McDonald’s
CSR Report 2015
Corporate Overview

McDonald’s Company (Japan), Ltd.

Address:
Shinjuku Island Tower, 6-5-1 Nishishinjuku, Shinjuku-ku, Tokyo 163-1339, Japan

Phone:+81-3-6911-5000 (Switchboard)

Established: May 1, 1971

Paid-in stock: 100 million yen (as of December 31, 2015)

Line of business:
Management of a hamburger restaurant chain and all associated businesses

Number of restaurants: 2,954 (as of December 31, 2015)

Sales: 376,552 million yen (Total sales by McDonald’s-operated and franchised restaurants)

Number of employees:
Permanent employees: 2,497 (excluding officers, part-time employees, etc.)
Part-time employees: 55,234 (Total of McDonald’s-operated and franchised restaurants) (As of December 31, 2015)

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Editorial Policy

This CSR report covers CSR (corporate social responsibility) activities in five domains addressed by McDonald’s. By disclosing McDonald’s CSR concept and the efforts it undertakes, we create a sustainable society with many stakeholders. To promote an improved understanding of efforts in this report with many stakeholders, we also cover cases other than initiatives implemented in 2014. Furthermore, the McDonald’s website also discloses related information in addition to this data.

Scope of Report, etc.

Organization subject to report: McDonald’s Company (Japan), Ltd. (partial inclusion of McDonald’s Holdings Company (Japan), Ltd.)

Period subject to report: Jan. 1, 2015 to Dec. 31, 2015

Fields subject to report: General domain of social responsibility (management, society and the environment)

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Publisher and contact: Corporate Relations

McDonald’s Company (Japan), Ltd.

Address: Shinjuku Island Tower, 6-5-1 Nishishinjuku, Shinjuku-ku, Tokyo 163-1339, Japan
Phone: +81-3-6911-5000 (Switchboard)
Our mission is to consistently provide every customer with the best possible restaurant experience each and every time they visit us. To fulfill this mission, we are committed to being a socially responsible company, as both an active member of the community and of Japanese society. It is our duty to listen to the opinions of stakeholders including our customers and those of local communities and to take appropriate actions in good faith in response. Therefore, we engage in corporate social responsibility activities mainly in five categories.

As a company providing “food”, the foundation of trust lies in the assurance of product quality and safety. To achieve this, we work with all our suppliers in close partnerships, setting strict standards of the sourcing of raw materials and quality control in every step across our value chain from farms to processing plants, distribution channels, and to our restaurants. Trust cannot be built without the support of our employees including crews who support our restaurants. At McDonald’s, we put people at the center of our business and drive people development initiatives for our employees under the philosophy that the development of people develops the company, and in turn delivers great restaurant experiences for our customers.

McDonald’s Founder Ray Kroc used to say, “We have an obligation to give something back to the community that gives so much to us.” It is the starting point of our corporate social responsibility activities. We express our commitment to giving back through supporting Ronald McDonald House Charities (RMHC), addressing needs such as education and physical activity, and strengthening communities. In the meantime, as environmental pressures require the improvement of environmental performance globally, we make continuing efforts in reducing the effects of our business activities on the environmental under the policy of “Think and act for the planet”.

I hope that you enjoy reading our CSR report, which is intended to be fun, simple and tell stories, and understand more about McDonald’s corporate social responsibilities and activities. I thank you for your continuous support.
Our responsibilities

“Eating” is an essential activity for humans. Therefore, as a company offering food, we have a very heavy responsibility. We believe that providing customers with reliable quality products and the best restaurant experience with a sense of safety is our responsibility and the origin of trust from all members of society, including customers.

Therefore, quality control is in place to guarantee customers that we offer reliable quality products. Our philosophy of “Food safety takes priority over everything else,” is a common understanding of all the people involved in the McDonald’s business, all the way from farms to restaurants.

McDonald’s quality control employs very strict standards. They consist of three elements: McDonald’s global standards on “Quality, safety and health,” Japanese regulations and guidelines, and strict standards as set forth by expert teams in Japan and abroad. Safety is assured by satisfying these standards.

We have in place a food control system necessary for raw material procurement in order to offer high quality and safe products. It consists of the following four characteristics: Global standards on product quality, deliciousness and safety; stable raw material procurement on a global scale, including Japan; continuous control of quality and hygiene from farms to restaurants; and securing sustainability and social responsibility including labor, the environment and the welfare of animals.
Farms in Australia and New Zealand, our centers of production, record the raising conditions and medical treatment of each individual cow for the purpose of tracing. During this process, cows are slaughtered and processed into meat. Thanks to HACCP (sanitary management system), we prevent beef from becoming contaminated by Enterohaemorrhagic Escherichia coli or O-157, which is a cause of serious food poisoning. In addition, facilities are operated under animal health and welfare standards.

During this process, meat is processed into beef patties. Under the sanitary management of HACCP, beef patties are produced based on specifications. At the final test, taste is checked as part of product evaluation as well as bacteria tests. Audits by McDonald’s employees and a third party institution are also conducted.

We need to continually improve our quality and hygiene control in conjunction with all the people involved in our business in order to provide members of society, including customers with assured quality products.

Our business activities could not be achieved without the cooperation of our franchise owners who serve customers everyday at restaurants, our suppliers who deliver raw materials, and McDonald’s itself. These three parties, namely franchise owners, suppliers and McDonald’s, all sharing the very same ideal, are known as the McDonald’s family.

We agree to observe a code of conduct to share this philosophy.

During this process, raw materials are stored and delivered to our restaurants. Sanitary standards unique to McDonald’s are used involving not only temperature control but also hygiene control for warehouses and delivery vehicles. A third party institution also conducts an audit herein.

Our crew members and employees cook the raw materials to serve delicious, high quality and safe products to our customers. Training of employees and the maintenance of cooking equipment are very important, which are all fully supported by McDonald’s employees. An external institution also conducts hygiene tests of all our restaurants.
Desire to provide both safety and security

For McDonald’s, restaurants are points of contact with our customers. We cook raw materials supplied by various suppliers from production centers and provide them to customers in the form of finished products.

At our restaurants, we continuously control sanitation using a hygiene control system based on HACCP (Hazard Analysis and Critical Control Point), GMP (Good Manufacturing Practice), and SSOP (Sanitation Standard Operating Procedures). There is nothing special about this. Starting with health checks, the system includes hand washing, the cleaning and sterilization of equipment, its maintenance, checking and recording of storage and cooking temperatures, and a very strict adherence to expiration dates.

The important point is that this sanitary control is always maintained.

All restaurants make sure to maintain safety and security by using a food safety checklist and a common maintenance calendar conducted by all McDonald’s restaurants with a planned frequency for the maintenance of equipment and facilities.

In addition, external sanitation tests are also conducted to evaluate sanitation control levels at each and every restaurant.

Our philosophy of “Food safety takes priority over everything else,” is the foundation of these very activities.

We provide information that customers need or want to know on our website.

Disclosure of allergy and nutritional information

Information on 17 nutritional components and 27 allergies in our products is disclosed on our website. The website provides an “Allergen search” to look for products containing a specific allergen, and a “Nutritional balance check.” It is also possible to retrieve this information by reading a QR code on our product packages with mobile phones.

http://www.mcdonalds.co.jp/quality/allergy_Nutrition/index2.html

Disclosure of information on principal production countries of raw materials and final processing

We procure raw materials from around the world by cooperating on a global scale. Now, we disclose information about the principal production countries of raw materials and the final processing countries on our website.

http://www.mcdonalds.co.jp/safety/quality/index.html

Q&A website

We also provide a Q&A page to answer questions and inquiries from customers on our website. We want to deliver security to all of our customers by providing the answers to any questions about our raw materials and final products.

http://qna.mcdonalds.co.jp/
With our policy of “Individual growth will create corporate growth,” the McDonald’s business is a **people business**. The scope of this concept includes not only our regular employees but also crew members who work part-time at about 3,000 restaurants throughout Japan. We provide opportunities with a wide range of possibilities in order to support their continuous growth.

**Common systems around the world**
In relation to “People,” to develop consistent business as a global company, McDonald’s uses global systems that are shared around the world. Based on the growth of “People,” McDonald’s business is developed on the basis of values shared by its employees all over the world, systems unified under global standards and tools for people development.

**People development**
To develop human resources, there is a need to establish living employee evaluation systems and improve working environments, in addition to systems and mechanisms based on the future and growth of individuals. McDonald’s uses its unique people evaluation system (PDS), promotes diversity and builds systems and mechanisms for career improvements.

**Educational institution (Hamburger University)**
As a unique people development institution, McDonald’s has its Hamburger University. Using programs responding to every step of growth from part-time employees to management class executives, the institution systematically provides support for their growth.

**People development at restaurants**
Restaurants are considered a forefront of people development. They are a forum for self-realization where through daily operations, people repeat the process of learning and practice, thereby mastering a wide range of skills to allow them to grow. A total of about 2.5 million people have experience of part-time work at McDonald’s.
Developing “People”

To enable “People” to grow through their work, support by the company, the provision of opportunities and a wide variety of mechanisms are necessary. As per the McDonald’s policy that “Individual growth will create corporate growth,” we are developing new organizational concepts, human affairs systems, career improvement mechanisms and many other support programs.

Expanding diversity

In promoting diversity, we promote employment and organization building without discrimination based on age, educational background, gender, nationality, etc. With a vision of “Becoming a company where everyone, regardless of gender, can work in a lively manner and play an active role,” we have increased the employment of female permanent employees, provided opportunities for women to play more active roles, while also striving to invigorate them, and at the same time, worked on reforming the mindset of all our employees. We also positively employ Challenge Crew (crews with disabilities), and regardless of disabilities, working together as members of a team has been firmly established.

Employee performance evaluation system

We adopt an employee performance evaluation system reflecting the concept that for the business growth of McDonald’s, the growth of our people is indispensable. In the system, we set targets and action plans connecting operational achievements with individual growth, and evaluate what each employee has achieved and in what particular way. This is a mechanism that promotes our employees’ growth through operations and ultimately to realize individual and corporate growth in the long run.

Career development

We believe that positively supporting employees in challenging new jobs and providing opportunities for growth will promote “People’s” growth, and we offer a comprehensive range of career opportunities. We also actively recruit permanent employees from our crew. As one of the opportunities to improve personal careers, we have an “internal job posting system.” In this system, the company invites its employees to apply for job openings in the company. Also, we welcome McDonald’s to take a step in their career to become a franchise owner or take challenges to work at overseas McDonald’s.

Self-realization forums

To enable crew members working at McDonald’s to have pride and indeed targets, McDonald’s offers programs for self-realization. One of these is AJCC (All Japan Crew Contest), which covers all crew members. Screened by restaurant and regional qualification rounds, a number one position in Japan for different categories is determined and recognized in the final national round. We then send crew members representing Japan to a McDonald’s restaurant in an Olympic Village for a very precious experience.
People can lead rewarding lives only if they individually have fulfilling lives, while being involved with higher quality work. For this reason, we believe it is very important that each employee has a good work-life balance. McDonald’s strives to support a work-life balance (employment conditions) setting.

Welfare programs

At McDonald’s, to establish a working environment to attain a proper work-life balance for every employee, we work on improving welfare programs.

Financial support
- Employee stock ownership plan
- Retirement benefit system
- Various collective insurances

Family support
- Various special paid leaves
- Childbirth, child-rearing and nursing leave systems
- Systems of working shorter hours for child-rearing and nursing

Medical support
- Health insurance union system
- Regular health checkups and various other forms of support
- Rehabilitation service

Special paid leave
- Birthday special paid leave
- Refresh leave for five years of service
- Special leave for long years of service (10, 20 and 30 years)

Support for childbirth and child-rearing
- Systems of working shorter hours for child-rearing or nursing
- Various other forms of support

In order to lead a rich life

People can lead rewarding lives only if they individually have fulfilling lives, while being involved with higher quality work. For this reason, we believe it is very important that each employee has a good work-life balance. McDonald’s strives to support a work-life balance (employment conditions) setting.

Flexible working hours

In consideration of the importance of a work-life balance, we take initiatives to improve individual productivity so that we do not need to depend on long hours of work. In conjunction with this, we have also introduced a flexible time system and a work-at-home system to promote work-life balance.

Support program for childbirth and child-rearing

At McDonald’s, there is a support program for childbirth and child-rearing, a reinstatement support program to assist in the resumption of work after childbirth and systems for working shorter hours for child-rearing or nursing, and of course childbirth and child-rearing leaves, improving environments where employees can give birth and rear children with a sense of safety.
The founder of McDonald’s, Ray A. Kroc said, “We have an obligation to give back to the community that gives so much to us.” This is the origin of McDonald’s social contribution activities and another of our responsibilities. Targeting richly cultivating the “diet, bodies, and hearts” of children, McDonald’s Japan divides its social contribution activities into four categories on the whole, and develops a wide range of activities in the form of charities, educational support, sports support and community contribution activities.

**Thanks and gratitude**

**Charitable activities**

(Support of Ronald McDonald Houses)

We are engaged in charitable activities to support children fighting illnesses and their families with our support of “Ronald McDonald Houses,” aiming at further cultivating a culture of charity in Japan.

**Educational support**

(Food education support)

As a responsibility of a company serving food to more than 1 billion people in total on an annual basis, we conduct educational support activities focusing on food education, with the hope that children can learn and appreciate the pleasures of enjoying food and also master proper knowledge and customs in relation to food.

**Community contribution activities**

As “Your neighbor McDonald’s,” we actively participate in community contribution activities to create safe and secure communities, including town beautification and cleaning activities, in addition to crime prevention activities.

**Sports support**

In the hope of cultivating the healthy development of the bodies and minds of children, we conduct activities to support the hopes, dreams and passion of children all the way from local contribution activities to world-class events.
For people’s smiles

Support of Ronald McDonald House (DMH)

A “Ronald McDonald House” is a residential facility for children with an illness and their accompanying families. The initiative started in Philadelphia in 1974. As of the end of 2015, there are 358 DMH’s in 42 countries around the world, with 10 locations in Japan. We raise funds for construction and operation of the facilities from donations by companies and individuals, and their operations are carried out thanks to support from local volunteers. Collection boxes that are placed at McDonald’s restaurants across Japan are one such means. Last year, we also hosted a “Smile Socks” fund at all restaurants, and the total amount of funds raised at restaurants in 2015 was 137.91 million yen. We very much appreciate this great assistance from so many people.

Disaster support activities

Fund raising activities at restaurants and donations for damages caused by flooding such as Typhoon No. 18
- Fund raising for contributions at restaurants: 1,561,332 yen (as of October 26, 2015)
- Relevant restaurants: McDonald’s restaurants in Tohoku, Kanto and Koshinetsu regions
- Period: September 15, 2015 ~ October 4, 2015
- Destination: Japan Red Cross

Together with the great support of many people, McDonald’s Japan donated 1 million yen along with the funds raised at relevant restaurants.

Community contribution activities

With “Your neighbor McDonald’s,” we actively participate in community contribution activities including “town beautification and cleaning activities,” “participation in crime prevention activities,” “participation in child-rearing support” and “hosting of various events in the community.” For example, assisted by boards of education and police headquarters across Japan, we distribute “security whistles” to new first graders in elementary school during the period of entrance ceremonies mainly in April. In 2015, we presented a total of 865,617 security whistles across Japan. Also, hoping that children can learn how to protect themselves and master the rules and manners necessary for daily life, we host “Hello Ronald,” which involves studying together with Ronald at kindergartens, nurseries and elementary schools. In 2015, we hosted this program 1,096 times. In addition, we participate in project of passports for child-rearing support and beatification and cleaning activities hosted by municipalities. We are also engaged in “Clean Patrol” to clean neighborhoods where our restaurants are located.

In December 2015, the Metropolitan Police Department and McDonald’s Japan concluded an agreement on crime prevention activities. Going forward, we will contribute further to creating safer and more secure communities.
For children creating future

Educational support (food education support)

With the intention to offer opportunities to children to acquire knowledge about food and proper dietary habits to develop children’s “minds” and “bodies” through their diets, we conduct food education support activities.

In 2005, we created Internet teaching materials “Food Education Time,” and support elementary and junior high schools across Japan.

We also established the “Food Education Class Support Secretariat” jointly with NHK Educational Corporation and supported teachers across Japan who provide food education to children.

Number of classes conducted from 2007 to December 2015: 5,048

Number of pupils and students who took the class: Approximately 144,518

We also held the 6th “Delicious Smile Project ‘Hamburger School’”, a food education support activity for parents and children. “Get Together All Sports Fan Kids: Summer Vacation Special Camp” (August 29 to 30, 2015)

Sports support

The Takamadonomiya Cup All-Japan Rubber Baseball McDonald’s Tournament is a national competition called an “elementary school children’s Koshien,” where the best teams winning out of about 13,000 teams in Japan compete against each other.

McDonald’s has been supporting this event since 1986. It is one of the longest events McDonald’s Japan has been involved in.

The Japan U-12 Football Championship is a national tournament in which the best teams winning out of about 8,980 teams in Japan participate. McDonald’s has supported the tournament since 2011.

This year also, we presented McDonald’s original baseball notebooks or football notebooks to about 6.2 billion children, who participated in either the baseball tournament or the football championship, to support children enjoying sports.

We also conduct various sports supporting programs such as inviting children of winning teams of prefectural tournaments to host inaugural meetings at McDonald’s restaurants.

Towards 2020 Tokyo Olympic Games

McDonald’s supports the Olympic Games as global sports support. We became an official sponsor of the Olympic Games in 1998 and we have offered more support as a worldwide Olympic partner since then. We will launch several plans for Tokyo Olympic Games.
Every company has a responsibility to consider the impacts on the environment caused by its business activities, and make efforts to minimize such impacts. When business activities are carried out, energies are used in various forms, resources are consumed and greenhouse gases are discharged. In addition, wastes are produced in the process of manufacturing and sales. Being aware that business activities are closely related to the environment, McDonald’s sets “taking action in consideration of the earth” as its environmental philosophy, and constantly considers how to act when implementing environmental activities.

McDonald’s uses a concept of “comprehend the situation, and optimize efficiency.” This idea is applicable not only to the environment but to all actions we take. Based on this, we have made efforts to first of all comprehend all situations ever since our establishment. On the basis of the results of periodic meter inspections of utility services, waste measurements and information from the head office, our restaurants comprehend current situations and take action with a clear awareness of the directions to be followed.
About energies

In terms of energies, we have been implementing programmed maintenance (Maintenance Calendar), establishment of rules to control turning on/off equipment (dot system), and operation control for optimal equipment and facility management, to basically take full advantage of the current performance (capacities) of our equipment and facilities (restaurants). In addition, based on optimal investment activities, we continually carry out the introduction of high performance equipment and the renovation of the facilities (restaurants).

Overall, energy consumption has been on the decrease. A reduction in the total number of restaurants and deteriorating corporate performance are considered to be the main causes of this. CO₂ emissions were 64,546 t-CO₂ per 100 million register counts, which is 4.1% higher than the previous year. Since emission factors haven’t seen a substantial fluctuation, we consider that strengthening energy management, in particular for that of electricity, is a key challenge to reduce our energy usage.

Energy usage in 2015

<table>
<thead>
<tr>
<th>Energy usage of all restaurants across different categories</th>
<th>Energy usage per 1,000 customers across different categories</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricity</td>
<td>Electricity</td>
</tr>
<tr>
<td>684.2 million kWh/year (−6.7% compared to previous year)</td>
<td>575.0 kWh/1,000 people</td>
</tr>
<tr>
<td>Gas</td>
<td>Gas</td>
</tr>
<tr>
<td>30.5 million m³/yr (−5.3% compared to previous year)</td>
<td>25.6 m³/1,000 people</td>
</tr>
<tr>
<td>(City gas equivalent)</td>
<td>(City gas equivalent)</td>
</tr>
<tr>
<td>Water</td>
<td>Water</td>
</tr>
<tr>
<td>4,926 km³/year (−8.6% compared to previous year)</td>
<td>4.1 m³/1,000 people</td>
</tr>
<tr>
<td>Crude oil equivalent</td>
<td>Crude oil equivalent</td>
</tr>
<tr>
<td>212,631 kl/year (−3.4% compared to previous year)</td>
<td>Crude oil equivalent</td>
</tr>
<tr>
<td>Greenhouse gas emissions</td>
<td>Greenhouse gas emissions</td>
</tr>
<tr>
<td>64,546 t-CO₂/100 million register counts (−4.1% compared to previous year)</td>
<td>CO₂ emissions</td>
</tr>
</tbody>
</table>
About wastes

In terms of wastes, we are launching operations with less waste (Made For You) on the basis of not producing wastes, while pursuing a way of recycling produced wastes. Almost 100% of all oil waste is recycled, and we are moving towards distributed recycling of other food wastes.

Due to a decrease in the number of restaurants and deteriorating corporate performance, the total volume of waste has been decreasing. The food waste recycling rate fell by 0.8 points from the previous year, and we consider that going forward, promoting the recycling of other wastes than waste oil is a challenge, along with the reinforcement of field controls.

In terms of paper containers and packages, it has been decided to only employ packages and containers that have FSC® forest certification by the year 2020.

FSC license number: FSC®N002365

### Waste amount in 2015

<table>
<thead>
<tr>
<th>Waste type</th>
<th>Amount of waste from all restaurants</th>
<th>Amount of waste per 1,000 customers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food waste</td>
<td>39.8 kt/year (−15.3% compared to previous year)</td>
<td>33.5 kg/1,000 people</td>
</tr>
<tr>
<td>Paper waste</td>
<td>26.7 kt/year (−18.1% compared to previous year)</td>
<td>22.4 kg/1,000 people</td>
</tr>
<tr>
<td>Plastic waste</td>
<td>4.2 kt/year (−25.0% compared to previous year)</td>
<td>3.5 kg/1,000 people</td>
</tr>
<tr>
<td>Others</td>
<td>35.6 kt/year (−18.0% compared to previous year)</td>
<td>29.9 kg/1,000 people</td>
</tr>
</tbody>
</table>

**Food waste recycling rate**: 49.3% (−0.8 points compared to previous year, while food industry target is 50%)
We fully recognize that corporate governance is one of the most important challenges of our corporate management, and manage the company by ensuring a high degree of “checks and balances” among individual organizations and functions, with a viewpoint of independence using the three powers of the “legislature, the executive, and the judicature”. We strive to properly and promptly respond to social requirements such as the Companies Act and J-SOX and to maximize the benefits to all our stakeholders as a public company, targeting establishing a system that enables us to always be engaged in new initiatives from a wider viewpoint of things.

To promote the efficiency of corporate management, strengthen discipline and improve transparency, we have an executive officer system in place, which is separate from the Board of Directors, to strengthen business executive functions and clarify responsibilities for business execution. Under the direction and control of the Chief Executive Officer (CEO), executive officers are responsible for participating in decision-making regarding management strategies and operational execution through meetings of executive officers and faithfully execute the operations they are responsible for. McDonald’s Holdings Company (Japan) establishes the Board of Directors, consisting of four Directors, which includes one external Director.

To guarantee proper execution, we have the Board of Auditors, comprising of one Full-time Auditor and three Part-time Auditors. Furthermore, with the Internal Audit Office independent from the executive divisions playing a central part, the two conduct audits from the viewpoint of accounting and operations through the mutual exchange of information and opinions among them and with accounting auditors.
Compliance & Risk Management

Compliance System
"The basis for our entire business is that we are ethical, truthful and dependable." These are the words of McDonald’s founder, Ray A. Kroc and also the origin of our ideals in relation to compliance. We consider the promotion of compliance as a very important challenge of our overall corporate social responsibility and in order to comply with all laws and regulations and properly respond to social requirements, we positively address each initiative.

Risk management system
To minimize the risks of sudden disasters, accidents or scandals, we have a risk control system responding to any situation. We receive information from restaurants via the “Emergency Hot-line” and from customers through the “Customer Service Office”, and in case of an emergency, we make corporate-wide cross-functional responses.

Code of Business Conduct
As part of our efforts to observe the highest standards in relation to the code of conduct and always put responsible action into practice, McDonald’s has established and introduced the “Code of Business Conduct.” These are the important standards indicating the company’s basic principles and stipulate self-responsibility and attitudes toward individual stakeholders.

Compliance Hot-line
As a point of contact for compliance-related reports and consultation from employees, we established a “Compliance Hot-line,” which is a third party organization. Both permanent employees and part-time employees can use the system, which provides objective and appropriate solutions and response to compliance issues.

Emergency response flow

Banning of any relations with antisocial forces
McDonald’s bans any relations with corporate racketeers, gangs and other antisocial forces and will continue to flatly refuse any illegal requests from such antisocial forces in the future.
Initiatives for food safety and quality

To offer products that consumers can enjoy with a real sense of safety, McDonald’s is conducting various new initiatives to further enhance food safety.

We launched a “Customer Care Process Task Force,” inviting external experts and re-examined the entire customer support process.

We publicly disclosed the final report by the “Customer Care Process Task Force,” details of initiatives to further improve our “customer support” and an independent action plan on communication with customers regarding food safety and quality. (April 30, 2015)

1 Final Report of the “Customer Care Process Task Force”
In accordance with the changes of the times, we are required to enhance our “initiatives to sincerely respond to customers who experienced any damage when it happened and to prevent the damage from extending to others and ensure there is no recurrence of the same issue,” in addition of course to “initiatives to minimize foreign objects.”

2 Contents of activities to improve “Customer support”
- A review of how to deal with foreign objects and information transmission standards, and a thorough implementation of such processes
- Information management of customer inquiries and the utilization of such information for proactive prevention
- Have an attitude to listen and let customers see for themselves
- Review and integrated standards associated with customer support

3 Established an “independent action plan regarding communication with customers on food safety and quality” for the purpose of review and integration of standards associated with customer support
http://www.mcdonalds.co.jp/safety/taskforce/pdf/taskforce_03.pdf

Initial Food Safety Summit held

On May 29, 2015, we invited suppliers and other concerned parties from Japan and overseas and had vigorous discussions on our initiatives in relation to “food safety.”

Established a website “Mieru McDonald’s Quality (McDonald’s visible quality)” to answer any questions or inquiries in relation to quality on our official website

The website discloses information on the “producing countries of major raw materials” and “final processing countries.” Information in relation to raw materials in our products is now accessible in an easier to understand manner.

Introduced a new application “KODO” to listen to more customer opinions more directly

We introduced a new application “KODO,” which allows customers to easily post comments, opinions, and/or requests about McDonald’s restaurants they visit via smartphone on the spot. These customer opinions are then utilized for a further improvement of our services.

Implemented Mom’s Eye Project

To ensure food quality control and safety of McDonald’s from the viewpoint of mothers, the “Mom’s Eye Project” was launched. We hosted a tour to visit and inspect the farms and factories of raw materials by project members consisting of mothers rearing children to enable them to witness “what they want to hear” and “what they want to confirm” for themselves in person. In addition, we started “Question of Today,” in which we give an answer to a customer question every day. Also, Sarah L. Casanova, Representative Director, President and CEO of McDonald’s has visited all 47 prefectures in Japan and held meetings with mothers rearing children, which is named “Mom’s Town Meeting,” and she successfully completed this round of visits to restaurants in December 2015.

Disclosure of information to customers

In consideration of browsing by smartphones, we revamped our website to disclose information on the “origins of major raw materials” and “final processing countries” so that customers can better understand the information of products they want to know about more clearly and in an easier to understand manner. We also redesigned the packaging of certain major products with a larger “QR code” indication, making it more eye-catching when seen by customers.