



January 29, 2024

We appreciate the opportunity to provide a response for BHRRC's Weekly Update.

McDonald's does not tolerate forced labor in our supply chain. We are committed to sustainable sourcing and, as discussed further below, have established processes and protocols so that the McDonald's System serves high quality and sustainably sourced products. We require that suppliers meet the standards and promote the principles outlined in McDonald's Supplier Code of Conduct, which includes an express prohibition on any form of forced labor.

Any claims of forced labor within the McDonald's supply system are an immediate and significant concern. Based on our previous investigation into this issue, we do not believe the claims in SOMO's report are true. Upon receipt of a 2015 NGO report that included these claims, McDonald's conducted an extensive inquiry to investigate and respond to the organization's concerns. In our October 2015 response to that report, McDonald's confirmed that Cooxupé provided no coffee from Cocatrel to Mother Parkers that ended up in McDonald's supply chain.

Upon receiving the OECD Complaint in 2018, we again reiterated to our suppliers the commitments outlined in our Supplier Code of Conduct, including the expectation that McDonald's suppliers do not source any coffee from any producer on the Blacklist.

As of 2018, McDonald's began purchasing 100% Rainforest Alliance certified coffee through Mother Parkers from Brazil. Importantly, the Rainforest Alliance's certification criteria do not allow forced labor, including use of trafficked and bonded labor, or the use of extortion, debt bondage, threats, monetary fines or penalties. In Brazil, an additional policy is also applied which extends the definition of forced labor in line with Brazilian law, going beyond both the ILO guidelines and the Rainforest Alliance's general standard definitions. The criteria are strengthened by the requirement that audited farm management implement an internal grievance mechanism to protect workers' rights and inform workers of their right to access external third-party complaint and grievance mechanisms, including Rainforest Alliance-authorized Certification Bodies, Rainforest Alliance, or local authorities.

McDonald's has engaged in good faith with the OECD process since receiving the complaint and continues to be engaged with the Brazilian NCP and the OECD process.

McDonald's commitment to sustainably sourced coffee

As one of the world's largest restaurant companies, McDonald's embraces the opportunity to drive meaningful progress by collaborating with customers, employees, Franchisees, suppliers and other partners. More details on our commitment to sourcing coffee sustainably and how we partner with others can be found on [our website](#).

We recognize that our suppliers are independent businesses and the exclusive employers of their employees. However, the actions of our business partners can be attributed to McDonald's, affecting our reputation and the level of trust we have earned from customers and others. We appreciate that suppliers operate in different legal and cultural environments throughout the world. For these reasons, we require that suppliers meet the standards and promote the principles outlined in McDonald's Supplier Code of Conduct, which includes an express prohibition on any form of forced labor.

McDonald's continues to prioritize this work. We respect human rights throughout our supply chain by contributing to the elimination of forced labor, using our influence to support our suppliers and business



partners in engaging in responsible business conduct, and undertaking due diligence to help prevent and mitigate against potential adverse impacts.