

McDonald's

Sexual Harassment Problem

Board Accountability and Material Investment Risk

Priya Mathur

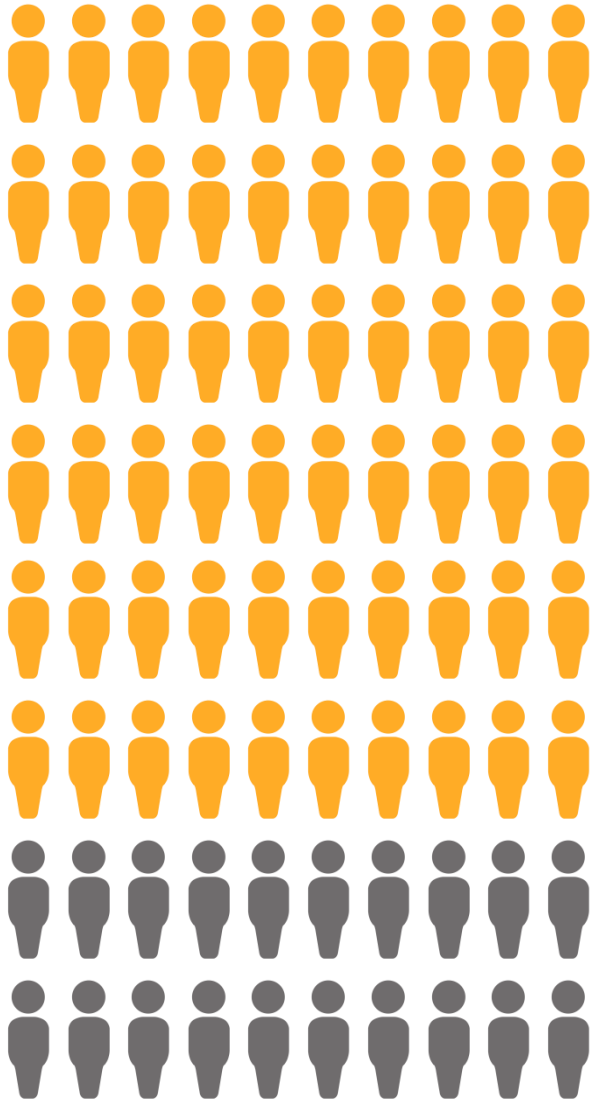
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McDonald's Has a Sexual Harassment Problem



Out of 782 female restaurant workers surveyed

75% report being sexually harassed at work

71% report being reprimanded for reporting sexual harassment

TEENAGERS

Many of the workers being subjected to sexual harassment are under 18 years old

McDonald's Has a Sexual Harassment Problem

The Nation. Politics World Culture Events Shop

LABOR SEXUAL HARASSMENT FEATURE AUGUST 2015, 2016 ISSUE

McDonald's Has a Real Sexual Harassment Problem

Since 2015, scores of women have accused the company of fostering a workplace rife with sexual harassment—and of turning its back when they reported mistreatment.

By Bryce Covert

JULY 29, 2020



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CBS NEWS February 28, 2021, 10:10 AM

Female McDonald's employees accuse fast-food chain of abuse, harassment in workplace

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Accusations of abuse, harassment in workplace... 10:20

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McDonald's Has a Sexual Harassment Problem

**Accusations of abuse, harassment in
workplace at McDonald's, franchisees
FEB 28, 2021**

©CBS NEWS

Board Has Failed to Address Systemic Culture of Sexual Harassment

“Over the past four years, McDonald's employees have filed more than **50** sexual-harassment complaints.”



McDonald's is a tightly-controlled global brand

**1.9 MILLION
EMPLOYEES***
mostly franchise

**\$111
BILLION**

2019 sales
(incl. franchise)

>38,500
restaurants
93% franchise

“The Company requires franchisees to **meet rigorous standards**....
The business relationship with franchisees is **designed to facilitate
consistency and high quality** at all McDonald's restaurants.”

McDonald's franchise structure is not a valid reason to ignore harassment

“McDonald's continually builds on its **competitive advantages of System alignment** and geographic diversification to deliver consistent... restaurant experiences to customers...”



McDonald's can control franchise menu, service, restaurant design and promotions –

how can it claim that it is unable to establish effective harassment policies & practices, monitoring and enforcement mechanisms?