalds.com & Human rights on website 2019, 25/03/2019: corporate.mcdonalds.com] Not met: How policy commitments are made accessible to audience
B.1.4.b	Communication /dissemination of policy commitment(s) to business relationships	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Commits to all 4 ILO core conventions for suppliers: See indicator A.1.2 Met: Requiring AG suppliers to communicate policy down the chain: The Company indicates on its website that the supplier code of conduct is the cornerstone of the Supplier Workplace accountability program. In addition, the McDonald's 'Supplier Guidance Document is shared with all suppliers and provides detailed guidance on how a supplier can comply with each aspect of the Code of conduct and how suppliers and their supply chains can meet our expectations'. 'In order to provide goods and services to McDonald's, direct suppliers must meet McDonald's high standards. Direct suppliers are required to sign a contract committing them to upholding the standards contained in our Supplier Code of Conduct. We expect our suppliers to hold their own suppliers to the same standards contained in our Supplier Code of Conduct'. [Human rights on website 2019, 25/03/2019: corporate.mcdonalds.com] Score 2 <ul style="list-style-type: none"> Met: How HR commitments made binding/contractual: As indicated above, supplier code is a contractual requirement. [Human rights on website 2019, 25/03/2019: corporate.mcdonalds.com & McDonald's Supplier Code of Conduct: corporate.mcdonalds.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Not met: Including on AG suppliers: As indicated above, the Company states that 'we expect our suppliers to hold their own suppliers to the same standards contained in our Supplier Code of Conduct', however, no further details found in relation to whether binding arrangements are cascaded down. [Human rights on website 2019, 25/03/2019: corporate.mcdonalds.com & McDonald's Supplier Code of Conduct: corporate.mcdonalds.com]
B.1.5	Training on Human Rights	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Scores at least 1 on A.1.2: See A.1.2 [Human Rights Policy, 28/11/18: corporate.mcdonalds.com] • Met: Trains all workers on HR policy commitments: 'In order to help Company employees understand their rights, and their duty to respect the rights of others, all Company employees are required to complete training on the Human Rights Policy in 2019, and it will be incorporated into onboarding for new employees moving forward.' [Human rights on website, 14/08/2019: corporate.mcdonalds.com] • Not met: Trains relevant AG managers including procurement: Although the company states that 'in addition to the online training, senior leadership has received in-person training in partnership with an external human rights consultancy' it is not clear if that includes procurement. [Human rights on website, 14/08/2019: corporate.mcdonalds.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Score of 2 on A.1.2: See A.1.2 [Human Rights Policy, 28/11/18: corporate.mcdonalds.com] • Not met: Both requirements under score 1 met
B.1.6	Monitoring and corrective actions	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Scores at least 1 on A.1.2: See indicator A.1.2 [Human Rights Policy, 28/11/18: corporate.mcdonalds.com] • Not met: Monitoring implementation of HR policy commitments: On its Human Rights website the Company states that it has 'created a global cross-functional Human Rights Working Group to help oversee the implementation of the policy commitment and assess and evolve our procedures and practices'. In addition, it states in its HR Policy 'Board level oversight on matters related to human capital management, including human rights, is provided by the Public Policy and Strategy Committee of McDonald's Board of Directors. Human Resources manages this Policy and works with various departments across the company, including Global Supply Chain & Sustainability, and Corporate Affairs, on its day-to-day implementation'. However, no particular details found on the process to monitor compliance in own operations. Evidence seems to focus in responsibilities. [Human rights on website, 14/08/2019: corporate.mcdonalds.com & Human Rights Policy, 28/11/18: corporate.mcdonalds.com] • Met: Monitoring AG suppliers: The company indicates that 'Human rights due diligence is incorporated into the SWA (Supplier Workplace Accountability) program, which includes on-site audits conducted by third-party auditing firms to assess compliance with our Code. These on-site audits include a review of ethical recruitment practices to verify that workers are employed under voluntary conditions and have freedom of movement. This includes verification that workers are not charged illegal fees as a condition of employment, worker contracts are in local language and signed by the workers, and that suppliers do not retain workers' government-issued identification, passports or work permits'. [Human rights on website, 14/08/2019: corporate.mcdonalds.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Score of 2 on A.1.2: See A.1.2 [Human Rights Policy, 28/11/18: corporate.mcdonalds.com] • Not met: Describes corrective action process: Instances of non-compliance are shared with the supplier during an audit closing meeting and in an audit report. Suppliers are required to complete a corrective and preventative action plan to address 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, the timing of which is based on the audit findings. However, no evidence found in relation to the number of non-compliances (or number of times that the corrective action process was triggered). [Human rights on website 2019, 25/03/2019: corporate.mcdonalds.com] • Not met: Example of corrective action • Not met: Discloses % of AG supply chain monitored

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.7	Engaging business relationships	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Met: HR affects AG selection of suppliers: The Company indicates on its website that 'As part of the on-boarding process to become a McDonald's supplier, suppliers must complete the required steps of the SWA (Supplier Workplace Accountability) program to verify that our suppliers can meet our expectations before they begin supplying product to McDonald's.' [Human rights on website 2019, 25/03/2019: corporate.mcdonalds.com] Met: HR affects on-going AG supplier relationships: 'McDonald's SWA program is designed to support suppliers in meeting our standards. However, there are circumstances under which McDonald's will remove a supplier from the supply chain to address instances of significant non-compliance with McDonald's Supplier Code of Conduct.' [Human rights on website 2019, 25/03/2019: corporate.mcdonalds.com] <p>Score 2</p> <ul style="list-style-type: none"> Met: Both requirement under score 1 met: See above Met: Working with AG suppliers to improve performance: On its website 'Our Food' the company indicates that respecting human rights is one of seven key impact areas it has prioritized as critical to its global Responsible Sourcing Strategy. It states 'We work with our suppliers to ensure the health and safety of people, safeguard the health and welfare of animals in our supply chain, and conduct business ethically; Promoting the health and welfare of animals; Respecting human rights' In addition, in its 'Profile: McDonald's' in Tea and Coffee Trade Journal' the Company gives the example of the McCafé SIP program, through which it works with coffee suppliers to respect human rights. On its Human Rights website the Company also explains how suppliers 'can access optional tools and resources that provide guidance on human rights issues, such as preventing forced labor. Training modules include; Ensuring Eligibility to Work, Protecting the Rights of Migrant Labor, and Implementing Grievance Mechanisms. For example, the Migrant Labor training aims to educate suppliers on the risks related to forced labor when sourcing migrant labor and key actions they can take to ensure they are protecting the rights of migrant workers in their facilities. Live training sessions provided by a third party are also held with our suppliers on human rights issues and in 2017 training was offered to suppliers in Malaysia on forced labor, grievance mechanisms, and managing migrant labor through AIM-PROGRESS'. [Our Food on website, n/a: corporate.mcdonalds.com & Human rights on website, 14/08/2019: corporate.mcdonalds.com]
B.1.8	Approach to engagement with potentially affected stakeholders	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Not met: Stakeholder process or systems: The Company states on its website 'Stakeholder Engagement' that stakeholder engagement is essential and the website shows the history of how the Company has engaged with different stakeholders and initiatives. The Company also states on website 'Human Rights': 'McDonald's recently enhanced our discrimination, sexual harassment and retaliation policy and training for U.S. staff and Company-owned restaurant employees to provide a more employee-centered approach. Our new policy reflects feedback from stakeholders across the organization including restaurant and staff employees, as well as non-governmental organizations (NGOs) and other third-party experts.' Finally, in the Human Rights policy the company states that it is committed to 'engaging with stakeholders to understand their perspectives, improve our monitoring, analysis or remediation of human rights impacts, and better understand how to evolve our actions supporting this Policy.' and to 'reporting human rights issues'. However, no evidence found of how the Company has identified and engaged with affected stakeholders in the last two years. There is also no evidence of the frequency and triggers for engagement on human rights issues. [Engaging Stakeholders: corporate.mcdonalds.com & Human rights on website, 14/08/2019: corporate.mcdonalds.com] Not met: Frequency and triggers for engagement: See above. Also, as indicated below, in the context of audits, which is a regularly performed task, third party audit firms interview workers privately. However, these tasks seem to be carried out by third party auditors. Not clear how the Company actually engages with supply chain workers, or how it captures engagement and what triggers these engagements. [Human Rights Policy, 28/11/18: corporate.mcdonalds.com & Human rights on website, 14/08/2019: corporate.mcdonalds.com] Met: Workers in AG SC engaged: On its 'Human Rights' website the Company explains how the Supplier Workplace Accountability (SWA) program works. As part of its SWA program, the Company partners with third-party auditing firms to assess compliance with its Supplier Code of Conduct. Human Rights are part of the

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Supplier Code of Conduct. 'On-site audits are physical inspections of the facility and will include visits to housing and cafeterias for workers. In addition, the monitoring firms also conduct private worker interviews and review facility records and business practices to assess compliance with the Code.' [Human rights on website, 14/08/2019: corporate.mcdonalds.com]</p> <ul style="list-style-type: none"> • Not met: Communities in the AG SC engaged: See above. However, this only seems to involve workers. It is not clear if local communities in the supply chain are included. [Human rights on website, 14/08/2019: corporate.mcdonalds.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Analysis of stakeholder views and company's actions on them

B.2 Human Rights Due Diligence (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.1	Identifying: Processes and triggers for identifying human rights risks and impacts	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Identifying risks in own operations: The Company indicates that "We remain committed to identifying risks, assessing and advancing specific policies and practices to ensure we are meeting the current needs of our employees.". However, no evidence found of this process neither the description of the process. [Human rights on website 2019, 25/03/2019: corporate.mcdonalds.com] • Met: Identifying risks in AG suppliers: The Company indicates that its due diligence approach includes 'understanding global and national human rights risks and using this information to evolve the SWA (supplier workplace accountability) program. We assess the potential human rights risks of our supply chains through desk-based research, supply chain mapping, on-site audits and stakeholder engagement. To better inform our understanding of human rights risks within our supply chain, we also work with Verisk Maplecroft to use their expertise in risk analytics to identify countries with particular human rights challenges'. [Human rights on website, 14/08/2019: corporate.mcdonalds.com & Human rights on website 2019, 25/03/2019: corporate.mcdonalds.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Ongoing global risk identification: It also indicates that in 2018 began working with Verisk Maplecroft to conduct a human rights impact assessment of key commodities in its supply chains. [Human rights on website, 14/08/2019: corporate.mcdonalds.com] • Not met: In consultation with stakeholders • Met: In consultation with HR experts: The company indicates that "Risk is analysed cross-functionally, which is to say that both country leadership and functional experts play a role in the process." The Company also works with Verisk Maplecroft. [Report of the sustainability and corporate responsibility committee of the board., 09/01/2014: corporate.mcdonalds.com & Human rights on website 2019, 25/03/2019: corporate.mcdonalds.com] • Not met: Triggered by new circumstances • Not met: Explains use of HRIAs or ESIA (inc HR)
B.2.2	Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Salient risk assessment (and context): As indicated in B.2.1, the Company assesses 'potential human rights risks of our supply chains'. 'A key indicator of risk we use is the country of origin where we are sourcing products or raw materials from. For example, we use analysis of country level human rights risks to help inform the audit cycles for our suppliers. Facilities situated in countries that are considered to be at high risk of such practices require more regular on-site audits regardless of the outcome of previous audits'. 'By identifying the most salient human rights issues within these supply chains, we aim to strengthen our risk management procedures, develop appropriate improvement plans, and increase awareness of these issues within our business'. The Company began working in 2018 with Verisk Maplecroft to conduct human rights impact assessment of key commodities in supply chains. [Human rights on website 2019, 25/03/2019: corporate.mcdonalds.com & McDonald's Restaurants LTd (McDonald's UK) Modern Slavery statement, 2017: mcdonalds.com] • Not met: Public disclosure of salient risks <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met
B.2.3	Integrating and Acting: Integrating assessment	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Action Plans to mitigate risks: The Company indicates that 'by identifying the most salient human rights issues within these supply chains [located in specific countries], we aim to strengthen our risk management procedures,

Indicator Code	Indicator name	Score (out of 2)	Explanation
	findings internally and taking appropriate action		develop appropriate improvement plans, and increase awareness of these issues within our business'. However, no evidence found of a system to prevent, mitigate or remediate its salient human rights issues. It indicates in the Modern Slavery Act Statement [McDonald's UK] that facilities situated in countries considered to be at high risk require more regular on-site audits regardless of the outcome of previous audits. However, this refers to compliance monitoring, and not clear if there is a proactive system to prevent or mitigate issues. [Human rights on website 2019, 25/03/2019: corporate.mcdonalds.com & McDonald's Restaurants LTd (McDonald's UK) Modern Slavery statement, 2017: mcdonalds.com] <ul style="list-style-type: none"> • Not met: Including in AG supply chain • Not met: Example of Actions decided Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met
B.2.4	Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: System to check if Actions are effective • Not met: Lessons learnt from checking effectiveness Score 2 <ul style="list-style-type: none"> • Not met: Both requirement under score 1 met
B.2.5	Communicating : Accounting for how human rights impacts are addressed	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Comms plan re identifying risks • Not met: Comms plan re assessing risks • Not met: Comms plan re action plans for risks • Not met: Comms plan re reviewing action plans • Not met: Including AG suppliers Score 2 <ul style="list-style-type: none"> • Not met: Responding to affected stakeholders concerns • Not met: Ensuring affected stakeholders can access communications

C. Remedies and Grievance Mechanisms (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.1	Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers	1.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Channel accessible to all workers: The company indicates that 'We provide many channels for communication for our employees to report ethics or human rights concerns. This includes an anonymous channel, the Business Integrity Line, staffed by a live operator from an independent company 24 hours a day, every day of the year'. In addition the company indicates that 'Interpreters are available. Phone 1.800.261.9827 within the United States. 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'. [Human rights on website 2019, 25/03/2019: corporate.mcdonalds.com & Standards of Business Conduct: corporate.mcdonalds.com] Score 2 <ul style="list-style-type: none"> • Not met: Number grievances filed, addressed or resolved • Met: Channel is available in all appropriate languages: The online reporting channel is available in approximately 20 languages. In addition, interpreters are available in the integrity line. [McDonald's Business Integrity Online reporting: tnwgrc.com & Human rights on website 2019, 25/03/2019: corporate.mcdonalds.com] • Met: Expect AG supplier to have equivalent grievance systems: The Supplier Code of Conduct indicates that 'suppliers shall create internal programs for handling reports of workplace grievances, including anonymous reports'. Moreover The Company states that 'we expect suppliers to hold their supply chain, including subcontractors and third party labor agencies, to the same standards contained in this Code'. [McDonald's Supplier Code of Conduct: corporate.mcdonalds.com] • Met: Opens own system to AG supplier workers: The Company states that 'also provides channels for people within our supply chain to report ethics or human rights concerns within our supply chain, including an email to reach the SWA global management team'. [Human rights on website 2019, 25/03/2019: corporate.mcdonalds.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.2	Grievance channel(s)/mechanism(s) to receive complaints or concerns from external individuals and communities	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Grievance mechanism for community: The company indicates that 'We provide many channels for communication for our employees to report ethics or human rights concerns'. It also states 'our Business Integrity Line and an email to reach the SWA global management team are open to third parties, including suppliers and their employees, if they are concerned with breaches to our Code.' However it is not clear what 'third parties' entail, whether includes all external stakeholders, including communities. [Human rights on website, 14/08/2019: corporate.mcdonalds.com & Standards of Business Conduct: corporate.mcdonalds.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Describes accessibility and local languages: The company indicates that 'We provide many channels for communication for our employees to report ethics or human rights concerns'. Moreover the company indicates all the languages that the online reporting method is available and for the Business Integrity Line in the US there is interpreters available. However no evidence has been found that this mechanism is open to all external stakeholders. [Human rights on website, 14/08/2019: corporate.mcdonalds.com & McDonald's Business Integrity Online reporting: tnwgrc.com] • Not met: Expects AG supplier to have community grievance systems: The Company expects suppliers 'to create internal grievance mechanisms and programs for handling reports of workplace grievances'. 'McDonald's also provides channels for people within our supply chain to report ethics or human rights concerns within our supply chain, including an email to reach the SWA global management team'. It also states 'While we require suppliers to provide their workers with their own internal procedures to raise issues, our Business Integrity Line and an email to reach the SWA global management team are open to third parties, including suppliers and their employees, if they are concerned with breaches to our Code.' However, no evidence found on whether these channels are open to suppliers' external stakeholders and communities. [Human rights on website, 14/08/2019: corporate.mcdonalds.com] • Not met: AG supplier communities use global system: See above. [Human rights on website, 14/08/2019: corporate.mcdonalds.com]
C.3	Users are involved in the design and performance of the channel(s)/mechanism(s)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Engages users to create or assess system • Not met: Description of how they do this <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Engages with users on system performance • Not met: Provides user engagement example on performance • Not met: AG suppliers consult users in creation or assessment
C.4	Procedures related to the mechanism(s)/channel(s) are publicly available and explained	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Response timescales: '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'. [Standards of Business Conduct: corporate.mcdonalds.com & Standards of Business Conduct: corporate.mcdonalds.com] • Met: How complainants will be informed: 'When you call the Business Integrity Line, case numbers are assigned to all contacts. If you choose to report anonymously, you will be given a number that you can reference when you call back for an update'. [Standards of Business Conduct: corporate.mcdonalds.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Escalation to senior/independent level
C.5	Commitment to non-retaliation over complaints or concerns made	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Public statement prohibiting retaliation: The company indicates that 'We will not tolerate any retaliation of any kind directed against anyone who reports an issue concerning compliance with this Policy'. [Human Rights Policy, 28/11/18: corporate.mcdonalds.com] • Met: Practical measures to prevent retaliation: The company indicates that reports made through the Business Integrity Line are free confidential and may be

Indicator Code	Indicator name	Score (out of 2)	Explanation
			made anonymously, and are operated by an outside company. [Standards of Business Conduct: corporate.mcdonalds.com] Score 2 <ul style="list-style-type: none"> • Not met: Has not retaliated in practice • Not met: Expects AG suppliers to prohibit retaliation: The company indicates that 'Suppliers are responsible for prompt reporting of actual or suspected violations of law, this Code, the Standards of Business Conduct for McDonald's employees, or the McDonald's Supplier Guidance Document. This includes violations by any employee or agent acting on behalf of either the supplier or McDonald's. Such programs shall protect worker whistleblower confidentiality and prohibit retaliation'. However, it refers only to employees and no evidence has been found of other stakeholders being covered by a 'no retaliation commitment' [McDonald's Supplier Code of Conduct: corporate.mcdonalds.com & Human rights on website 2019, 25/03/2019: corporate.mcdonalds.com]
C.6	Company involvement with State-based judicial and non-judicial grievance mechanisms	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Won't impede state based mechanisms: The Company indicates in the code of conduct that details of an investigation must be kept confidential by participating employees and that 'participating employees should be aware of their right to report misconduct directly to a governmental authority as whistleblowers pursuant to applicable laws, rules and regulations of their respective jurisdictions. Reporting to a governmental authority as a whistleblower is specifically exempted from the confidentiality provisions of this policy. No employee will be subject to retaliation or discipline from the company for such reporting'. [Standards of Business Conduct: corporate.mcdonalds.com] • Not met: Complainants not asked to waive rights: The company indicates that "will not impede state-based grievance processes via our employee system; we do not require employees to waive their right to use such external mechanisms to participate in our hotline. We will not tolerate any retaliation of any kind directed against anyone who reports" However no evidence has been found that the Company has not in any past case required individuals to waive their rights. [Human rights on website 2019, 25/03/2019: corporate.mcdonalds.com] Score 2 <ul style="list-style-type: none"> • Not met: Will work with state based or non judicial mechanisms: The Company describes in the Standards of Business Conduct how employees must behave if there is an internal investigation. The company states 'In the course of an investigation, you may be asked not to discuss anything about the investigation with any person, either inside or outside of McDonald's (with the exception of a whistleblower report to a governmental authority), without the express consent of those authorized to conduct the investigation. Employees are required to cooperate fully with the authorized investigation team throughout the course of the investigation and to disclose any and all relevant information in a complete and truthful manner. Employees who interfere with or provide false information in the course of an investigation will be subject to disciplinary action, up to and including termination of employment.' However, there is no evidence or description of a process by which the Company will cooperate with state-based non-judicial grievance mechanism. [Standards of Business Conduct: corporate.mcdonalds.com] • Not met: Example of issue resolved (if applicable)
C.7	Remedying adverse impacts and incorporating lessons learned	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Describes how remedy has been provided • Not met: Says how it would remedy key sector risks Score 2 <ul style="list-style-type: none"> • Not met: Changes introduced to stop repetition • Not met: Approach to learning from incident to prevent future impacts • Not met: Evaluation of the channel/mechanism

D. Performance: Company Human Rights Practices (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.1.1.b	Living wage (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Living wage in supplier code or contracts: McDonald's Supplier Code of Conduct indicates that 'Suppliers shall ensure that their workers are paid lawful wages, including overtime, premium pay, and equal pay for equal work without discrimination. There shall be no disciplinary deductions from pay'. However no evidence has been found of inclusion of living wage guidelines in its contractual arrangements with its suppliers. [McDonald's Supplier Code of Conduct: corporate.mcdonalds.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Not met: Improving living wage practices of suppliers Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met • Not met: Provides analysis of trends demonstrating progress
D.1.2	Aligning purchasing decisions with human rights	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Avoids business model pressure on HRs (purchasing practices): The Company states on its Human Rights website that all suppliers must 'meet our expectations of fundamental rights for all people as established by the United Nations Declaration of Human Rights.' and that 'Direct suppliers are required to sign a contract committing them to upholding the standards contained in our Supplier Code of Conduct'. On 'Our Food' website the Company states further that it is continuously working at sourcing food responsibly and that it works with its suppliers 'to ensure the health and safety of people, safeguard the health and welfare of animals in our supply chain, and conduct business ethically.' In addition, the Company states 'In the long term, we want to source all our food and packaging sustainably.' However, no evidence found of the practices the Company adopts to avoid price or short notice requirements undermining human rights or specific positive incentives via its purchasing practices for its businesses relationships in relation to human rights. [Human rights on website, 14/08/2019: corporate.mcdonalds.com & Our Food on website, n/a: corporate.mcdonalds.com] Score 2 <ul style="list-style-type: none"> • Not met: Positive incentives to respect human rights (purchasing practices): See above • Not met: Both requirements under score 1 met
D.1.3	Mapping and disclosing the supply chain	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Identifies suppliers back to manufacturing sites (factories or fields): The Company states that it works with its suppliers to ensure the health and safety of people, safeguard the health and welfare of animals in our supply chain, and conduct business ethically, and that in the long term, it wants to source all its food and packaging sustainably. On its 'Beef Sustainability' website the Company states that 'In all countries where we source beef, we have traceability from the abattoirs through the processing plant and to McDonald's restaurants. We audit the processors that supply our beef annually and 100% of them pass our strict requirements for food safety. In many of these countries, traceability systems also exist to track further up the supply chain to the individual farms where animals are raised.' Tracing back to the farms only applies to a few countries, not all. It also only applies to beef suppliers; no evidence that other suppliers than those of beef (direct and indirect) are included. [Beef Sustainability (Helping lead a global movement for Beef Sustainability), N/a: corporate.mcdonalds.com & Our Food on website, n/a: corporate.mcdonalds.com] Score 2 <ul style="list-style-type: none"> • Not met: Discloses significant parts of SP and why
D.1.4.b	Prohibition on child labour: Age verification and corrective actions (in the supply chain)	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Child Labour rules in codes or contracts: McDonald's Supplier Code of Conduct indicates that 'Suppliers shall ensure that no underage labor has been used in the production or distribution of their goods or services. A child is any person under the minimum employment age according to the laws of the facility's country, or, in the absence of law, under the minimum age for completing required education. Suppliers shall not employ anyone younger than 14, regardless of the country's minimum working age'. It indicates on its website that 'auditors verify the supplier's compliance with each aspect of the Code, such as verifying that all workers are of legal age to work. In addition to maintaining legally accepted age verification records, suppliers are also expected to invest in remediation systems in the event an underage person is hired, to assist in their return to their school or any other solution that can cater to the child's best interest'. [McDonald's Supplier Code of Conduct: corporate.mcdonalds.com & Human rights on website 2019, 25/03/2019: corporate.mcdonalds.com] Score 2 <ul style="list-style-type: none"> • Not met: How working with suppliers on child labour: 'In addition to maintaining legally accepted age verification records, suppliers are also expected to invest in remediation systems in the event an underage person is hired, to assist in their return to their school or any other solution that can cater to the child's best interest.' However, no evidence found of specific work carried out with suppliers to improve their performance in relation to young workers and child labour elimination. [Human rights on website, 14/08/2019: corporate.mcdonalds.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met: See above • Not met: Analysis of trends in progress made
D.1.5.b	Prohibition on forced labour: Debt bondage and other unacceptable financial costs (in the supply chain)	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Debt and fees rules in codes or contracts: McDonald's Supplier Code of Conduct indicates that 'Suppliers shall not use any form of slave, forced, bonded, indentured, or involuntary prison labor. They shall not engage in human trafficking or exploitation, or import goods tainted by slavery or human trafficking. They shall not retain employees' government-issued identification, passports or work permits as a condition of employment'. Also, the Supplier Workplace Accountability program includes audits to assess compliance with the code, including 'verification that workers are not charged illegal fees as a condition of employment'. <p>[McDonald's Supplier Code of Conduct: corporate.mcdonalds.com & Human rights on website, 14/08/2019: corporate.mcdonalds.com]</p> <ul style="list-style-type: none"> • Not met: How working with suppliers on debt & fees <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met • Not met: Analysis of trends in progress made
D.1.5.d	Prohibition on forced labour: Restrictions on workers (in the supply chain)	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Free movement rules in codes or contracts: McDonald's Supplier Code of Conduct indicates that 'Suppliers shall not use any form of slave, forced, bonded, indentured, or involuntary prison labor. They shall not engage in human trafficking or exploitation, or import goods tainted by slavery or human trafficking. They shall not retain employees' government-issued identification, passports or work permits as a condition of employment'. [McDonald's Supplier Code of Conduct: corporate.mcdonalds.com] • Met: How working with suppliers on free movement: The Supplier Workplace accountability programme 'includes an online training platform where suppliers can access optional tools and resources that provide guidance on human rights issues, such as preventing forced labor. Training modules include; Ensuring Eligibility to Work, Protecting the Rights of Migrant Labor, and Implementing Grievance Mechanisms. For example, the Migrant Labor training aims to educate suppliers on the risks related to forced labor when sourcing migrant labor and key actions they can take to ensure they are protecting the rights of migrant workers in their facilities. Live training sessions provided by a third party are also held with our suppliers on human rights issues and in 2017 training was offered to suppliers in Malaysia on forced labor, grievance mechanisms, and managing migrant labor through AIM-PROGRESS'. [Human rights on website, 14/08/2019: corporate.mcdonalds.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Both requirements under score 1 met: See above • Not met: Provides analysis of trends demonstrating progress
D.1.6.b	Freedom of association and collective bargaining (in the supply chain)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: FoA & CB rules in codes or contracts: McDonald's Supplier Code of Conduct indicates that 'Suppliers shall respect the rights of workers to associate or not to associate with any group, as permitted by and in accordance with all applicable laws and regulations'. However no evidence has been found of Collective bargaining guidelines. The Company also indicates that the Supplier Guidance Document is shared with all suppliers and it includes the following expectation: 'suppliers respect the rights of people to bargain collectively where such rights are established by law or contract'. However, it is not clear if the Company requires suppliers to commit generally to respect the right to collective bargaining (including through equivalent worker bodies or parallel mechanisms where these rights are restricted under law) and whether includes guidelines including the prohibition of intimidation or retaliation against union members or representatives in its guidelines for suppliers. [McDonald's Supplier Code of Conduct: corporate.mcdonalds.com & Human rights on website 2019, 25/03/2019: corporate.mcdonalds.com] • Not met: How working with suppliers on FoA and CB <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met • Not met: Provides analysis of trends demonstrating progress

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.1.7.b	Health and safety: Fatalities, lost days, injury rates (in the supply chain)	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Sets out clear Health and Safety requirements: McDonald's Supplier Code of Conduct indicates that 'Suppliers shall ensure that all workers receive communication and training on emergency planning and safe work practices. In addition, suppliers shall have systems to prevent, detect and respond to potential risks to the safety, health and security of all employees'. [McDonald's Supplier Code of Conduct: corporate.mcdonalds.com] • Not met: Injury Rate disclosures • Not met: Lost days or near miss disclosures • Not met: Fatalities disclosure <p>Score 2</p> <ul style="list-style-type: none"> • Not met: How working with suppliers on H&S • Not met: Provides analysis of trends demonstrating progress
D.1.8.b	Land rights: Land acquisition (in the supply chain)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Rules on land & owners in codes or contracts: The company indicates that they work throughout their supply chain to ensure the following principles 'Respect human rights. Respect the rights of all affected communities to give or withhold their free, prior and informed consent for plantation developments on land they own legally, communally or by custom. Resolve land rights disputes through a balanced and transparent dispute resolution process'. However no evidence has been found of guidelines that require to have a process to identify legitimate tenure right holders. [Conserving Forests: corporate.mcdonalds.com] • Not met: How working with suppliers on land issues <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met • Not met: Provides analysis of trends demonstrating progress
D.1.9.b	Water and sanitation (in the supply chain)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Rules on water stewardship in codes or contracts: McDonald's Supplier Code of Conduct indicates that 'Suppliers are responsible for managing, measuring and minimizing the environmental impact of their facilities. Specific focus areas include air emissions, waste reduction, recovery and management, water use and disposal'. However no evidence has been found of clear guidelines that include refraining from negatively affecting access to safe water. [McDonald's Supplier Code of Conduct: corporate.mcdonalds.com] • Not met: How working with suppliers on water stewardship issues: On its Protecting Water Resources website the Company states that they 'partnered with experts like World Wildlife Fund (WWF) and the World Resources Institute to identify the risks and create a stewardship approach that will drive actions and improvements across our entire value chain.' In addition, it gives examples of how it works with suppliers and partners on water stewardship in four different countries, including using rain water for irrigation and landscaping, reduce water use, etc. However, in order to award this indicator, evidence needs to be in the context of right to water /safe access to water. [Protecting Water Resources: corporate.mcdonalds.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met • Not met: Provides analysis of trends demonstrating progress

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.1.10.b	Women's rights (in the supply chain)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Women's rights in codes or contracts: The Company states on its Human Rights website that it has launched its BETTER TOGETHER: Gender Balance & Diversity Strategy, 'which aims to improve the representation of women at all levels of the Company, achieve gender equality in career advancement, and champion the impact of women on the business. In addition, McDonald's signed the UN Women's Empowerment Principles to underscore our commitment to progress.' Although Principle 5 o WEP states to 'Implement enterprise development, supply chain and marketing practices that empower women' there is no evidence that the Company actually has requirements in supplier code or contractual arrangements with its suppliers regarding women's rights (this includes: equal pay for equal work; equal opportunities throughout all levels of employment ; to eliminate health and safety concerns that are particularly prevalent among women workers). In addition, in the press release the Company states its commitment to 'Achieve progress on a global scale by encouraging franchisees and suppliers to deliver strategies that drive gender balance and improve diversity, with the goal of reaching millions of women worldwide.' However, no formal contractual arrangement found in any of the publicly available documents regarding suppliers. [Human rights on website, 14/08/2019: corporate.mcdonalds.com & McDonald's Launches Push for Gender Balance and Diversity - Press Release on Company's website, 08/03/2019: news.mcdonalds.com] • Not met: How working with suppliers on women's rights <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met • Not met: Provides analysis of trends demonstrating progress

E. Performance: Responses to Serious Allegations (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).0	Serious allegation No 1		<ul style="list-style-type: none"> • Headline: McDonald's Chinese supplier investigated by China Labour Watch over violation of labour rights • Area: Forced labour - overtime hours • Story: On November 15th, 2016, China Labour Watch, a US based NGO, published a report detailing poor working conditions in four Chinese suppliers that produce toys for several companies including McDonald' s. This report, which is based on an undercover investigation and interviews, revealed low wages, hazardous chemicals, and overtime. Investigators of China Labour found that employees at the Combine Will factory in Dongguang, China work more than 100 hours of overtime a month which represents about three times the legal limit in China. The report stated: "We found that the average working hours in these four factories are 11 hours a day, with more than 50 overtime hours a month, and at half of the factories, overtime hours had reached 100 hours, with the highest at above 130 hours. <p>According to the China Labour Watch, the companies that operate the factories are fully capable of raising wages and improving work conditions; however, most companies choose not to address the issues.</p> <ul style="list-style-type: none"> • Sources: ["- The Guardian – 04/12/2016: theguardian.com][Voice Of America – 17/11/2016: voanews.com][China Labor Watch – 15/11/2016: chinalaborwatch.org]
E(1).1	The Company has responded publicly to the allegation	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Public response available: The company says "As purchasers of toys from Combine Will, we take these allegations very seriously. We are committed to ensuring fair and ethical workplace standards in every corner of our supply chain...We are working closely with ICTI Care in its investigation as well as overseeing a thorough review of these allegations, and will swiftly and effectively address any issues that are identified." [Guardian article, 04/12/2016: theguardian.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Response goes into detail: The company response fails to provide any further details on the allegations or the action that McDonald's intends to take. [Guardian article, 04/12/2016: theguardian.com]
E(1).2	The Company has appropriate policies in place	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Company policies address the general issues raised: In the company's 'Supplier code of conduct' it states "Working Hours and Rest Days: Employees

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>shall be allowed at least one day off every seven days, and any overtime worked shall be voluntary. If local law allows, employees may voluntarily work overtime on rest days, provided that they are allowed at least one day off within the next seven days. Continuous working days are never to exceed 21 days without a rest day." This requirement is consistent with ILO Convention 14. [McDonald's Supplier Code of Conduct: corporate.mcdonalds.com]</p> <ul style="list-style-type: none"> • Met: Policies apply to the type of business relationships involved: The company says "At a minimum, we require that all suppliers and their facilities meet the standards and promote the principles outlined in this Code (Supplier Code of Conduct), which are intended to advance McDonald's commitment to all aspects of sustainability"..."The provisions of this Code are in addition to, and not in lieu of, the provisions of any legal agreement or contract between a supplier and McDonald's or any of its affiliates. We expect suppliers to hold their supply chain, including subcontractors and third party labor agencies, to the same standards contained in this Code" [McDonald's Supplier Code of Conduct: corporate.mcdonalds.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Policies address the specific rights in question: The company's 'Supplier code of conduct' outlines the expectations for rest days, however it doesn't indicate the expectations of working hours during that weekly period. Additionally it doesn't make any reference to International Standards on working hours concerning maximum hours worked and minimum number or breaks required. [McDonald's Supplier Code of Conduct: corporate.mcdonalds.com]
E(1).3	The Company has taken appropriate action	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Engages with affected stakeholders: The company says "We are working closely with ICTI Care in its investigation as well as overseeing a thorough review of these allegations, and will swiftly and effectively address any issues that are identified." However there is no mention of the workers at Combine Will, who are allegedly the ones being subject to forced labour and extensive overtime hours [Guardian article, 04/12/2016: theguardian.com] • Not met: Encourages linked business to engage affected stakeholders: The company says "As purchasers of toys from Combine Will, we take these allegations very seriously. We are committed to ensuring fair and ethical workplace standards in every corner of our supply chain. We are working closely with ICTI Care in its investigation as well as overseeing a thorough review of these allegations, and will swiftly and effectively address any issues that are identified." However this is not sufficient to demonstrate encouragement of the Combine Will factory to engage with the affected workers. [Guardian article, 04/12/2016: theguardian.com] • Not met: Provides remedies to affected stakeholders: The company fails to provide any evidence that compensation has been provided to the workers at Combine Will. [Guardian article, 04/12/2016: theguardian.com] • Not met: Has reviewed management systems to prevent recurrence: The company has said "We are working closely with ICTI Care in its investigation as well as overseeing a thorough review of these allegations, and will swiftly and effectively address any issues that are identified." however this 'review' only relates to the allegations made, and fails to provide any evidence of whether the management systems in place have been reviewed to prevent a re-occurrence of these issues. [Guardian article, 04/12/2016: theguardian.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Remedies are satisfactory to the victims: There is no evidence that the company has engaged with the victims, nor has it demonstrated any evidence of encouraging its supplier, the Combine Will factory, to provide satisfactory remedy to the victims. [Guardian article, 04/12/2016: theguardian.com] • Not met: Has improved systems and engaged affected stakeholders: The company has said "We are working closely with ICTI Care in its investigation as well as overseeing a thorough review of these allegations, and will swiftly and effectively address any issues that are identified." However there is no further evidence that McDonalds has improved its systems since the investigation was conducted. [Guardian article, 04/12/2016: theguardian.com]
E(2).0	Serious allegation No 2		<ul style="list-style-type: none"> • Headline: McDonald's workers in Malaysia allege labour exploitation • Area: Forced labour • Story: In November 2016, a group of workers at McDonald's restaurants in Malaysia (McDonalds Malaysia) alleged that they had been subject to human exploitation. The workers appear to have come from Nepal. They claimed their passports were confiscated and that they were charged fees that were deducted from their salaries and were subject to degrading working conditions.

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>The workers also reported delays in payment of their salaries, which left them without access to basic commodities. The workers reported going on strikes in response to what they described as degrading working conditions. The workers have reportedly attempted to report the issue to McDonalds on a number of occasions. As a result, McDonalds terminated its contract with the labour supplier involved in the controversy. This resulted in the dismissal of the employees hired through this channel.</p> <p>• Sources: [The Guardian, 01/12/2016, -: theguardian.com]</p>
E(2).1	The Company has responded publicly to the allegation	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Public response available <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Response goes into detail
E(2).2	The Company has appropriate policies in place	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Company policies address the general issues raised • Met: Policies apply to the type of business relationships involved <p>Score 2</p> <ul style="list-style-type: none"> • Met: Policies address the specific rights in question: McDonald's states that 'we do not use any form of slave, forced, bonded, indentured or involuntary prison labor. We do not engage in human trafficking or exploitation, or import goods tainted by slavery or human trafficking. We will not employ underage children or forced labourers'. The Supplier Code of Conduct also covers forced labour but it is not as detailed. It states that 'we expect suppliers to hold their supply chain, including subcontractors and third party labor agencies, to the same standards contained in this Code.'
E(2).3	The Company has taken appropriate action	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Engages with affected stakeholders • Not met: Encourages linked business to engage affected stakeholders • Not met: Provides remedies to affected stakeholders: McDonald's has only reported that they are will to pay the workers directly but that they were not able to reach them as they were employed by another company. • Not met: Has reviewed management systems to prevent recurrence: McDonald's state that it has terminated its contract with the human resources supplier involved in this controversy. Additionally, McDonald's Malaysia reports repeated unsuccessful attempts to investigate these accusations with its supplier's Human resources. However, this does not indicate that the company has put in place measures which will prevent recurrence. <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Remedies are satisfactory to the victims • Not met: Has improved systems and engaged affected stakeholders
E(3).0	Serious allegation No 3		<ul style="list-style-type: none"> • Headline: Workers File Sexual Harassment Claims Against McDonald's • Area: Discrimination • Story: McDonald's employees from multiple locations across the US have filed 15 federal complaints against the fast food giant with the Employment Opportunity Commission (EEOC), alleging incidents of sexual harassment. This represents alleged repeated degrading discriminatory treatment. In May 2018, another 10 complaints were filed. The most recent complaints relate to allegations of sexual harassment, which the 10 women involved say the company and its franchisees ignored them or retaliated against them for raising such complaints. The report says that the claimants, including a 15-year-old from St. Louis, said in a conference call with journalists that they were ignored, mocked or terminated for reporting the behavior. The accusations included claims that co-workers or supervisors sexually propositioned, groped or exposed themselves to the women. The report also notes that the allegations against McDonald's Corporation and the franchisee operators of the restaurants are similar to complaints filed with the EEOC two years earlier. The report states that the most recent allegations are the latest effort by the union-backed Fight for \$15 to have McDonald's designated a "joint employer" of workers at McDonald's franchises and thereby liable when its franchisees violate labor laws. • Sources: [Time, 05/10/2016 -: time.com][Reuters - 22/05/2018: reuters.com]
E(3).1	The Company has responded publicly to the allegation	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Public response available: According to a press article about the 2018 complaints, responding to the claims, McDonald's spokeswoman Terri Hickey said there is "no place for harassment and discrimination of any kind" in the workplace.

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>“McDonald’s Corporation takes allegations of sexual harassment very seriously and are confident our independent franchisees who own and operate approximately 90 percent of our 14,000 U.S. restaurants will do the same,” Hickey said by email. The press article also added “when similar sexual harassment charges were lodged (...) two years ago, McDonald’s promised a review of those allegations. However, Hickey — in her new response — declined to say whether that review led to any changes of policies and practices aimed at curtailing such harassment”. Additionally, the company's CEO Steve Easterbrook said in a letter that ““By strengthening our overall policy, creating interactive training, a third-party managed anonymous hotline and importantly, listening to employees across the system, McDonald’s is sending a clear message that we are committed to creating and sustaining a culture of trust where employees feel safe, valued and respected,”. However these statements are only general statements about company policy and neither of them address the specific allegations which have been raised by the women. [Easterbrook response to EEOC allegations, 25/05/2019: cnbc.com & Terry Hickey response to EEOC allegations, 22/05/2018: reuters.com]</p> <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Response goes into detail: The statements are only general statements about company policy and neither of them address the specific allegations which have been raised by the women. [Easterbrook response to EEOC allegations, 25/05/2019: cnbc.com & Terry Hickey response to EEOC allegations, 22/05/2018: reuters.com]
E(3).2	The Company has appropriate policies in place	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Company policies address the general issues raised: The company's policy prohibits sexual harassment, saying, "We also will not tolerate sexual harassment. Sexual harassment includes unwelcome advances or flirtations, requests for sexual favors, and other conduct based on sex where agreeing to the conduct becomes a condition of employment, or when the conduct is used as the basis for an employment decision, or the conduct creates an intimidating, hostile or offensive work environment. Even if this conduct is not being used as a basis for an employment decision, it still may be unwelcome. Unwelcome sexual conduct is inappropriate and never acceptable at McDonald's". [Policy against Discrimination, Harassment, and Retaliation, 01/2019: corporate.mcdonalds.com] • Met: Policies apply to the type of business relationships involved: The company says the policy applies to "This Policy applies to all McDonald’s employees – on McDonald’s property, at a company-sponsored event, or offsite with other employees, contractors or vendors. Further, we do not tolerate harassment of employees by non-employees (for example, interns, temporary workers, independent contractors, franchisees, guests, customers, vendors and suppliers), and we do not tolerate harassment of non-employees by employees". [Policy against Discrimination, Harassment, and Retaliation, 01/2019: corporate.mcdonalds.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Policies address the specific rights in question: While the company's policy prohibits sexual harassment, it does not provide any information about the specific measures that are put in place to prevent sexual harassment and discrimination against women in the workplace. [Policy against Discrimination, Harassment, and Retaliation, 01/2019: corporate.mcdonalds.com]
E(3).3	The Company has taken appropriate action	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Engages with affected stakeholders: In a letter sent to Padma Lakshmi, CEO Steve Easterbrook says that since the allegations of sexual harassment had been made, McDonald's had been working with RAINN, an anti-sexual violence organization which have education programs on how to prevent sexual misconduct and harassment. However there is no evidence that the company has engaged with the victims of the sexual harassment who have filed the claims. [Steve Easterbrook letter, 19/05/2019: documentcloud.org] • Not met: Encourages linked business to engage affected stakeholders: In his letter, McDonald's CEO Steve Easterbrook says that the company has developed a new sexual harassment policy, and that "We have reprinted and shipped posters containing the new policy to all 14,000 restaurants in the McDonald’s system. We have encouraged our Owner Operators to use this policy, along with the resources listed below, to continue to foster a safe and respectful work environment for their employees". However this is not evidence of the company encouraging the linked businesses to engage with the victims who filed the complaints. [Steve Easterbrook letter, 19/05/2019: documentcloud.org]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Not met: Provides remedies to affected stakeholders: There is no publicly available evidence that remedy has been provided to victims of the sexual harassment. • Met: Has reviewed management systems to prevent recurrence: In his letter, McDonald's CEO Steve Easterbrook says that in addition to the development of a new sexual harassment policy the company has rolled out a new third party training program, McDonald's and RAINN "will facilitate additional conversations with U.S. restaurant employees and other relevant external stakeholder groups to help inform and further strengthen our policy and trainings. These conversations underscore our commitment to continuous improvement and being responsive to the changing needs of our business and employees – now and in the future. Importantly, we aim to convey that policies and trainings of this nature must be updated regularly and with direct feedback from the people they are designed to support." [Steve Easterbrook letter, 19/05/2019: documentcloud.org] Score 2 • Not met: Remedies are satisfactory to the victims: There is no publicly available evidence that remedy has been provided to victims of the sexual harassment. [Steve Easterbrook letter, 19/05/2019: documentcloud.org] • Not met: Has improved systems and engaged affected stakeholders: In his letter, company CEO Steve Easterbrook outlines a number of changes that McDonald's have made to improve their management of sexual harassment, such as implementing third party training modules, engaging anti-sexual violence organizations and other stakeholder groups, and establishing a third party managed reporting hotline. However there is no evidence of the company having engaged with the victims of the sexual harassment who filed the complaints. [Steve Easterbrook letter, 19/05/2019: documentcloud.org]

F. Transparency (10% of Total)

Indicator Code	Indicator name	Score	Explanation
F.1	Company willingness to publish information	2.57 out of 4	Out of a total of 42 indicators assessed under sections A-D of the benchmark, McDonald's made data public that met one or more elements of the methodology in 27 cases, leading to a disclosure score of 2.57 out of 4 points.
F.2	Recognised Reporting Initiatives	0 out of 2	<p>The individual elements of the assessment are met or not as follows: Score 2</p> <ul style="list-style-type: none"> • Not met: Company reports on GRI • Not met: Company reports on SASB • Not met: Company reports on UNGPRF
F.3	Key, High Quality Disclosures	0 out of 4	<p>McDonald's met 0 of the 8 thresholds listed below and therefore gets 0 out of 4 points for the high quality disclosure indicator. Specificity and use of concrete examples</p> <ul style="list-style-type: none"> • Not met: Score 2 for A.2.2 : Board discussions • Not met: Score 2 for B.1.6 : Monitoring and corrective actions • Not met: Score 2 for C.1 : Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers • Not met: Score 2 for C.3 : Users are involved in the design and performance of the channel(s)/mechanism(s) Discussing challenges openly • Not met: Score 2 for B.2.4 : Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts • Not met: Score 2 for C.7 : Remedying adverse impacts and incorporating lessons learned Demonstrating a forward focus • Not met: Score 2 for A.2.3 : Incentives and performance management • Not met: Score 2 for B.1.2 : Incentives and performance management

Disclaimer

A score of zero for a particular indicator does not mean that bad practices are present. Rather it means that we have been unable to identify the required information in public documentation.

See the 2019 Key Findings report and technical annex for more details of the research process.

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As CHRB Ltd, we want to emphasise that the results will always be a proxy for good human rights management, and not an absolute measure of performance. This is because there are no fundamental units of measurement for human rights. Human rights assessments are therefore necessarily more subjective than objective. The Benchmark also captures only a snap shot in time. We therefore want to encourage companies, investors, civil society and governments to look at the broad performance bands that companies are ranked within rather than their precise score because, as with all measurements, there is a reasonably wide margin of error possible in interpretation. We also want to encourage a greater analytical focus on how scores improve over time rather than upon how a company compares to other companies in the same industry today. The spirit of the exercise is to promote continual improvement via an open assessment process and a common understanding of the importance of the UN Guiding Principles on Business and Human Rights.