

McDonald's Saudi Arabia

Always caring. Rapidly responding.

Corporate Social Responsibility Report 2020



About Us

Corporate Social Responsibility (CSR) has been a priority for us ever since we opened our first branch in Riyadh in 1993. In this, our second CSR report, we describe McDonald's Saudi Arabia's CSR commitments and achievements up until the end of 2020.

Riyadh International Catering Corporation (RICC), a 100% Saudi-owned company, launched the McDonald's brand in Saudi Arabia in 1993, and holds the McDonald's franchise in the central, eastern and northern regions of the Kingdom.

Today, it is one of the largest fast service restaurant companies in the Arab world with 186 branches and 5,000 employees – including 1,450 Saudi employees, 29% of our total workforce.



We have 186 branches



To visit our CSR platform (Ajyalona) website

www.Ajyalona.com



Scan this QR code to view the report



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To follow us on social media









@McDonaldsKSA

Customer service toll-free number



800 12 12345

Foreword

Our commitment to social responsibility



In our second McDonald's Social Responsibility Report, we reaffirm our commitment to supporting our Saudi community at all times and circumstances.

We believe that we are an intrinsic part of a society to which we should all be contributing in accordance with the objectives of the Saudi Vision 2030 and the inspiring initiatives led by the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz, and HRH Crown Prince Mohamed bin Salman bin Abdulaziz, for the welfare of the Saudi people. Thus, we launched our dedicated CSR platform (Ajyalona).

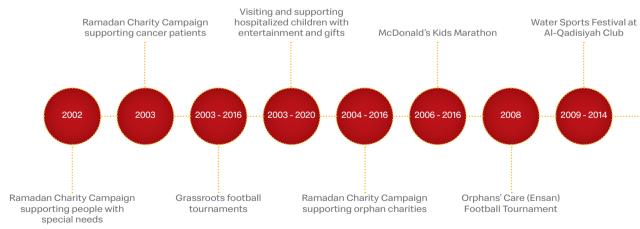
Over and above the many highlights detailed in our previous Social Responsibility report, our rapid response to the COVID-19 pandemic perfectly illustrates the McDonald's commitment to Saudi society.

Under the motto "We all are responsible", we were fast to help the thousands working in the health and security sectors, all of whom have been risking their lives to

27 years of community service... a commitment unaffected by circumstances

Since its foundation 27 years ago, McDonald's Saudi Arabia has been committed to serving the country and developing its programs and initiatives to cater for community needs.

McDonald's Saudi Arabia CSR initiatives up until 2020:



safeguard the public. To date, we have provided more than 223,000 free meals worth some SAR 5 million to staff in umpteen police stations, 22 hospitals, 27 quarantine centers, three Red Crescent centers and seven Ministry of Health offices in 32 cities across the country.

In our employment nationalization initiatives, 2020 began with celebrations marking the graduation of two new batches of Saudi restaurant managers from our Tomooh Program. We also took on 400 young Saudi recruits during the McDonald's National Hiring Day Campaign.

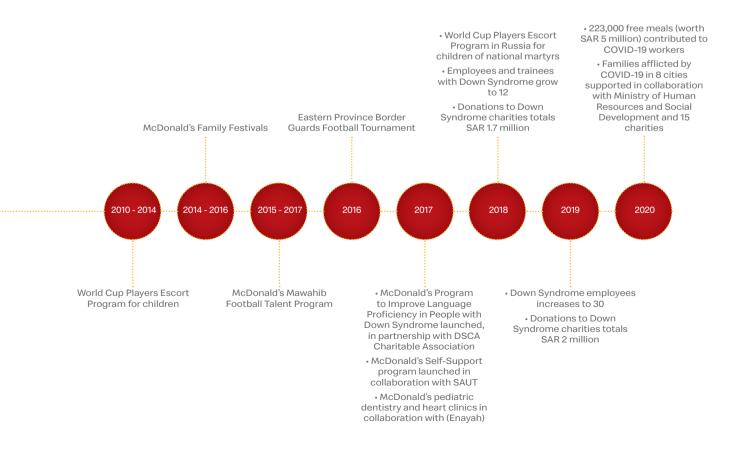
This year we also organized workshops in collaboration with the Down Syndrome Charitable Association (DSCA) in Al-Majma'ah, Al-Zulfi, Hafr Al-Batin and Al-Kharj and online as part of our long-standing program to support people with Down Syndrome. In all, these benefited more than 752 families. The year ended with donations to our charity campaign supporting 222 children with Down Syndrome amounting to an exceptional SAR 2 million.

In conclusion, I offer my sincere thanks to our partners, government entities and charities whose support and efforts have had such an immense impact on our CSR initiatives. I'd also like to thank everyone at McDonald's, especially those who manage our CSR programs, for their loyalty and determination to achieve success in all our plans, programs and businesses.

Sincerely,

Mishaal bin Khalid F Al-Saud

President, Riyadh International Catering Corporation



About Ajyalona

Ajyalona ('Our Generations') is the umbrella under which all our CSR programs are managed, especially those relating to young Saudis of both genders.

McDonald's Saudi Arabia has been a pioneer in introducing Corporate Social Responsibility in the Kingdom. We are justly proud of introducing initiatives that first drew the attention of companies in all sorts of business sectors to the moral obligation they have towards the communities in which they operate.

Our efforts have always largely focused on children and young people. We seek to create appropriate conditions for nurturing generations who are capable of developing and leading society towards a bright future.

Ajyalona has been the beating heart of McDonald's Saudi Arabia for several years now and has benefited many hundreds of thousands of people.

We are immensely proud to have been able to contribute to our beloved country and remain absolutely committed to developing dynamic and distinctive CSR programs that answer the constantly changing needs of society.

For more information about Ajyalona platform, go to www.Ajyalona.com





Ajyalona initiatives



Supporting humanitarian causes



Empowering Saudi youth



Transparency and promoting a healthy, active and balanced lifestyle

Initiative 1

Supporting humanitarian causes

Our systematic approach to humanitarian causes has two components:

- Humanitarian and social events
- Supporting people with Down syndrome



Humanitarian and social events

McDonald's COVID-19 initiative, 'We all are responsible'



223,000 free meals to support 22 hospitals 27 quarantine centers, 3 Red Crescent centers and 7 Ministry of Health offices.

Muhammad Al-Osaimi:

McDonald's. May Allah

reward you with double

that you have invested.

From the bottom

of my heart, I thank



6,000 cups of coffee to those battling the COVID-19 pandemic



Free meals to health workers and patients from McDonald's food trucks at Riyadh hospitals



9,000 meals as part of our Ramadan breakfast initiative for COVID-19 affected families







Abdullah Al-Enazi: Today, the hospital received McDonald's meals. We are very Dr Waleed: Your grateful for this initiative. It is great how efforts are obvious. you serve the country even with simple May Allah reward things. McDonald's has always done a great deal of good to the community. From the very beginning, they have been at the forefront of serving the country. I thank all their employees.





you.





More than 223,000 meals to health and security employees, quarantine centers patients and afflicted families.



McDonald's pediatric dentistry and cardiac clinics opened at Charity Health Society for Patients Care (Enayah)

SAR 850,000

For pediatric dentistry and cardiac clinics



People benefiting from McDonald's clinics in the first year







Down Syndrome support









Training

We work to train and empower children with Down Syndrome to be able to live independently and achieve as much self-sufficiency as possible. This includes:

McDonald's program to improve language proficiency (in partnership with DSCA Charitable Association).



الجمعية الخيرية لمتلازمة داون Down Syndrome Charitable Association





Completed up until now 4 years

Children
2 - 12
years old













Program goals



To enable children to communicate effectively, whether by speech, gesture, image or sign.



To avoid the development of negative behaviors caused by an inability to express their needs.



To develop alternative communication methods for nonverbal children.



To develop speech articulation and clarity.



To develop initiative, self-expression and communication skills.



To enable children to relate to their surroundings using figures and images.



To help children engage more fully with their families.

McDonald's Self-Support program (in collaboration with SAUT).









جمعية صوت متلازمة داون Saut: The Voice of Down Syndrome Society

Completed up until now

4

years





donated by McDonald's







151

Children with Down Syndrome



Children

6 - 18years old



Learners distributed across

5

classrooms



The children's

mothers

also benefited from the program











Program goals



To enable students to perform daily activities independently as far as possible and to minimize feelings of failure and frustration.



To apply health and safety rules.



To teach dining etiquette, hygiene and dressing.



To help students interact and engage with others, to use a telephone, and learn to travel from a place to another.



To prepare students to manage their lives and take care of themselves, including shopping and meal preparation skills.



Employment

We have always believed in the potential of voung people with Down Syndrome and believe they have an equal right to employment as other youngsters have. By employing people with Down Syndrome, we think that we are making a significant change to their lives, as shown by our years of experience.

Our Down Syndrome recruitment journey:

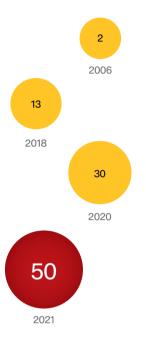
- We first employed two of them 15 years ago.
- Today, we employ 30 people with Down Syndrome.
- Down Syndrome employees work in restaurants in Riyadh, Al-Majma'ah, Dammam, Al-Khubar and Al-Ahsa.
- We signed an agreement with the Ministry of Education in Riyadh to train and employ 10 students with Down Syndrome.
- We signed an agreement with the Education Directorate in Qassim to train and employ 10 students with Down Syndrome.
- Our goal is to increase our employment of people with Down Syndrome to 50 in 2021.



McDonald's care for people with Down Syndrome:

- · Create a suitable work environment.
- Provide the restaurants where they work with suitable equipment.
- Train their colleagues to accept them.
- Establishment of a multi-disciplinary committee for their training.
- · Specialized training and working hours.
- · Since the onset of the COVID-19 pandemic, we have offered open-ended leaves on full salary because of their particular vulnerability.

Down syndrome employees number increase



Job responsibilities



Serving meals



Preparing beverages



Delivering car orders



Employee Benefits



Half-hour breaks



Flexibility in working hours



Two days off per week







SAR5,000

















Health insurance

Six-hour shifts

Bonus of up to SAR500

22 days annual leave

Our Down Syndrome Success Stories



Abdulhakim Hatan

- Joined us more than 14 years ago.
- Has the personality of a leader and loves what he does
- Recently promoted to Shift Manager.



Abdullah Al-Munawir

- Has completed three years with McDonald's.
- He is a dedicated and exceptional hard worker.
- Promoted last year to Crew Trainer.



Rashid Al-Hargan

- Has worked for McDonald's for over two years.
- He greets visitors to his branch with a broad, unmistakable smile.
- Because he loves his work so much, we are immensely proud that he is a member of the McDonald's family.

Developing relevant charities

Working in collaboration with Down Syndrome Charitable Association (DSCA), RICC offers a comprehensive program for building the personal capacities of those with Down Syndrome. This not only caters to individuals with the syndrome, but also for their families and specific charities.

- We organized five one-day full-meal sales campaigns, the most recent being the McRoyale sales campaign on 8 December 2020.
- These campaigns combined raised SAR 435,000 which was allocated to DSCA in support of the program.
- In partnership with DSCA, we organized workshops in Hafr

- Al-Batin, Al-Majma'ah, Al-Zulfi and Al-Kharj in October 2019, with online workshops offered in December 2020.
- More than 752 families, trainers and specialists have benefited from these workshops.
- Capacity-building for Down Syndrome charities includes developing skills of families, trainers and specialists on how to best understand individuals with Down Syndrome.
- The workshops, delivered by DSCA experts, tackled topics including: educational development, language and communication skills, mathematics, and personal care.







Entertainment

McDonald's has participated in a wide range of entertainment events for children with Down Syndrome including:

- We engaged with more than 200 children from three Down Syndrome charities during 90th Saudi National Day celebrations in Riyadh.
- We celebrated the end of the first semester with more than 150

children with Down Syndrome from four centers in Riyadh.

- We celebrated the International Day of Persons with Disabilities with more than 235 children with Down Syndrome from five charities.
- We partnered 12 Down Syndrome centers and charities in World Children's Day celebrations.





Initiative 2

Empowering Saudi Youth

McDonald's youth empowerment initiatives include:

Tomooh

McDonald's International School

McDonald's National Hiring Day





Sponsored by HE Ahmed bin Suleiman Al-Rajhi, the Minister of Human Resources and Social Development, two new batches of Saudi restaurant managers graduated in 2020.

Tomooh Program

Tomooh was launched in

2017



18

Months of extensive training



The Minister praised McDonald's nationalization initiatives and emphasized the Ministry's priority of strengthening national capabilities by implementing initiatives that refine Saudi capacities and promote nationalization in line with

Aims to develop leadership, administrative and English language skills

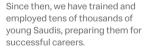


Aims to qualify Saudi graduates to become restaurant managers



McDonald's an International School for training and career development

In June 2019, RICC launched its recruitment awareness campaign: "McDonald's: an International School for training and career development"













Saudi Vision 2030.



Those trained by McDonald's have since gone on to work across many companies and sectors in the Saudi labor market.

Our job nationalization journey

Some skills that can be acquired working for McDonald's















Restaurant shift management



Employees relations management and training



Management of food safety and security operations



Operation and production systems management



Computer skills



Marketing



English language

McDonald's National Hiring Day

In line with Vision 2030 and as part of our support and empowerment of Saudi youth, this year in collaboration with HRDF, RICC launched McDonald's National Hiring Day on 13 September 2020.

Campaign objective



To offer **400** job opportunities to young Saudis



Saudi applicants **10,000**



Saudi employees working at McDonald's Saudi Arabia reached **1,450**; **29%** of total employees.

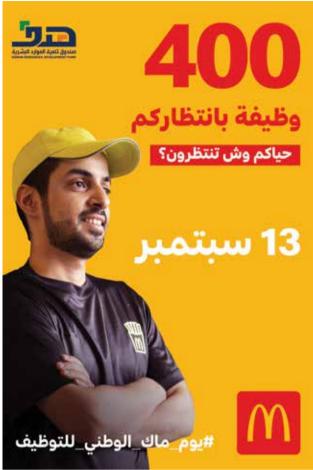


We plan to reach **50** Saudi manager in 2021



1450 Saudi employee







Initiative 3

Transparency and promoting a healthy, active and balanced lifestyle

Happy meal options

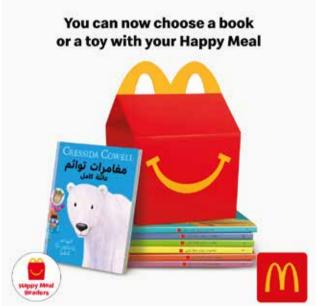
Transparency

Sports activities



Happy meal options to encourage children's healthy growth





Happy Meal drink and fruit bites options

- · Various drink options with children's favorite meals.
- Fruit juices and chocolate, vanilla and strawberries flavored milk drinks.
- Children can choose between fries and vitamin-dense fruit bites such as apple and pineapple.
- We manage calories for a whole children meal in order to support healthy growth.

'Happy Meal Readers' initiative to encourage children to read

McDonald's Saudi Arabia offered the option of children's stories instead of a toy with Happy Meals.







Transparency



2002

Nutritional information made available in our restaurants via leaflets and and tray mat



2005

Nutritional information made available on our website



2008

All nutritional information reviewed every five years to ensure accuracy



2012

Launched a nutritional calculator accessible via McDonald's website



2013

Made this nutritional information available on McDonald's phone application and meal boxes.

We made nutritional information of our products available on our website

We pay great care to the health of our customers and regularly review all nutritional information provided with our meals.

www.McDonalds.com





'Your Right to Know' platform

Demonstrating our commitment to customer transparency, we introduced the 'Your Right to Know' platform, a digital platform that answers questions related to meals, beverages and deserts.

To visit the platform, go to: www.YourRightToKnow.com



Open Door Campaign

In August 2007, McDonald's Saudi Arabia launched its Open Door Campaign. The campaign enables anyone to enjoy a tour of our kitchens to discover more about our exemplary quality of food and safety standards.





Commitment to implementing precautionary measures and food safety standards

McDonald's Saudi Arabia strictly has implemented all precautionary and strict safety and hygiene measures in response to the COVID-19. We make sure customer distancing is followed and have temporarily closed party rooms and kids play area, in order to safeguard the health of staff and customers alike.











Sports activities





McDonald's Mawahib Football Talent Program

In 2015, McDonald's launched the Mawahib Football Talent Program for children and juniors in collaboration with the Saudi Arabian Football Federation. The program offers the chance for talented youngsters to progress to professional – and even the national team. To date, five players from Mawahib have signed contracts to play for leading Saudi clubs including Al-Nassr, Al-Hilal and Al-Shabab.

World Cup Players Escort Program for children

- In 2010, McDonald's launched its World Cup Players Escort Program.
- A group of children and their parents were sent to South Africa
- The initiative was repeated for the World Cup 2014 held in Brazil.
- In 2018, McDonald's sent 11 children of national martyrs to the opening match between Saudi Arabia and Russia in Moscow.

Other sporting activities and programs



In 2014, McDonald's Cup for 8-10-year-old children was launched in Riyadh and Dammam



McDonald's sponsored grassroot football tournaments in Riyadh and the Eastern Province



Since 2013, we have organized annual McDonald's Family Festivals in the central and eastern regions



Sponsored 13 Kids' marathons



32 teams participated in McDonald's Cup for children



To Ajyalona - our generations

To all young Saudis, we would like to share some words that we hope will inspire you:

We work for you. We work to build a better tomorrow for our country. You are the builders who will lead us to the future. We are proud of the young generations of this generous country. We count on you. We keep up with your ambitions. So, join us and let us march together towards 2030 and achieve the mutual dream of serving our country and contributing to its growth and prosperity.

إلى أجيالنا

إلي أبنائنا من شباب وشابات هذا الوطن، نهمس في آذانكم صادقين، كلمات علّها تستقر في ضمائركم: لأجلكم نعمل. لبناء غد أفضل لبلادنا نعمل. أنتم البناة الذين سيمضون بنا نحو المستقبل. بكم نباهي ونفخر يا شباب وطن الخير والعطاء. نعتد بكم. ونواكب طموحاتكم. فرافقونا نحو الرؤية. موعدنا 2030، فلنمض سويا لتحقيق حلمنا المنشود في خدمة هذا الوطن، والإسهام في مسيرته نحو النماء والازدهار.



شكر وعرفان

إلى كل شباب وشابات ماكدونالدز السعودية، إلى كل من خاضوا غمار العمل معنا في تحقيق بصمة مشرقة لماكدونالدز السعودية في مجال المسؤولية الاجتماعية، وإلى كل الشركاء من جمعيات ومؤسسات ساعدتنا في هذا المجال. لكم جميعا نوجه كل الشكر والتقدير؛ عرفاناً منا بإسهاماتكم التى لولاها ما تحقق لنا ما تحقق من إنجازات.

من جهودكم نسجنا حروف هذا التقرير، فلكم كل الثناء.



To all our young employees, to all who have worked with us to help build our excellent reputation for social responsibility, to all our partners and collaborators, we are sincerely grateful for all your contributions, without which our achievements would not have been possible.



