



AG Restaurants T/A McDonalds UK – Modern Slavery Statement April 2024

At AG Restaurants, we take seriously our responsibility to respect and promote human rights as set out and to act with due diligence to avoid infringing on the human rights of others and addressing impacts on human rights if they occur. We are committed to respecting human rights as set out in our Human Rights Policy. We do not use any form of slave, forced, bonded, indentured, or involuntary prison labour. We do not engage in human trafficking or exploitation, or import goods tainted by slavery or human trafficking. We support fundamental human rights for all people. We will not employ underage children or forced labourers. We prohibit physical punishment or abuse. We respect the right of employees to associate or not associate with any group, as permitted by and in accordance with applicable laws and regulations.

Introduction

This statement is published in accordance with the UK Modern Slavery Act. It outlines the approach we take to prevent modern slavery in our business, and supply chains associated with the registered operation in the UK.

As a Franchise we work with McDonalds across our business and supply chain to ensure that we have the right practices in place to prevent and respond to any potential risks.

Modern slavery is unacceptable within our business and supply chains. We have the responsibility to respect the rights of people who work for us, the Company (McDonalds), suppliers and business partners that respect human rights for their respective employees. We understand that there is no single solution to human rights issues, which is why it is critical that we engage with all our stakeholders to build awareness and understanding.

Our business structure, Company and supply chains

We are a franchised business and today we operate 27 restaurants across Glasgow, Lanarkshire and Ayrshire. Alongside the restaurants we have our Accounts office based in Easterhouse, Glasgow. Andrew Gibson, established in 2002 and has continued to ensure our customers have trust in all that we do to ensure we do the right thing by their communities, the environment, and our people. By working across all these elements of our business, the company and our supply partners can use this scale for delivering the positive impact to which our customers expect. Our approach to modern slavery and human rights is underpinned by this same commitment.

Supply Chains (see Annex 1)

Over and above the main suppliers, for smaller jobs e.g., Window cleaning, maintenance these are taken from the Company approval list to ensure the correct practices that protect health and safety for the people in their facilities are followed.

Our People

At AG Restaurants, we are committed to promoting a safe, inclusive and respectful workplace for our people. From our kitchens and dining areas to our hierarchy team and office our success would not be possible without the great work of our people, which is why it is so important we respect and invest in them. We believe in developing a culture in which our people are treated with dignity and respect at all times.

Our Gender Pay report published in 2023/24, showed that our median pay gap was 0.1% and our mean pay gap was -0.3% . This is significantly below the mean national average 14.3%. We are proud of our results and will continue to push ourselves to ensure that we remain a diverse and fair workplace.

We know that a motivated and engaged team of people in our restaurants is crucial when building a great place to work. That is why we are committed to building an Open-Door Policy where everyone has access to have their voices being heard. This is advertised weekly through our communication channel "Workplace". Anonymous feedback from our people is an important way of understanding how our employees feel about work and raises any concerns they may have. We conduct a Love to Listen Sentiment Survey Quarterly where an Action Plan can be generated to improve our working. Alongside this we also have our People Strategy, this document allows us to focus on our People Practices for each Quarter ensuring the document is revisited and "kept alive" in our restaurants and shared with our respective teams through our Plan on a Page..

We support people in speaking freely in listening sessions, HIG chats and "Big Conversations", which is a good component for a positive workplace culture. These sessions follow a process of an Action Plan and each Engagement Manager of the restaurant ensures that feedback is digested to continually work towards ensuring our employees feel valued.

Our People Team, HR and Supervisors are also on hand to support our people wherever they are in the business. Our team receive up to date training through webinars, eLearning to ensure any serious issues raised are dealt with effectively. We also have "Workplace" which is accessible for all our employees and provides a good source of information.

Additionally, to strengthen the support we offer our people the Employee Assistance Programme, which provides 24/7 access via telephone and online support.

Policies and due diligence

We are committed to ethical recruitment practices through our Responsible and Ethical Policy, which is available on our "Workplace" alongside our other policies. We do not retain employee's identity documents such as passports or work permits, our system requires the individual to upload their details for administrative reasons including for immigration checks. We use an approved company, IDTRUST who checks all relevant documents as required per legislation. AG Restaurants provides any agreements whether oral or in writing in a language understood by the person agreeing to be employed.

Our Human Rights Policy is available to our employees on our Workplace and intranet. Employees may raise human rights issues through a number of channels, HR, People Services Helpdesk (anonymously if preferred), (Company), Hierarchy or direct to the Franchise.

Continuous Improvement

There is no single solution to the day-to-day challenges we face from modern slavery and human trafficking and we must therefore continue to learn, adapt and understand the associated risks and warning signs.

Our training, webinars, eLearning modules and information provided by the company ensures that we continue to build our knowledge and take reasonable steps to improve our collective awareness.

Approved by Andrew Gibson (Franchise) on the 30th April 2024

Andrew Gibson



Annex 1

ANNEX 1: Supplier Code of Conduct and Supplier Workplace Accountability

The Supplier Code of Conduct applies to McDonald's suppliers globally. The Code of Conduct was launched in 1993 and has continued to be evolved and strengthened to reflect updated international human rights standards. It is expected of suppliers that they meet the standards for human rights, workplace environment, business integrity, and environmental management contained in the Supplier Code of Conduct. It is also expected that they achieve self-managed excellence in these four areas through the implementation of their own management systems.

All suppliers and their facilities are expected to meet the standards and promote the principles outlined in the Supplier Code of Conduct. It is also an expectation that suppliers hold their own supply chain, including subcontractors and third-party labour agencies, to the same standards contained in the Supplier Code of Conduct.

Suppliers are expected to create their own internal programmes for handling reports of workplace grievances, including anonymous reports. In addition to requiring suppliers to provide their own grievance mechanisms, channels are also provided for people within the supply chain to report issues.

The Supplier Code of Conduct is the cornerstone of the global McDonald's Supplier Workplace Accountability (SWA) programme, which aims to help suppliers understand the expectations of them, verify compliance with those expectations and work toward continuous improvement.

The SWA programme is built on a model of continuous improvement and education. Suppliers have access to guidance and training to understand the SWA requirements and how to comply with those standards. Suppliers are required to complete a rigorous self-assessment questionnaire that appraises their current practices and management systems. After completing the self-assessment questionnaire, suppliers receive a report indicating areas of opportunity.

The SWA programme also includes on-site announced and unannounced audits conducted by third-party auditing firms to assess compliance with the Supplier Code of Conduct. These auditing firms are based around the world with expert knowledge and local insight, including understanding local languages and cultures. 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.

Modern Slavery risks are addressed specifically as part of the audit, including 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 worker, and that suppliers do not retain workers' government-issued identification, passports or work permits.

Where any noncompliance is identified, suppliers work with a third-party audit firm to complete a corrective and preventative action plan to address this. 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 noncompliance and establish specific accountability. In instances of significant non-compliance, suppliers are subject to a follow-up audit to ensure that the non-compliances have been properly addressed.