

Over the last year, the Global Diversity, Equity and Inclusion cross-functional team worked tirelessly to uphold McDonald's commitment and actions towards building a more diverse, equitable and inclusive culture both within the McDonald's System and the communities which it serves. Working together at various stages throughout 2021, this team of individuals supported the deployment of numerous specific company actions that directly

The following initiatives were undertaken; 1) Tying CEO and EVP Compensation to Human Capital Metrics. 2) Closing gender pay gaps across Markets and reaching pay equity in the US 3)

Launching a Mutual Commitment to Diversity Equity and Inclusion initiative alongside our suppliers. 4) Registered applicant fund to support diverse franchisees - increasing the number of new franchisees from all backgrounds, including historically

underrepresented groups, in McDonald's U.S. and all McDonald's International Operated Markets. 5) B2B focused initiative to increase spend with diverse-owned suppliers. 6) Sharing our DEI scorecard

While there is still much work to be done, collectively, this group of individuals has been thoughtful, innovative and devoted in their work in bringing McDonald's values of Inclusion, Family and

with stakeholders. 7) Roll out of Legal DEI strategy.

support McDonald's progress in this area.

from market to global level.

System.

M

DE&I Team

Community to life.

Myrna Bell

Hope Bentley Derek Berube Mary Burrelle

Karmetria Burton

Simone Gourguechon

Morgan Smith-Williams

In today's on-demand economy, consumers expect faster, more personalized, and more convenient service. MyMcDonald's Rewards (MMR) provides an answer to this by providing all of that with a side of World Famous Fries®. What better way to put our customers first than to reward them for actions they're already taking in a way that

Members from five global functions came together to create a feel-good, inclusive, engaging loyalty program that gives guests points for simply purchasing the food they love to redeem for free food. It's another way we're giving value to our communities who

unprecedented collaboration, as the team wrestled with shaping an on-brand program that stays true to our values, mission, and goals; is globally consistent but locally flexible; valuable for guests, Owner/Operators, and McDonald's; and operationally simple, improving guest and crew experience. The team worked with markets individually to sell loyalty into leadership and franchisees, create a tailored plan and training materials, pilot, and launch.

In 2021, this team completed successful launches in 18 markets, with more planned for 2022. We currently have over 286M guests feeling rewarded at McDonald's worldwide. 286M members of the community forging emotional bonds with our brand and our people. MMR touches every member of our Three-legged Stool. This team continues to work tirelessly to weave loyalty throughout the fabric of our organization, to create connections with our community, to evolve and optimize—to solidify McDonald's as the leading global omni-channel restaurant brand that makes feel-good moments

Building and executing MMR took herculean efforts and

improves their overall McDonald's experience?

Elizabeth Wassef

Global Loyalty

give so much to us.

easy for everyone.

Tyler Belyea

William Burns Bess Cades

Gareth Furness Jaclyn Holtzman Tammy Knight Stephanie Koenig

Richard Long

Rupal Patel Serena Pruitt Michelle Ruehle

GSC Crisis Team

chain moving.

Christine Beck Dan Bernhard Inma De La Vega

Marie Emery Rafael Espinosa Frank Heidlberger Darren Holmes

Dan Leek

Cesar Pina

Kristyn Puzen John Sulit

Ed Symington Alexa Zepeda

US

intent scores.

Anna Engel Alise Flores David Gallo Alex Gaski Sarah Haas

Charles Krumsiek

Joe Obuchowski Matt Saweikis Jessica Schulze

Veronica Thompson Loretta Vandenberg

MyMcDonald's Rewards

obsessed with app convenience.

40% increase in digital sales per restaurant.

Jack Balcarcel Jenna Bomba Bryce Boothby Chris Conigliaro

Jeff Curran Gina Delisi David Ehrlich Raquel Ellison Drew Fodor Chuck Kasper Lauren Kemp Jamie Krinsky Jesse Pamperin

Kelley Pettry Jen Slack

McDonald's.

employer, but an admired one.

Carissa Allen Mary Andoh Brea Burnett Chris Cokeley Marcus Davis Kyle Dierking Lori Duggan Matthew Fincke Danielle Harris

Candace Jean-Louis

MARKETS (IOM)

₩<u>*</u> ANZ

Workplace CFT

existing and brand new.

with the platform each week.

Jesse Donaldson Caitlin Greenland

Oliver Pitman Milliza Raux Dimi Tsolakis

Amanda McMenemy

NETHERLANDS

People, Process and Technology.

Drive vs non-DMB DT's.

data, and above all - our people.

Constantijn de Jonge

Wichert Timmerman

waste of 34%.

Taal Bianca Ivo de Groot

Lotta Deinum Yvonne Haeck

Nikita Tijssens

Lindsey van Dijk Annelies van Pelt Rik Vandewall Steven Wierema Quint Zieltjens

UKRAINE

CFT Packaging and Recycling

CFT Packaging & Recycling has assisted McDonald's Ukraine in doubling down on its environmental agenda. First, the team has helped McDonald's to reduce annual waste collection costs by 11 000 000 UAH (\$ 415 000 USD) which represents a 60% reduction to the previous year. Between January and June 2021, we handed over for recycling approximately 1080 tons of secondary raw materials, 100 tons of paper cups, and almost 2 tons of polyethylene. A variety

packaging-related changes and a switch to more environmentally friendly materials, boosted the sorting and recycling project. Second, the launch of our sorting, recycling, and raw material reuse program spurred the shaping of a waste recycling system and the development of environmentally conscious partnerships across Ukraine. McDonald's Ukraine partnered with 30 recycling facilities to create a positive impact on the local communities. Third, the team helped to organize waste management systems in cities across the country. For example, in Lviv, where the recycling journey started, McDonald's received the Mayor's award. This award recognized how

of strategic solutions developed by the team, such as

McDonald's helped the city effectively approach waste

management issues. Finally, McDonald's encouraged millions of Ukrainians to learn to sort together with us. Communication aimed at Crew was shared online and has been praised by our customers and communities. Over two months, 10,000 McDonald's employees learned the correct way of sorting waste at restaurants and offices.

With the enterprise mindset, the team is already sharing its knowledge and solutions with McDonald's teams in other Markets.

In October 2021, the UK&I business launched Plan for Change, our long-term, innovative ambition to embed sustainability within our business and a framework for how we shape and validate our trust activity, providing multiple axes to engage and build trust with

Against the backdrop of an ever-evolving sustainability and ethical landscape, this plan underpins our Growth Strategy, Accelerating the Arches, with a real focus on what we do and how we do it as a

The working group comprised representatives from nine functions, creating a cohesive, dynamic and progressive approach to developing the Plan for Change, with scalability and global impact it is now seen as a blueprint for best practice across the system. The team followed a rigorous process to develop four pillars (People, Planet, Restaurants and Food), underpinned by 29 goals and commitments. For external launch, the team worked together effectively, to ensure messaging was credible for TV Ads and refreshed web content was compelling and informative for both consumers and stakeholders, under the banner Change a Little,

The Plan for Change is key to achieving our global purpose of feeding and fostering communities, supports our global ambition to become net zero by 2050, and raises the bar by becoming the first Market to set an accelerated net zero target of 2040 for the UK&I. Impacting all three legs of the stool, the Plan for Change will ensure our business is resilient in the future, meaning we can deliver

delicious feel good moments for years to come.

Samira Abdulova

Olesya Kornienko

Yana Nechaeva Anatoliy Pidduda Natalia Reizlina

Plan for Change

company.

Change a Lot.

Chris Armstrong

Chloe Bissell Hetty Gittus Gareth Hudson Fiona Jennings Jessica Martin Helen McFarlane

Ben Pardy Nina Prichard Nikki Remmer

Sasha Segar Harriet Wilson Meeta Zakharia

CHINA

CHINA

new farming model.

to feed and foster communities.

Bruce Feinberg Julie Harper

Chee Haur Ngiam

Sophie Jiang Yolanda Jiang David Jiang

Andy Li

Fainareti Schortsaniti

Chicken Supply Roadmap

The goal of the McDonald's China chicken supply roadmap team was to develop a roadmap to ensure chicken supply for McDonald's China from 2022 to 2026. Chicken supply is at significant risk in the Market and without a clear roadmap and assurance of supply, the growth plan for the Market would be very challenging to deliver. Working very efficiently, the project team delivered on their goals and objectives within 100 days. They developed a supply roadmap and aligned on four key strategies to sustain supply over the next 5 years; 1) Vertical integration supply enhancement, 2) ASL supply uplift, 3) Importation and new Wing product development, 4) Pilot a

This project team leveraged McDonald's best talent globally and locally, working as one team in a transparent, collaborative fashion. The team brought alive the "Serve, Inclusion and Family" values of the company, developing the right solution to enable us to continue

consumers and stakeholders.

Ekaterina Yurchenko

UK & IRELAND

Viktor Grisha Petro Kinash

Yuriy Kos

Nadia Smit

Nick Tol

Cross-functional Data Team

Data is the invisible fuel of our business plan, from Big Data to Big Mac! With around 3 million transactions per week, the Netherlands has the chance to use data to enable customer experiences that are personized, faster, easier & more valuable. To accelerate our market data analytics capabilities, we connected three key areas:

The team co-developed the agile forecasting tool, which is now showcased in many IOM/BU markets. With this tool we can project business KPI's, the impact on operational KPI's (WAAT & MCI) and the purchasing quantities. This has resulted in a fully data driven marketing / food calendar for 2022. It has supported supply chain benefits leading to a 50% decrease in waste and already led to a 0.05% increase of sales. Another example is the diagnostic analytics where you can do A/B testing on content level on the Outdoor Digital Menu Boards. We can test and influence the impact on sales, ordering time and TET - this resulted in an uplift of 5% Cars per Day /

Within supply chain the use of data has resulted in a decrease food

By bringing together multiple disciplines from across the system, this team has shown the tremendous power we have when we work together. All of our core values are represented - this is the power of

Zoe Alexiou Sean Cardiff Ben Clark

Jennifer Kinney Kieran Layton Rachna Luthra Julia Sturniolo Theresa Suehr Nicole Tracy

U.S. Employee Value Proposition

When the pandemic began and staffing challenges started to amplify the negative impact of inconsistent People practices and benefit offerings in McDonalds US restaurants, it became clear that

The work has propelled people front and center in critical business conversations across the system and has solidified people as a growth driver for the business. Receiving national endorsement of this work and obtaining nearly 100% local endorsement at the business unit level is merely scratching the surface of incredible people-focused actions being taken. The EVP work has accelerated the progress for McDonald's to become not just a respected

Within our corporately owned restaurants, we recognized the immediate need to focus on a competitive pay strategy to increase wages for our restaurant crew. McOpCo redefined their people ambition resulting in an annual investment of \$65+ million. We implemented on average 11% wage increases across almost half of our portfolio. We are seeing positive impact on our ability to attract & retain talent. Applications are up over 15% and crew TTM turnover

down 5.5% across the entire McOpCo organization.

INTERNATIONAL OPERATED

McDonald's Australia launched Workplace by Facebook to our 100,000 + restaurant employees in November 2020, resulting in a significant change in the way we communicate and engage with our people. This project was particularly important as its inception was derived through our key Value of Serve by listening to our system needs and taking action on what was a clear gap for our restaurants. Launching Workplace was designed to address our two greatest tensions; 1) to find relevant, in-date information quickly and

easily, and 2) to make available and encourage two-way

and empowering our people to "Run Great Restaurants".

into the system could not have been timelier.

communication. With the challenging external landscape of Covid making face to face connections difficult, the launch of Workplace

Knowledge is power and being able to reach all crew, managers and licensees quickly through the click of a button has allowed us to more effectively focus on what's important - informing, engaging

The McDonald's Workplace team has embodied the McDonald's values of family and community through a strong partnership and collaboration with the Facebook Workplace team. This has resulted in shaping the way Facebook design and deploy features - both

McDonalds Australia achieved the fastest activation of Workplace ever seen in an organisation with significant frontline users, reaching 90% activated accounts in just 6 months. 81% of crew, 95% of restaurant managers and 79% of all licensees now engage

a North Star was needed to help align the corporation and owner-operators to better meet the needs of their people to prevent further negative impacts to the business. The intent behind designing and activating a defined Employee Value Proposition for our US restaurants was to create a national plan and work together with owner-operators to change the employment experience at

MyMcDonald's Rewards had a truly remarkable launch across 14,000+ restaurants – thanks to a united effort from McDonald's USA. Fueling the larger digital ambition strategy, the team set out to make MyMcDonald's Rewards the most compelling program our fans have ever experienced... all while building on the energy of the crew, the convenience of the drive-thru, and the relationship of our customers. MyMcDonald's Rewards is the key to our digital future we now finally have the ability to meet customers where they are at, learn from their behaviors, and reward them for being our fans.

Because of COVID ramifications, immediate digital growth became a necessity to survive in our industry – QSR experienced expedited digital penetration (+100% in 2020), as consumers became

The US 'Loyalty Squad' was formed to create, pilot, and launch a best-in-class program that involved an intensive 5 month, five-part rollout which included a technology pilot test, three phases of Ops testing, and an advertised sales test. Not only was this rollout executed, but the team's work both during the pilot and launch has been widely regarded (from employees and operators) as the most successful digital deployment in our history of the US market.

A few months post-launch, original expectations have all been met or exceeded - demonstrating the precision of the team's work. We had over 26 million active users by November and average weekly cash flow increased between \$162 and \$319 per restaurant, with a

Ernie Meier

Kevin Sims Silvia Son

Amy Vogel

Kandice McLeod

Christiaan Pilkington

UNITED STATES

Crispy Juicy Tender Chicken Team

diminished the efforts of the competition.

In the middle of the Pandemic, as the Chicken Wars raged, McDonald's U.S. launched a crispy, juicy, tender Chicken Sandwich

that delivered for our customers, drove the business, and

population tried the new sandwich. The product exceeded consumer benchmarks with 92% satisfaction and 88% repurchase

Growing in chicken is critical in driving our holistic business, and this launch was a key step in achieving this ambition. We could not have achieved this success without the dedication and collaborative spirit of a team that came together to make each other better.

The chicken category has been growing at a rate of 4% over the past five years in the U.S., propelled by chicken specialists who have elevated consumer expectations on chicken quality and taste. While we have held strength in core chicken products, the threat of not delivering on a credible, craveable large chicken sandwich for our customers was mounting. The U.S. chicken team set out to create a best-in-class chicken sandwich that could be served at the speed, convenience and value of our business. Leading with the Values of Serve, Family and Inclusion, the team came to a solution that consumers across all geographic and multi-cultural segments loved and that our crew could operationalize in 14,000 restaurants. The measures of success at launch exceeded all expectations with chicken lifting the business by +2.4% in sales and +1.4 in GCs, exceeding projections. In the first 8 weeks of launch, 18% of the U.S

In a challenging year, the GSC Global Crisis team worked diligently to assure supply to our restaurants with vital Packaging, Toys, Chicken, Equipment and Construction/Development products all

Across many markets, we saw dramatic increases in demand due to consumer shifts to take-out and McDelivery which enabled our Packaging team to implement creative solutions to ensure we could meet both interim and future demand. Similarly, our guests were loving our Chicken products, causing demand to increase

significantly, which meant our supply chains needed to be reviewed and revamped to accommodate and plan for current and future

Equipment/Development teams ensured we continued to have toy options in place for our younger guests, the most crucial part of any McDonald's Happy Meal! The Equipment/Development team were tasked with ensuring current and future restaurant and business growth goals could be met while facing these difficult headwinds and competing with auto/electronic industries for components. Serving our guests and internal stakeholders while ensuring our people are well cared for, considering all opinions and making ethically based decisions, and keeping our communities close at heart while getting better together as a McFamily have been guiding principles for this critical team as they keep our vital supply

demand of a fast-growing category. The Toys and

while managing the complex Logistics / Ocean Freight circumstances resulting from the Covid-19 pandemic and the aftereffects. These collaborative efforts across different functions and geographies helped to maintain our supply chain in its most critical hour, doing so while ensuring our McDonald's Values and Supply Chain Three-legged Stool philosophy helped to guide the

Sana Mohammed Meredith Palomino

Kostis Agrafiotis

Maximo Buchholz

Lori Duggan

Steven Hunter Amy Johnson Kristen Jones Monica Mosby Andrea Pettaway Yvonne Prang Caitlin Schwind

The Circle of Excellence Award recognizes cross-functional teams that achieve significant and measurable results that contribute to our business, A winning team **Supports our Purpose** of Feeding and Fostering Communities, Drives our Mission of Making Delicious Feel-good Moments Easy for Everyone and Brings to Life our Values of Serve, Inclusion, Integrity, Community and Family.

Eric Li Cesar Pina Remi Rocca Kevin Tian Olivia Ye Candy Yuan Jason Zhang INTERNATIONAL DEVELOPMENTAL LICENSED MARKETS (IDLM)

HUNGARY

Hungary.

'Chicken War' Team

variations in all price levels.

Bianka Andavölgyi

Eszter Bódi Tibor Cselényi Andrea Horváth András Horváth Patrícia Kukucska

Eszter Laczó Márk Szabó Vera Szabolcsi Ágnes Vadnai Roberta Víg Klaudia Visnyei

JAPAN

Brand Trust in our history.

emotive response.

visit share% (HOT)

growth.

McDonald's chicken credentials.

The "Chicken War Team" was established at the end of 2020 to maximize the 'Commit to the Core' growth pillar by building

With excellent local suppliers of chicken across the country, the objective of the team was to build and execute on a strategy that ensures McDonald's is the number 1 IEO restaurant for chicken in

The Team developed a 3-year customer obsessed chicken strategy that builds on local, relevant insights and our core chicken iconsidentifying 4 growth areas: 1) Exploit the boneless chicken category

building further chicken pieces and focusing on the iconic McNuggets. 2) Build quality credentials of core McChicken and bring excitement with fresh new chicken LTOs. Promote 100% local sourcing. 3) Develop new whole muscle innovation as new premium patty and reposition wraps as a premium sub-brand. 4) Maximize taste & spiciness with excitement, crunchy breading and spicy

The first year results of the Chicken War Plan are impressive: Chicken sales share grew from 25.4% (2020) to 30.5% (2021). HOT Great tasting chicken KPI also grew from 28 (2020) to 31 (2021). Our highest ever market share was achieved in June with 18.8% IEO R3

The cross functional team set ambitious targets and identified the need to adapt system operations and procedures in order to meet customer demand. The team is driving profitable chicken business despite the Covid crisis and lay a solid foundation for our future

Feel Good Marketing – Creative Transformation

Q4 2021 was McDonald's Japan's 25th consecutive quarter of growth, following the 2015 business turnaround. In the last couple of years our key business and brand metrics have seen significant improvement driven by the biggest advance in Brand Affinity and

Beginning in late 2019, as part of our strategy to mitigate the VAT increase, the Creative Transformation Team commenced a concerted effort to transform our customer perception from "Like to Love". At the core, was a single-minded approach to embed a much deeper understanding of our customers' motivations and a commitment to shift from years of rational product and offer driven messaging, to relevant and relatable story telling that drove an

The four pillars of the approach have been; 1. A relentless effort to uncover the insights which enable us to tell real stories that matter to our customers. 2. A separate "always on" focus on selecting the

right marketing talent, casting, and music, with genuine brand attachment. 3. A shift to marketing "Branded Platforms" and the introduction of "Brand Stories" for Core menu along with our 50th anniversary campaign. 4. An ongoing process of living our values, sharing best thinking/practices, training and developing feel good moment that our customers love, while bringing the System along with them. Leveraging these pillars during 2021, the team has delivered multiple key campaigns which have contributed to defining who we are as a brand and what we stand for in Japan. Mayu Akiyama

Yoshihiro Honda Tatsuya Issiki

Yuta Kashiwakura

Hiroko Matsushima Takashi Nishizawa

Shingo Kojima

Sho Ohyama Midori Oyu Takashi Saga

Sae Shimamoto Taiwa Shinmura Katsuhiro Teshima

Kokoro Toyama Chisato Yoshidomi

KOREA

The BTS Team

across the country. The Team demonstrated effective collaboration, engaging the whole system to deliver on the goals. Restaurants received total 'makeovers' driving crew engagement and the campaign received huge PR coverage with social coverage at an all-time high and McDonald's receiving an average of 32 x more mentions than that of competitors across all platforms. GMAL downloads increased by 208% over the period of the campaign. KwangEun Hong Ara Jo Anna Kim DaeWon Kim HaeYeon Lee JinHee Lee YeunJung Park Leon Suh M MEA MEA Women Leadership Network

In June 2021, this team made a significant contribution to making delicious feel-good moments memorable for everyone in Korea. The BTS Meal as part of the Famous Order campaign was flawlessly executed and generated incredible business results, with some items from the meal such as McNuggets and the Oreo McFlurry seeing over 300% sales growth. The momentum created by this campaign was sustained into the second half of the year with a Comp Sales increase of 12% year-on-year. The news of the BTS Meal became a moment of national pride and was celebrated

Gender balance makes McDonald's stronger and is at the heart of our Inclusive Culture. We are committed to creating a workplace where every woman is equally supported and empowered to realize their full potential. In 2021 we launched MEA Women Leadership Network in the Middle East and Africa to create a sustainable network to serve as a catalyst for change in the BU and activate a WLN chapter in each market. The cross-functional team partnered to develop a phased approach that supports the unique culture in each market, determine specific goals and metrics for success and achieve agreed upon market targets to increase women in the organization at home office and in the restaurants. nominate and participate in our McDonald's MEA Women to Watch program (21 Women to Watch in 2021). This program aims to celebrate the achievements of the brightest, most dynamic, and promising female talent across the MEA Business Unit at various and are passionate about driving the business forward. We now have 17 WLN established across MEA. The MEA WLN team have led transformative change, partnering with DLs, employees, suppliers and beyond to promote diversity efforts across the MEA Business Unit by forging a path of gender

equality at all levels. Kimberlee Ballard Ossama Chaaban

As part of the major initiatives to activate WLN, we asked Markets to levels that have inspired others, have strong business achievements Kevin Doran Tarek Elkady

Nazifa Janetkhan Wasen Kader

Maureen Mtonintshi **Umit Pinar**

Tracy Salter Nargis Yeszhanova