P A Crocker Ltd Modern Slavery Statement

At P A Crocker Ltd, we conduct our activities in a manner that respects human rights as set out in The United Nations Universal Declaration of Human Rights. 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 to 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. Modern slavery is unacceptable within our business and supply chains. of these stakeholders.

Our business and supply chain

P A Crocker Ltd t/a McDonald's is proud to have run its business in the UK for 30 years and we employ over 2,400 people from all ages and backgrounds.

We are a franchisee of McDonald's and are passionate about running a business which invests in their local communities and local people. We follow and support the McDonald's UK supply chain which is provided as part of McDonald's franchise and as such the supply chain is managed by McDonald's UK. Therefore, all information regarding the Supply chain is provided by McDonald's UK and is available on their UK website.

Our supply chain provided by McDonald's UK

McDonald's has a complex global supply chain with thousands of direct suppliers who employ over a million people in more than 100 countries.

Suppliers are a critical component of McDonald's business. We build long-term relationships with our supplier partners and are proud that many of them have worked with us for

decades. These long-term relationships enable us to have open and honest conversations and to share best practices.

We know that a large part of the success of the McDonald's system lies in our trusted relationships with our supplier partners. We 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.

Specifically, in the UK, we are proud to support the UK farming community, who supply us with quality ingredients, and we seek to source locally wherever possible.

All of the ingredients on our menu are sourced from approved supplier partners who have to adhere to our high quality standards, which are independently audited. In addition, many of our supply chains are vertically integrated, meaning that our supplier partners will often have control and oversight of every step of the supply chain.

In 2012, McDonald's UK established Farm Forward, our long-term sustainability programme to support British and Irish farming. Through Farm Forward we aim to help farmers run thriving businesses by investing in programmes and research to develop skills and knowledge, raise standards of animal welfare and make environmental improvements. Every year as part of our Progressive Young Farmers programme up to nine university students spend 12 months getting to know every part of our supply chain, usually during their placement year. They follow our products from the farms who supply us, through to our restaurants and get the opportunity to work with a number of different suppliers, farmers and stakeholders around the country. As part of their induction, they receive comprehensive training to prepare them to operate safely in and understand the risks associated with the workplace.

McDonald's Flagship Farmers programme harnesses the knowledge and experiences of forward-thinking farmers, producers and growers who are passionate about sustainability and sharing the best practices they use to supply our ingredients. By inspiring, engaging and collaborating with other farmers, individual producers can help drive positive change. Applying field-proven best practices is one way in which we believe farmers can address critical challenges, including employee welfare and economic resilience, make positive contributions to nature and ensure long-term viability.

Assessing and Mitigating Risk in our Supply Chain (supplied by McDonald's)

Supplier Code of Conduct & Supply Workplace Accountability Programme

The Supplier Code of Conduct ("Code") applies to McDonald's suppliers globally. It sets out our expectations for suppliers on critical topics including human rights, workplace environment, business integrity and environmental management. We expect supplier self-managed excellence in these four areas through the implementation of their own management systems.

McDonald's provides a Supplier Workplace Standards and Guidance Document to assist suppliers in meeting the standards. McDonald's launched the first Supplier Code of Conduct in 1993 and has evolved and strengthened it over time to reflect updated international human rights standards, consultations with external experts, a human rights gap analysis, and dialogue with suppliers.

McDonald's expects all suppliers to meet the standards, and ensure that their facilities meet the standards, and promote the principles outlined in the Code. We also expect our suppliers to hold their own supply chain, including subcontractors and third-party labour agencies, to the same standards contained in the Supplier Code of Conduct. Fundamental to the Code is the expectation of ethical employment practices by suppliers and their supply chain, including subcontractors and third-party labour agencies. The Code prohibits any form of slave, forced, bonded, indentured or involuntary prison labour. Suppliers and third-party labour agencies are prohibited from retaining employees' government-issued identification, passports or work permits as a condition of employment.

The Supplier Code of Conduct is the cornerstone of the global Supplier Workplace Accountability ("SWA") programme, which aims to help suppliers understand McDonald's expectations, verify compliance with our expectations and work toward continuous improvement. At the end of 2020, we had over 4,000 facilities participating in the SWA programme across 98 countries, with 96 active facilities managed by McDonald's UK. The programme audits many different types of facilities and products, such as food, packaging, uniforms and Happy Meal Toys.

The SWA programme is built on a model of continuous improvement and education. It includes guidance to suppliers on complying with our standards, including our expectation that our suppliers hold their own supply chains to the same high standards. We provide suppliers with training to understand the SWA requirements and how to comply with our standards. Suppliers can also choose to undergo online training to understand the expectations of SWA. Suppliers are required to complete a rigorous self-assessment questionnaire that appraises the supplier's 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 Code. McDonald's works with third-party auditing firms that have expert knowledge, local insight and an understanding of local languages and cultures. On-site audits are physical inspections of the facility and include visits to housing

and cafeterias for workers. Auditors also conduct private worker interviews and review facility records and business practices to assess compliance with the Code. Despite COVID restrictions, 41 on-site audits took place for facilities managed by McDonald's UK in 2020.

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.

Understanding and managing risk

An important element of the global human rights due diligence approach is understanding global and national human rights risks and using this information to support the Supplier Workplace Accountability programme. In addition to the audits described above, McDonald's assesses the potential human rights risks of our supply chains, including modern slavery risks, using desk-based research, supply chain mapping, and stakeholder engagement.

One key indicator of risk is the country of origin from which products or raw materials are sourced for the McDonald's system. Country-level human rights risk analyses are used to help inform the audit cycles for suppliers. Facilities situated in countries that are considered to be at high risk require more regular on-site audits, regardless of the outcome of previous audits.

Additionally, in 2018 McDonald's engaged an external provider to conduct a human rights impact assessment ("HRIA") at the farm-level. The assessment enabled us to identify that, of the commodities we source, palm oil, tea, coffee and timber present the greatest risk of exposure to human rights concerns, with occupational health and safety, migrant workers, and decent working time identified as the highest risk areas. In addition to the farm-level commodity assessment, the HRIA also included a stakeholder consultation with key non-governmental organisations to understand how industry experts view the human rights risks associated with the production of the various commodities, as well as their observations on how the risks can best be mitigated.

The HRIA findings, and the corresponding recommendations, help us strengthen human rights management frameworks to better identify, assess, prevent, mitigate and remediate salient human rights issues. For example, as we update our sustainable sourcing policies for specific commodities, we consider these recommendations in informing our human rights due diligence requirements for suppliers. We also use the HRIA findings to raise awareness of human rights risks among our supply chain staff who procure products for the McDonald's system and have taken steps to strengthen risk management procedures and improvement plans.

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. In the spirit of ongoing collaboration, McDonald's also shared the information from the HRIA with other brands that purchase similar commodities, and we are exploring further ways to work with the wider industry.

We want to ensure that our sustainable sourcing programmes drive lasting, meaningful outcomes on critical issues for people, animals, the environment and our business.

McDonald’s approaches sustainable sourcing through the lens of the three “E”s—ethical practices, environmental sustainability and long-term economic viability— and we’ve identified seven priority impact areas to support them. Although our long-term goal is to source all of our food and packaging sustainability, we have focused on six priority products (Beef, Chicken (soy in feed), Coffee, Fibre/Packaging, Fish & Seafood, Palm Oil) that were identified through independent analysis by the World Wildlife Fund (WWF) as the products that carry the greatest sustainability impacts and where we have the most potential to create positive change. Part of our sustainable sourcing for these six priority products requires our suppliers to purchase sustainably certified products where such certifications exist. As part of the certification process, several of the certification bodies audit for social compliance at the farm-level.

Effective action

Since the SWA programme began, McDonald’s has provided optional training for suppliers and engaged with thousands of suppliers and facilities. Over time, suppliers have taken on increased ownership over compliance processes—there are nine supplier-led compliance and reporting programmes—and we have been pleased to see an improvement in compliance overall.

Where non-compliance is identified through an on-site audit, suppliers work with a third-party audit firm to complete a corrective and preventative action plan to address the non-compliance. The plan must provide specific time frames within which corrective action will be taken, root causes analysed, and policies and procedures updated. In addition, the plan must be designed to avoid recurrence of the non-compliance and establish specific accountability. In instances of significant non-compliance, suppliers are subject to a follow-up audit to ensure that the non-compliances have been properly addressed.

The SWA programme 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 the Supplier Code of Conduct.

In addition to training, auditing, and other aspects of the SWA programme, McDonald’s requires that suppliers provide their own internal reporting mechanisms to ensure their employees have a confidential, safe, and timely way to report workplace concerns without the fear of retaliation. The Code stipulates that suppliers create internal grievance mechanisms and programmes for handling reports of workplace grievances, including anonymous reports. The Supplier Guidance Document provides a step-by-step best practice process to help suppliers establish an effective grievance mechanism, guided by the UN Guiding Principles on Business and Human Rights.

In addition, McDonald's Business Integrity Line and an email address are open to third parties, including suppliers and their employees, to raise concerns with breaches of the Code.

Our People

At P A Crocker Ltd, we are committed to inclusion, diversity and providing opportunities for everyone. From kitchen to counter to main office, our success would not be possible without the hard work of our people, which is why it is so important we invest in and develop them. We believe in developing a culture in which our people are treated with dignity and respect at all times.

For example, our Gender Pay Report , using data taken on 05.04.21 as required by the UK Government, showed that our median pay gap was 0.% per cent and our mean pay gap was 2.22% per cent. We are proud of these results, but will continue to push ourselves to ensure we remain a diverse and fair place to work.

We aim to create an environment of open and honest communication with everyone having the opportunity to have their say. We know that a motivated and engaged team of people in our restaurant is vital when building a great place to work.

One key component of building a great workplace culture is ensuring that our people are able to speak freely and openly about any concerns or worries. We are always identifying ways to improve the communication with our people. Current examples include:

· **Love to Listen**: feedback from our people is a really important way of understanding how they feel about coming to work. We send out an employee survey once a year to understand their views and concerns. Each restaurant and head office department then writes up an action plan to address the main items and improve the working environment.

· **Listening Sessions**: our people can speak individually or in groups about their experiences or concerns in their restaurants. These sessions follow a process which ensure that any concerns are rectified via an action plan drawn up after the sessions.

. **Open Door Policy:** Our policy is displayed in all restaurants and is clear and transparent. It offers options of different people for staff to speak to if they have any issues.

We also have a **Support Helpdesk and People Managers** who are on hand to support our people wherever they are in the business. These people can answer day-to-day questions and escalate any serious issues that are raised.

Policies and Due-diligence

We support the goals of the UK Modern Slavery Act and take seriously our responsibility to act with due diligence to avoid infringing on the human rights of others and address any impact on human rights if they occur. We conduct our activities in a manner that respects human rights as set out in the United Nations Declaration of Human Rights, and we are committed to ethical recruitment in our employment practices as a component of our overall human rights approach.

Ethical recruitment

We prohibit direct or indirect fees or costs being charged to those seeking employment with or who are employed by P A Crocker Ltd for the services directly related to recruitment for temporary or permanent job placement, unless legally permissible and within the legal limit. This includes where we may use private recruitment services or where we perform recruitment activities directly. Even where such fees or costs are legally permissible and within the legal limit, our policies and practices are designed to ensure that no one is indebted to the Company or to a recruiter in a manner that prohibits the individual from freely leaving his or her employment.

Identifying Emerging Issues and Partnering to Improve Standards

McDonald's is committed to engaging with stakeholders to continue to advance our approach to human rights.

McDonald's Corporation engages with stakeholders in our system in a variety of ways. For example, within our company, McDonald's employees provide feedback through multiple reporting mechanisms, including via people managers, human resources and through participation in surveys. Within our supply chain, external monitoring firms conduct on-site audits of supplier facilities through the SWA programme (including on-site interviews); and, at farm, through the McCafé Sustainability Improvement Platform ("SIP"), we collaborate with coffee producers to design and implement programmes and

deliver optional tools and resources that aim to address needs specific to farming communities and improve the performance of the farms. The McCafé SIP programme also includes needs assessments at the farm-level.

McDonald's Corporation seeks feedback from human rights experts and advocates. In 2019, McDonald's convened a multi-stakeholder roundtable of human rights experts and advocates on the sidelines of the UN Forum on Business and Human Rights. The group included stakeholders from civil society, academia, the public sector, peer companies and international organisations. The group received an update on McDonald's supply chain human rights activities and provided feedback and advice on how to advance the SWA programme.

We believe that real, systemic change throughout the supply chain requires partnership with industry. That's why McDonald's joined the ICTI Care Programme for Happy Meals toys in 2016, bringing together industry partners to support a sustainable supply chain for the toy and entertainment industry. To ensure our supplier programme addresses emerging human rights issues and risks, we also participate in initiatives such as AIM-PROGRESS, a business initiative focused on responsible sourcing, and Business for Social Responsibility's Human Rights Working Group (HRWG), which supports implementation of the UN Guiding Principles on Business and Human Rights in a shared-learning forum of more than 40 companies.

Training on modern slavery

Our global SWA programme includes an online training platform where suppliers can access materials that provide guidance on preventing modern slavery. Training modules include; Ensuring Eligibility to Work, Protecting the Rights of Migrant Labour, and Implementing Grievance Mechanisms. For example, the Migrant Labour training aims to educate suppliers on the risks related to modern slavery when sourcing migrant labour and some key actions they can take to ensure they are protecting the rights of migrant workers in their facilities. Live training sessions are held with our suppliers on modern slavery and in 2017 training was offered to suppliers in Malaysia on forced labour, grievance mechanisms, and managing migrant labour through AIM Progress.

Going Forward

In 2022 we will continue to strengthen our approach to managing the risk of modern day slavery within our business and supply chains.

Statement approval

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our slavery and human trafficking statement for the financial year ending 31 December 2021.

This statement was approved by Paul Crocker on 22.05.22



Paul Crocker
Franchisee