

McDonald's 2021 Diversity Snapshot

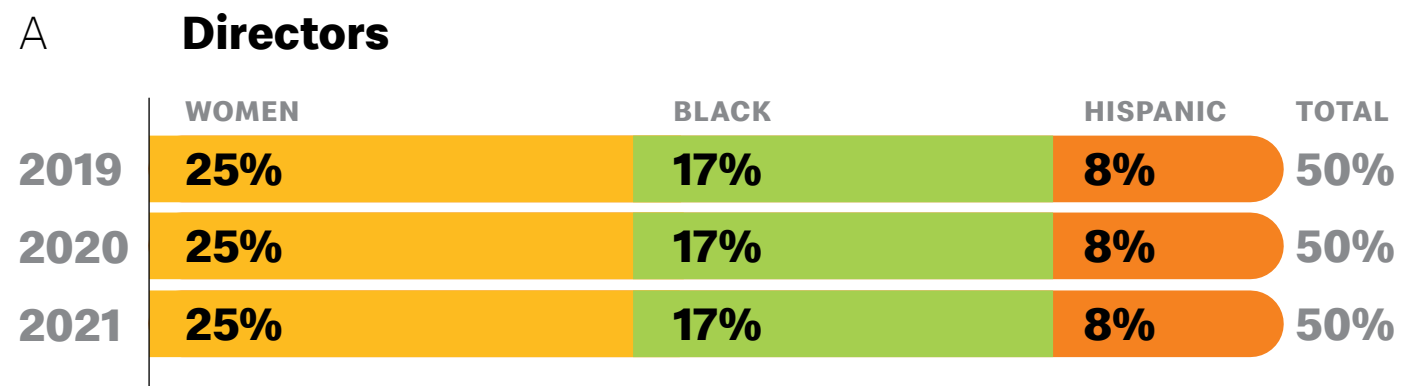


This Diversity Snapshot is another step on our accountability and transparency journey – as we continue to publish our data on employee, Board and Franchisee representation, supplier diversity spend and our investment in diverse-owned media, production houses and content creators.

Since 2020, we have made progress and continue to enhance our processes for collecting data and reporting. We know our actions are even more powerful when they are underpinned by clearly measuring and transparently reporting our progress, which is why we plan to publish this data annually and continue to evolve and enhance our data collection processes over time.

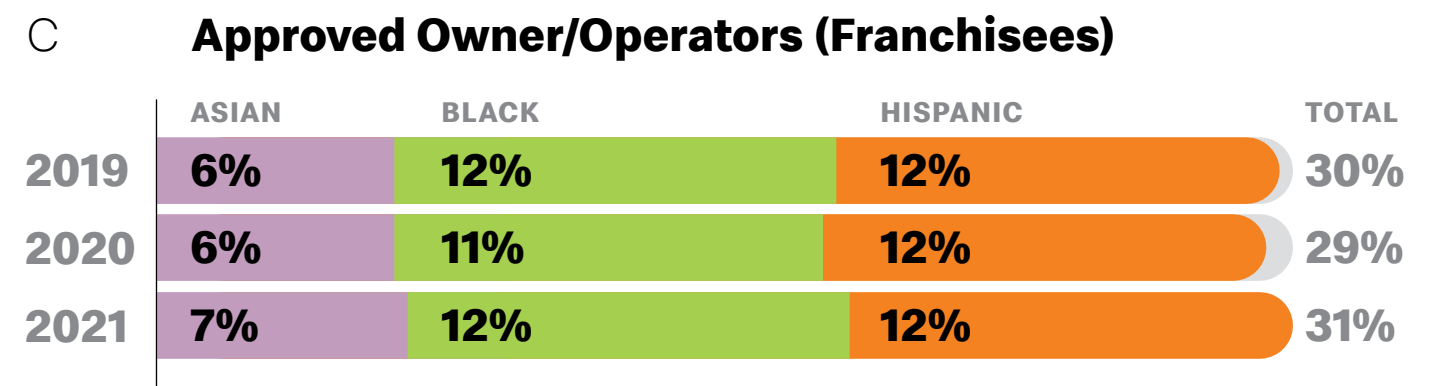
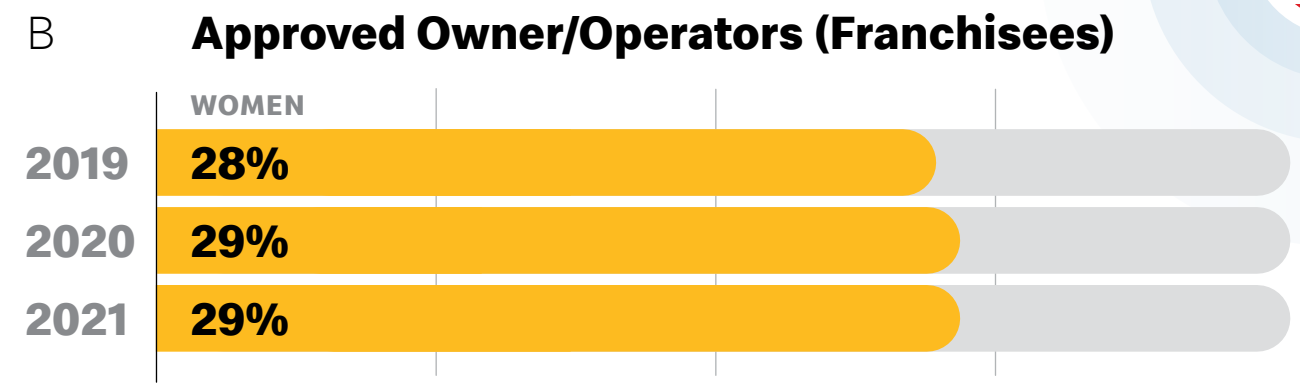
Read more about our [Diversity, Equity and Inclusion strategy](#) as well as further details about McDonald's strategy, goals, progress and definitions on the [Purpose & Impact](#) page of our corporate website.

Board Diversity



Our Board is comprised of a diverse, highly engaged group of Directors with a wide range of skills and experiences who each contribute to overall Board and Committee effectiveness. Each of our Directors is a dynamic leader whose experiences and perspectives are continually evolving as they navigate today's fast-paced, ever-changing business environment, both as a Director of McDonald's and in their other professional roles.

Franchisee Diversity (U.S. System)



In December 2021, McDonald's announced a Franchisee recruitment initiative to help increase the number of Franchisees from all backgrounds, including Underrepresented Groups, in McDonald's U.S. and all McDonald's International Operated Markets. McDonald's has made a five-year, \$250 million commitment in the U.S. to provide alternatives to traditional financing to help candidates who may face socioeconomic barriers join the McDonald's System.



Employee Diversity

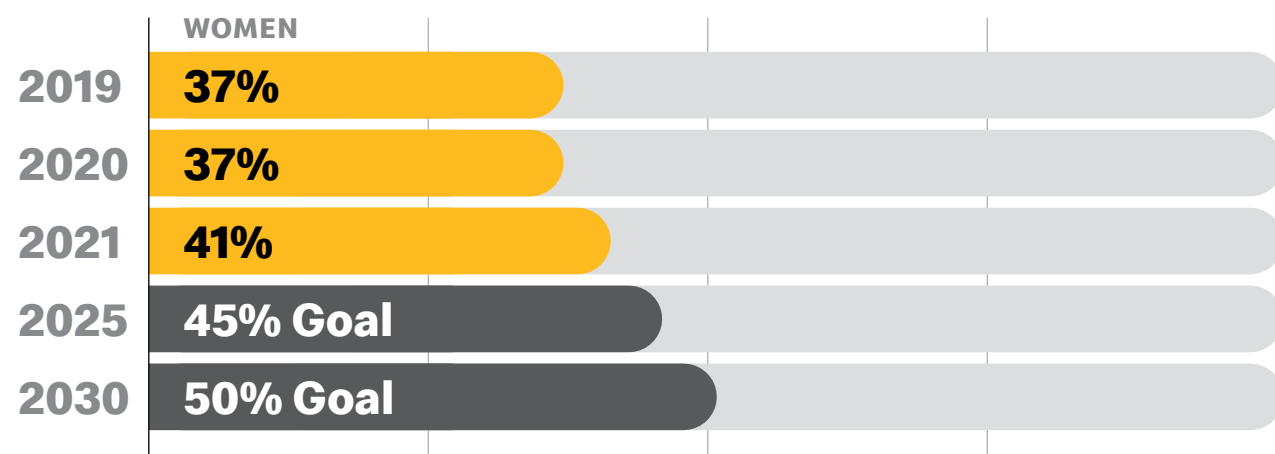
Representation of Women

Our people are not only at the heart of our Company, but they're also critical to the long-term success of our business. As we continue to pursue our goals to increase the representation of women at all levels of our Company, we continue to take steps to help create a work environment where women feel recognized and represented and can advance in their careers successfully. We strive to ensure that gender diversity is not just a women's issue, but a business issue – and that women's representation and gender equality in career advancement remains a priority.

Read more about our [Diversity, Equity and Inclusion strategy](#) as well as further details about McDonald's strategy, goals, progress and definitions on the [Purpose & Impact page](#) of our corporate website.

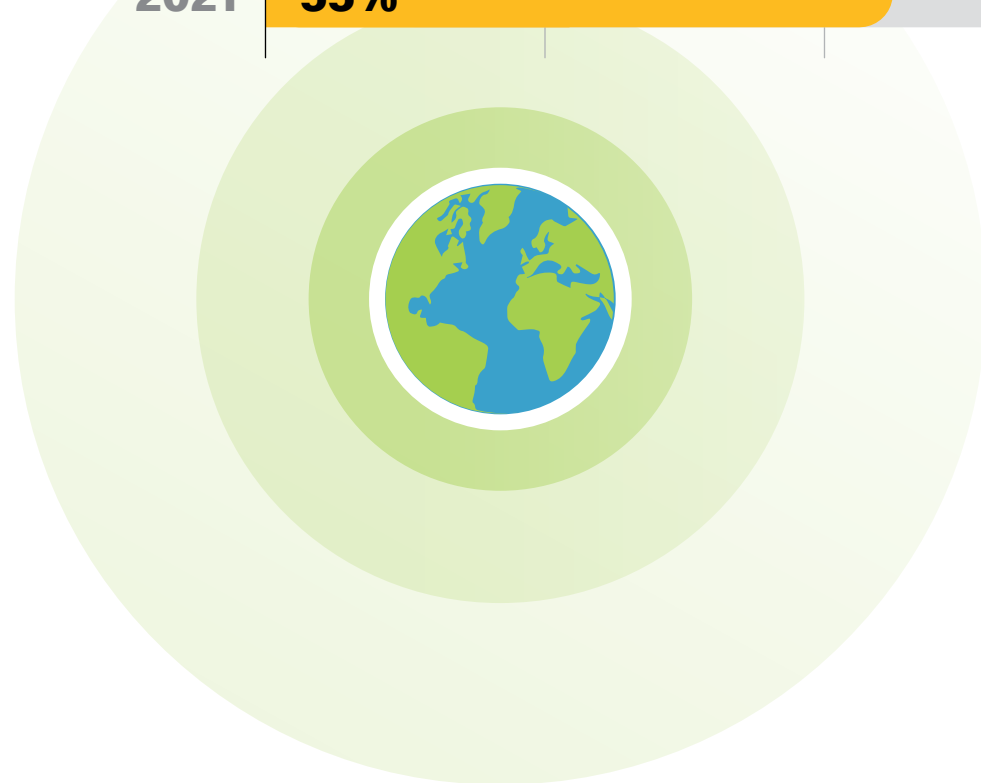
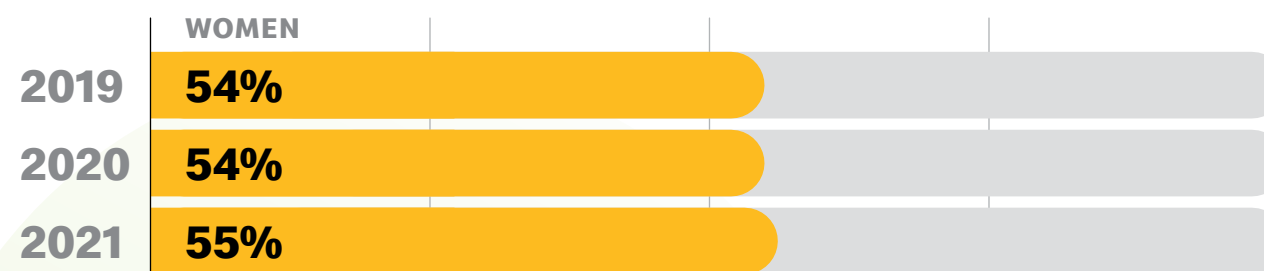
Corporate Staff: Global

D Senior Director and Above



Women's representation at the Senior Director and above levels has improved since the launch of our Global Diversity, Equity and Inclusion strategy in 2020 primarily driven by an increase in promotions and external hires and a decrease in turnovers. We continue to focus on implementing strategies in these areas in support of our efforts to attain our 2025 and 2030 representation goals for Senior Directors and above.

E All Corporate Staff





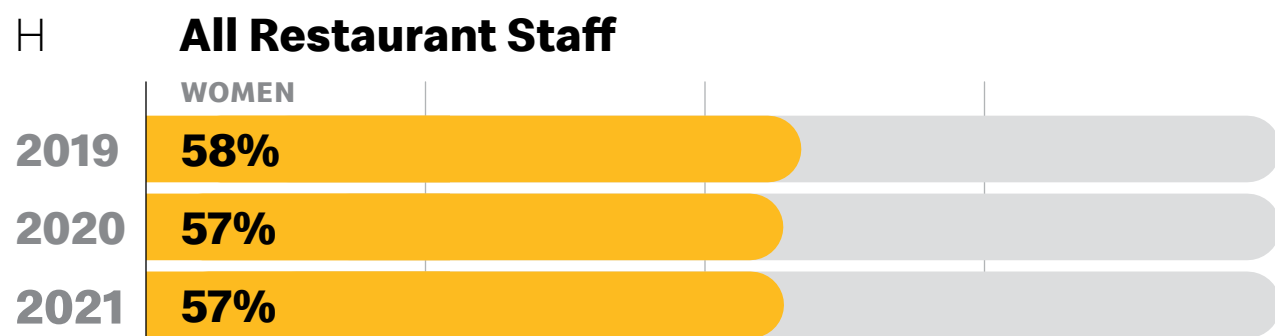
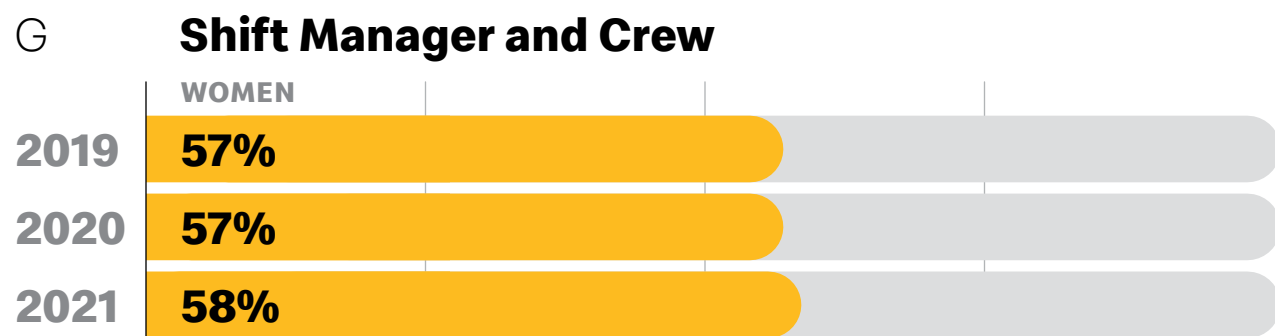
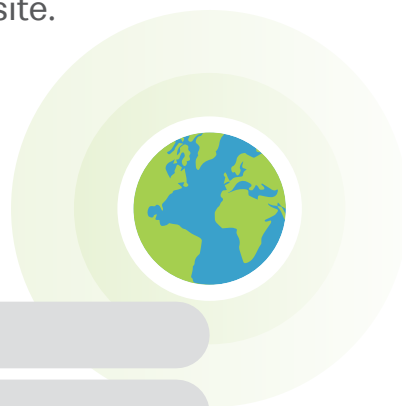
Employee Diversity

Representation of Women (Continued)

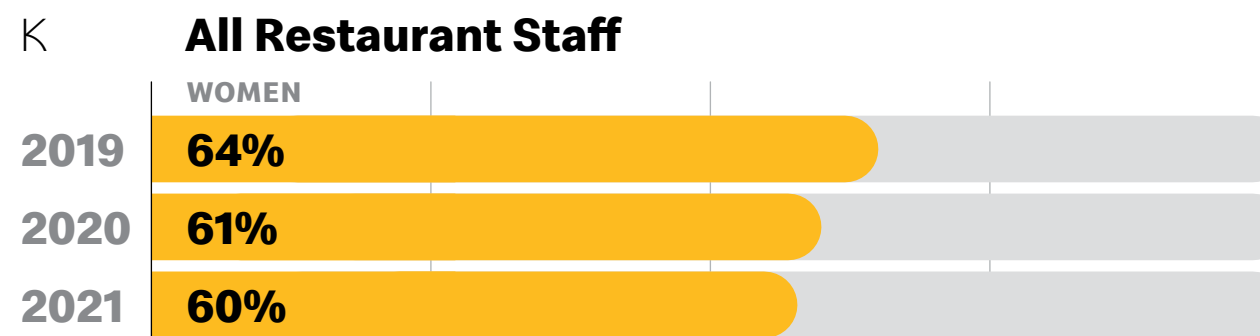
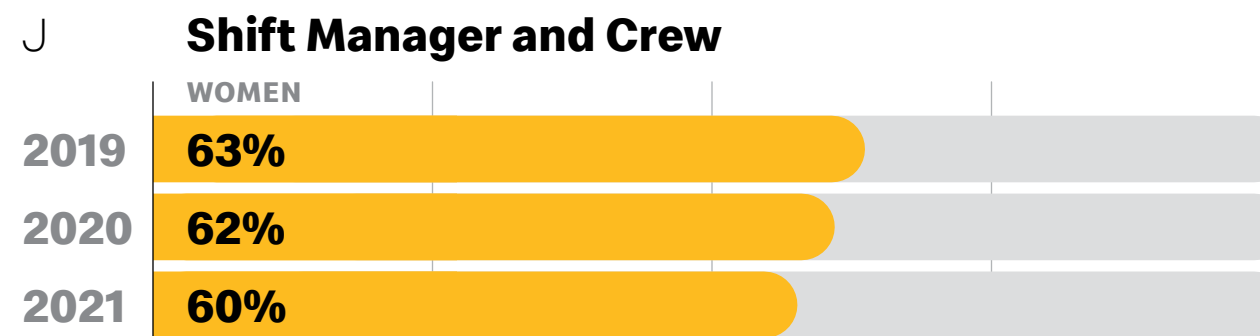
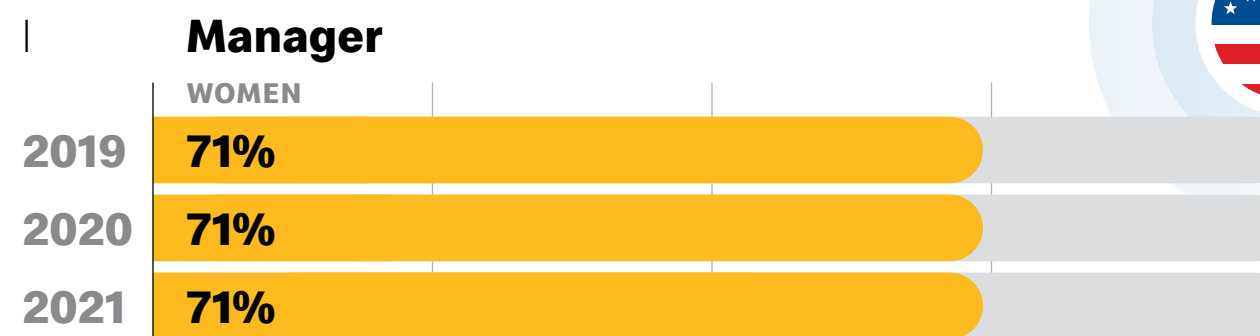
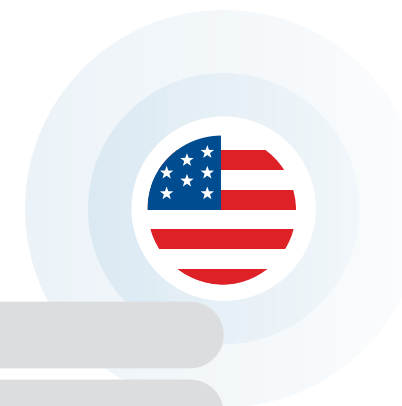
For those who choose to build a career with McDonald's in our restaurants, our training, education and leadership development programs help support their growth and advancement within our Company. Regardless of where someone starts at McDonald's, employees of all backgrounds globally have an opportunity to grow and progress through a variety of pathways. We're building upon our Hamburger University's rich, 60+ year history by elevating it as the overarching brand and signature learning approach at McDonald's. We are proud of the tradition that crew members can become managers, managers can become corporate employees, and corporate employees can become executive leaders.

Read more about our [Diversity, Equity and Inclusion strategy](#) as well as further details about McDonald's strategy, goals, progress and definitions on the [Purpose & Impact page](#) of our corporate website.

Company-Owned Restaurants: Global



Company-Owned Restaurants: U.S.



All data is reported as of December 31 of the stated calendar year. Footnotes can be found [here](#).



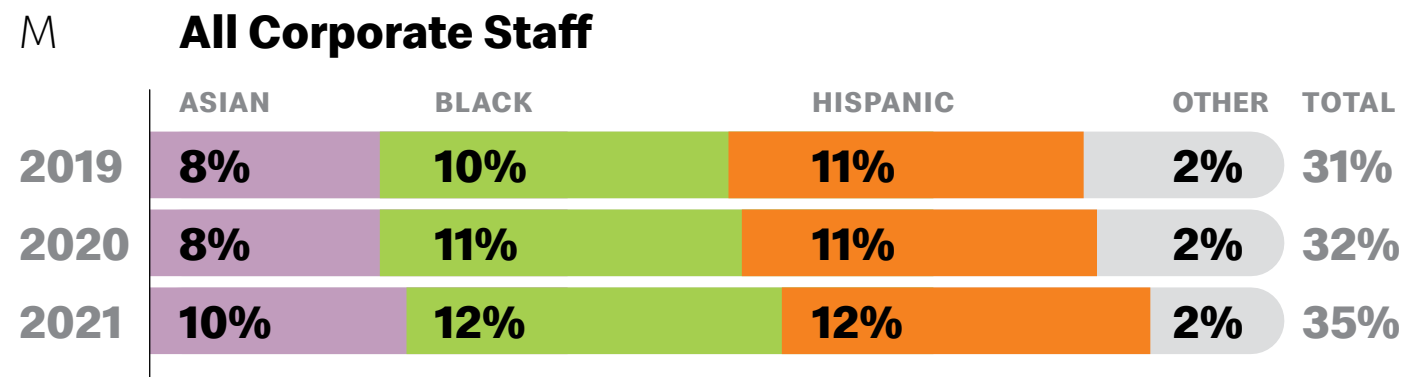
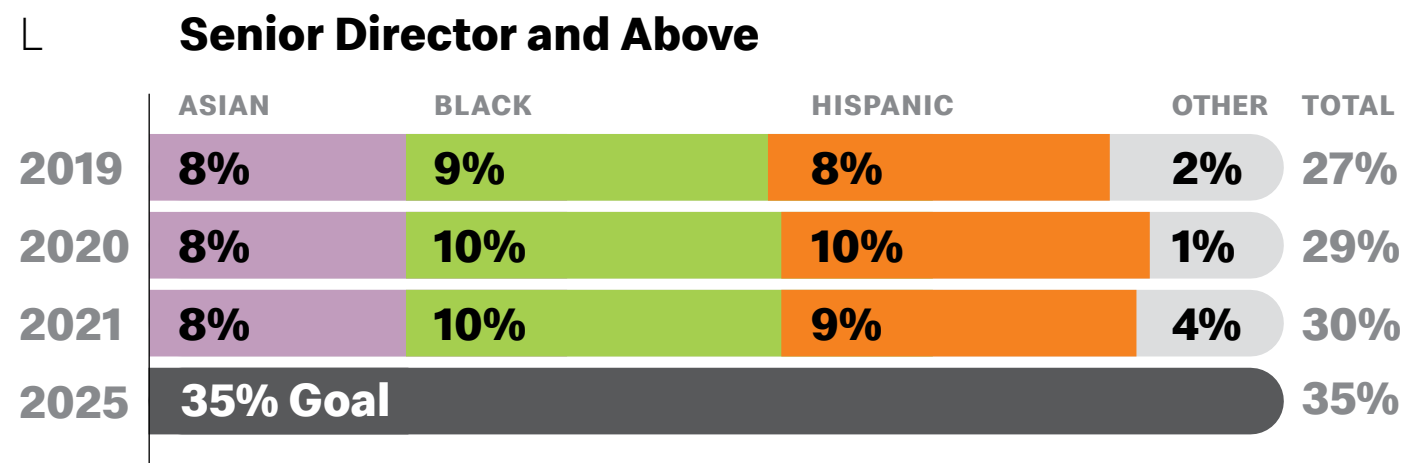
Employee Diversity

Representation of Underrepresented Groups

We're building a culture in which employees, including those from Underrepresented Groups, have fair treatment in access to opportunity, feel comfortable bringing their whole selves to work and are encouraged to achieve their greatest potential – at both the restaurant and corporate levels of the Company.

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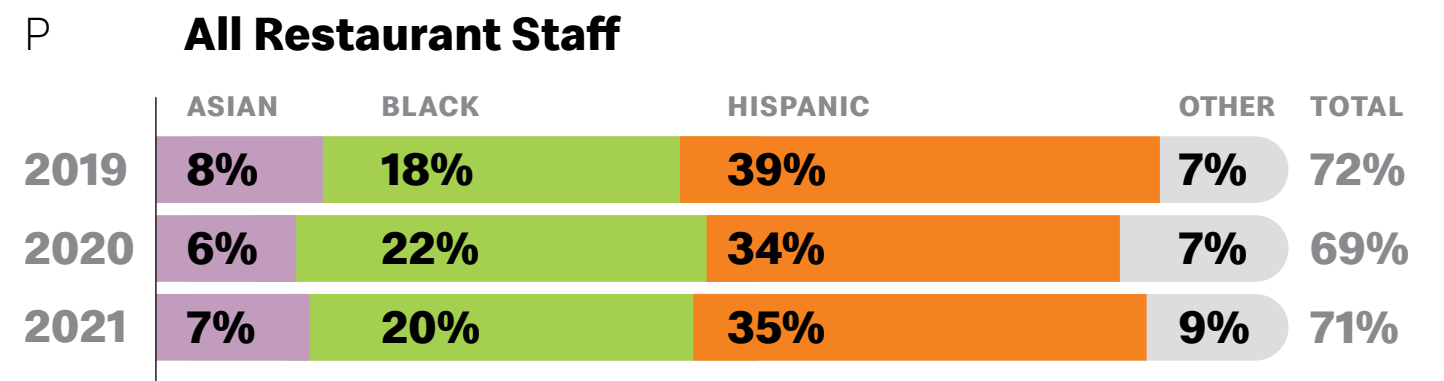
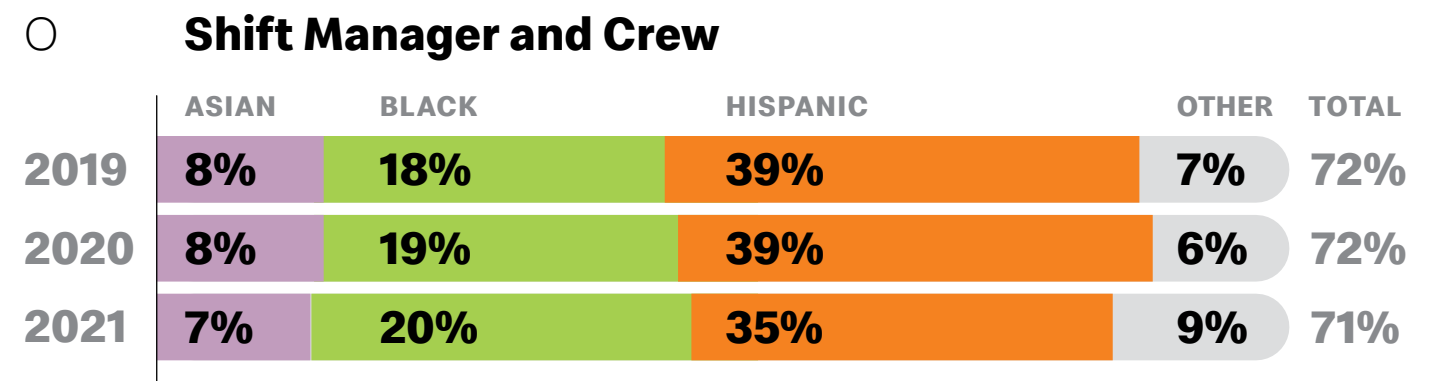
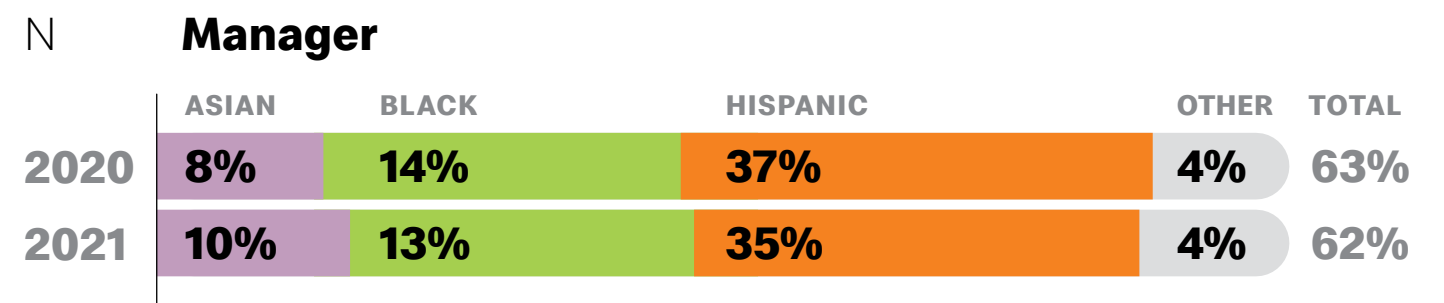
Corporate Staff: U.S.



As a part of our Global Diversity, Equity and Inclusion strategy, our approach to recruitment and talent management leveraged new recruiting techniques to achieve a more bias-aware and inclusive Company. This included driving our University Talent Attraction strategy, focusing on sourcing candidates from historically black colleges and universities (HBCUs) and other minority-serving institutions (MSIs) through job postings, messaging, campaigns, career fairs and career development workshops. We also used strategies designed to support equity and fairness throughout the applicant process, including utilizing diverse interview panels and artificial intelligence (AI) tools to create gender-neutral, inclusive job descriptions.

All data is reported as of December 31 of the stated calendar year. Footnotes can be found [here](#).

Company-Owned Restaurants: U.S.





Supplier Diversity and Marketing Investment

Investment in our supplier community is a critical catalyst in achieving the more equitable and inclusive future we want to see.

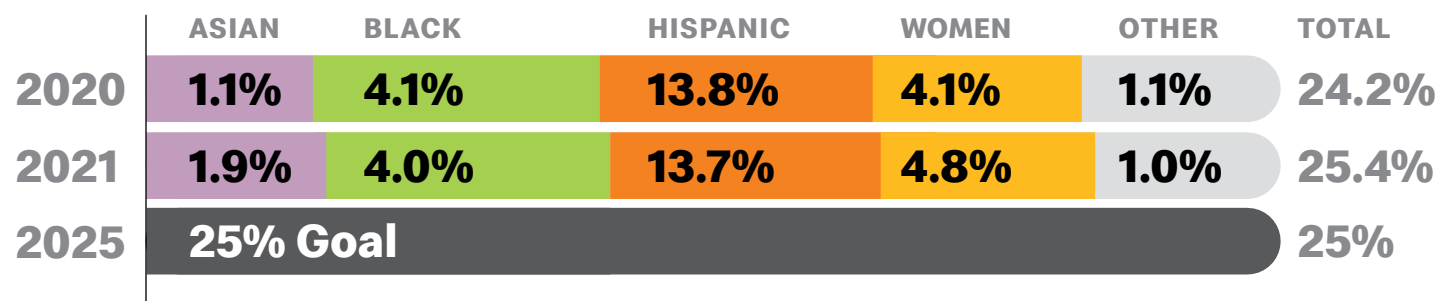
That's why in 2021, McDonald's set a goal to increase U.S. Systemwide spend with diverse-owned suppliers to 25% by the end of 2025. With this increase, about \$4 billion of Systemwide spend would be with diverse-owned suppliers. We are making progress toward this goal, having reached a U.S. Systemwide diverse-owned spend of 25.4% as of the end of 2021.

Included in and to support continued achievement of this goal, McDonald's USA and U.S. Franchisees increased investments in diverse-owned media and production companies and content creators to 7.7%. – putting us on track to achieve our original investment ambition of 10% by the end of 2024. We know there's more work to be done in this space and we're confident we can have an even greater impact, which is why we're raising our diverse-owned media investment ambition from 10% to 15% by the end of 2024.

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Q % Spend Through U.S. System With Diverse Suppliers

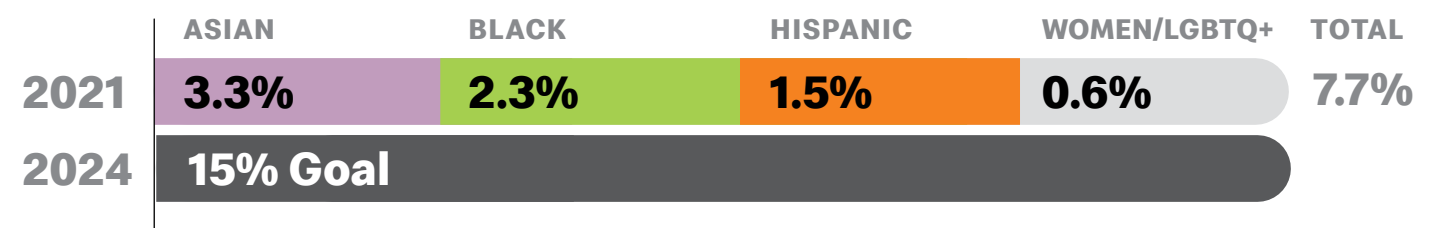


487 certified and classified diverse suppliers throughout U.S. supply chain in 2021.

To advance our U.S. Supplier Diversity strategy, McDonald's launched the Mutual Commitment to Diversity, Equity and Inclusion (MCDEI) in July 2021, which invited McDonald's U.S.-based suppliers of goods and services to sign a joint pledge to take actions to advance diversity, equity and inclusion (DEI) practices within our respective organizations.

The MCDEI pledge pillars include: implementing an overall DEI strategy; increasing representation of underrepresented talent in leadership and in staffing McDonald's business; increasing utilization of diverse suppliers; investment in innovative partnerships and programs designed to make a measurable difference; and creating infrastructure accountability to track progress.

R U.S. Marketing Investment Spend (National Diverse-Owned Media, Production and Content)



McDonald's U.S. Marketing increased diverse-owned spend in 2021 by optimizing investment with many existing diverse-owned media and production houses and diverse content creators and influencers, thereby enabling deeper, more inclusive storytelling and fostering conduits for cultural connectivity.

We also formed an advisory board of internal and external market and advertising subject matter experts dedicated to helping identify barriers to economic opportunity facing diverse-owned media and production houses and seeking to put collective efforts behind new programs and initiatives to eliminate them. The advisory board's ongoing goal will be to drive change and impact across the marketing industry.



Equal Pay for Equal Work

We committed to and took the necessary steps to close pay gaps identified in our 2021 pay gap analysis for women globally in Company-owned and operated markets and for Underrepresented Groups in the U.S. at the staff and Company-owned restaurant levels.

Our equal pay analysis compares employees in similar roles, while considering the many factors that legitimately drive differences in pay between employees, such as experience (general, McDonalds-specific, job-specific), job level/grade, performance and location.

We introduced our Global Pay Principles to our owned markets in 2019 to ensure that good pay practices are understood, consistently implemented and executed across McDonald's.

Through our 2021 pay gap analysis, we identified the following for the aggregated total of job categories:

- **Women globally in Company-owned and operated markets were paid on average \$.9985 for every \$1 paid to men for comparable work. We took the necessary steps to close the pay gap in 2022.**
- **Underrepresented Groups in the U.S. were paid on average \$1.0063 for every \$1 paid to other groups for comparable work.**

The following tables outline the results of our 2021 pay gap analysis.

2021 Underrepresented Groups Pay Gap Analysis Results (U.S.)^S

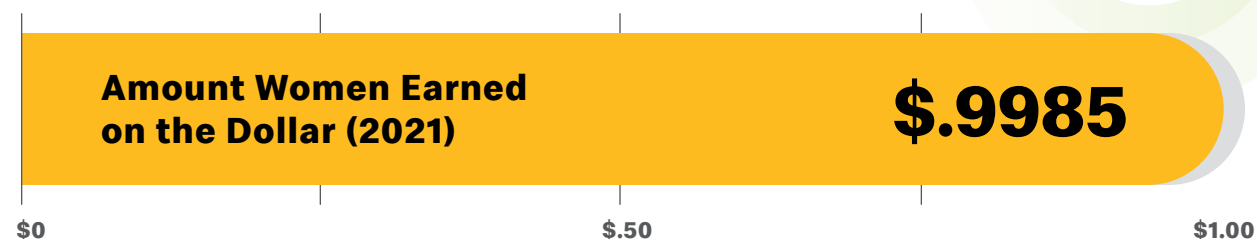
TOTAL # OF EMPLOYEES INCLUDED IN ANALYSIS: **47,116**



2021 Gender Pay Gap Analysis Results (Company-Owned and Operated Markets)^T

^T Identified Gap(s) Closed in 2022

TOTAL # OF EMPLOYEES INCLUDED IN ANALYSIS: **182,010**



Our annual pay gap assessment helps ensure we are following our pay principles globally in our operated or owned markets, and identifying any gaps based on gender (globally) and race/ethnicity (U.S.) for review. While 2021 was the first time we communicated our equal pay commitment publicly, we believe that greater transparency is important to building trust, living our values, and holding ourselves accountable.

As such, working toward equal pay is not a one-time project; it requires ongoing focus and effort. We are committed to running pay gap analyses and closing identified gaps annually, and we will report on progress as we continue to advance our strategy.

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EEO-1 Component 1 Data

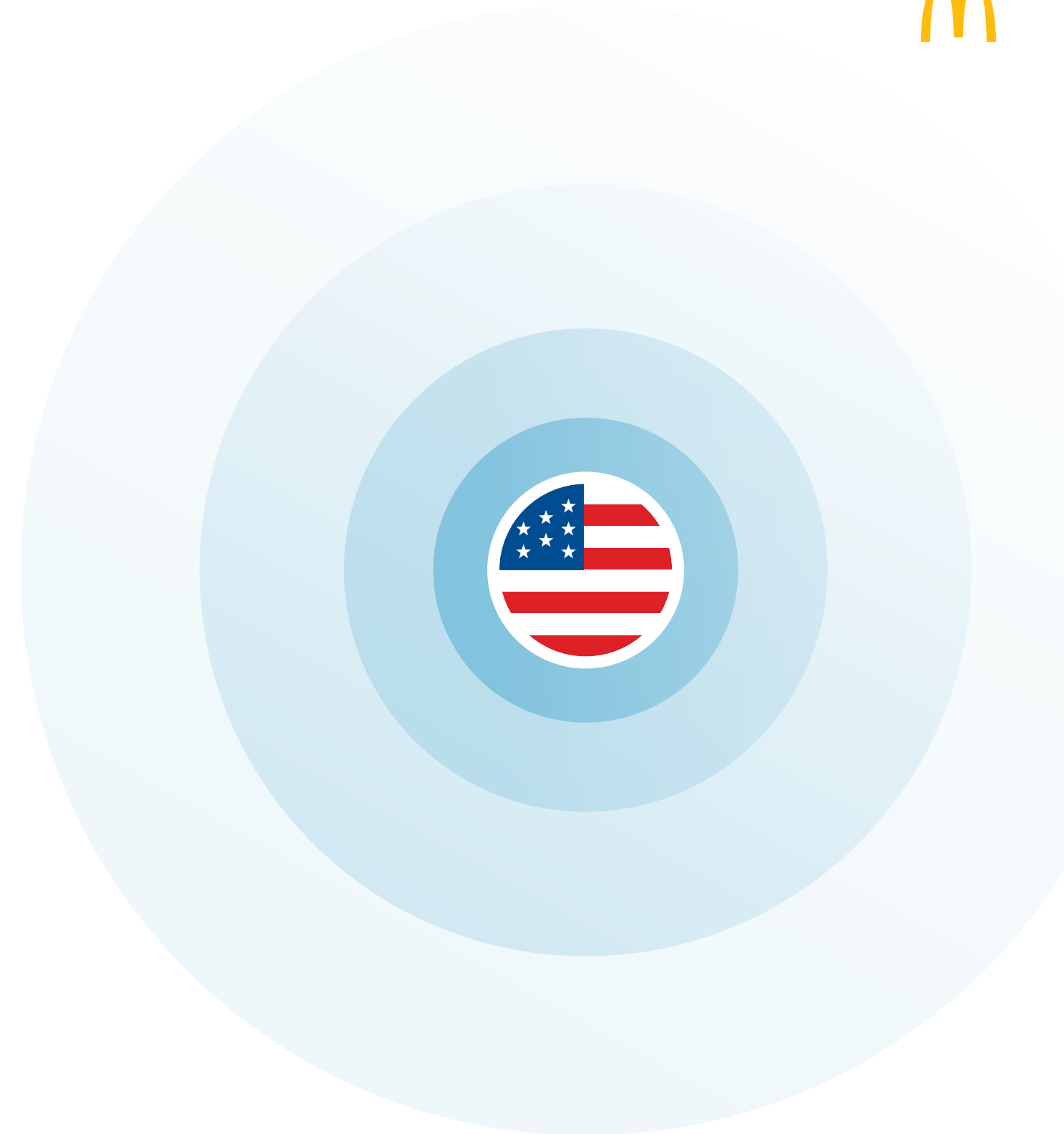
In the U.S., the EEO-1 Component 1 report is a mandatory annual data collection that requires all private sector employers with 100 or more employees to submit demographic workforce data, including data by race/ethnicity, gender and job categories. While not required, in alignment with our journey of accountability and transparency, McDonald's has chosen to publicly share its Consolidated EEO-1 Component 1 Data. Though the EEO-1 Component 1 is designed to facilitate uniform reporting for U.S. employers regardless of differences among their size, complexity or nature of business, this uniform approach means that the categories prescribed in the EEO-1 Component 1 reporting template do not fully reflect the McDonald's business model. For example, the job categories on the Consolidated EEO-1 Component 1 can be wide ranging and do not necessarily reflect how McDonald's thinks about job categories. Please refer to the information provided in the McDonald's 2021 Diversity Snapshot for employee workforce data that better reflect our business model.

EEO-1 Component 1 Data 2018

EEO-1 Component 1 Data 2019

EEO-1 Component 1 Data 2020

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2021 Diversity Snapshot Footnotes

This Diversity Snapshot has been prepared for a broad range of stakeholders, including, but not limited to, our employees, Franchisees, customers, suppliers and investors, as well as nonprofit organizations and other third parties. All data is reported as of December 31 of the stated calendar year.

The inclusion of information in this Diversity Snapshot is not an indication that such information is material in the context of our financial statements, filings with the U.S. Securities and Exchange Commission (the “SEC”) or other public statements. Further, the data contained in this Diversity Snapshot has not been audited or verified by any third party. While such data represents the best information available at the time of publishing this Diversity Snapshot, it is subject to certain limitations related to, among other things, the data collection processes in place at the time such data was collected. Our data collection processes continue to evolve and enhance over time. Some data in the report has been restated and is noted in the footnotes for the relevant data on a case-by-case basis.

This Diversity Snapshot also contains forward-looking statements and goals, which reflect management’s aspirations regarding the future and speak only as of the time of publishing this Diversity Snapshot. Forward-looking statements involve a number of risks and uncertainties. Factors that could cause actual results to differ materially from our goals are detailed in our filings with the SEC. We undertake no obligation to update such forward-looking statements, except as may otherwise be required by law.

Definition: Underrepresented Groups

In the U.S., the term “Underrepresented Groups” generally means people who identify as Black, Indigenous, Asian or Pacific Islander, or otherwise as people of color, people of Hispanic or Latino/a/x descent, people with disabilities, people who identify as LGBTQ+, people from religious minorities, or people having a combination of these identities or attributes. For purposes of McDonald’s reporting, including with respect to Human Capital Metrics and Equal Pay, “Underrepresented Groups” is defined as people who identify as Black, Indigenous, Asian or Pacific Islander, people of Hispanic or Latino/a/x descent, or people having a combination of these identities or attributes.

Board Diversity

A Directors

2019, 2020, 2021

The female Directors who served on the Board between 2019 and 2021 identify as White or Caucasian.

Read more about our [Diversity, Equity and Inclusion strategy](#) as well as further details about McDonald’s strategy, goals, progress and definitions on the [Purpose & Impact page](#) of our corporate website.

Franchisee Diversity (U.S. System)

B, C Approved Owner/Operators (Franchisees)

2019

Data was obtained through various means, including affinity group membership, informal identification and voluntary self-disclosure.

2020, 2021

Data was obtained through various means, including affinity group membership, informal identification and voluntary self-disclosure. As of June 2020, McDonald’s Registered Applicant process for new Franchisees includes voluntary self-identification, which has strengthened our data collection efforts. 2020 and 2021 data for existing Franchisees continues to reflect information obtained through affinity group membership, informal identification and voluntary self-disclosure, outside of the Registered Applicant process. More information regarding the Registered Applicant process can be found in Franchising FAQs.

Employee Diversity

Representation of Women

Corporate Staff: Global

D, E Senior Director and Above, and All Corporate Staff

2019, 2020, 2021

Data includes aggregate numbers from Australia, Austria, Belgium, Canada, Czech Republic, France, Germany, Italy, Netherlands, Poland, Portugal, Russia, Slovakia, Spain, Switzerland, Ukraine, the U.K. and the U.S. Corporate employees who support our Development Licensees are also included. Data was obtained through various means, including informal identification and voluntary self-disclosure.

Representation of Women

Company-Owned Restaurants: Global

F, G, H Manager, Shift Manager and Crew, and All Restaurant Staff

2019, 2020, 2021

Data includes aggregate numbers from Australia, Canada, Germany, Italy, Netherlands, Poland, Russia, Spain, Switzerland, Ukraine, the U.K. and the U.S. Data was obtained through various means, including informal identification and voluntary self-disclosure.

Company-Owned Restaurants: U.S.

I Manager

2019, 2020

Includes General Managers, Assistant Managers and Department Managers.

2021

Includes General Managers and Assistant Managers only. In 2021, the management structure in Company-owned restaurants was reorganized, resulting in the elimination of the Department Manager position.



Representation of Underrepresented Groups

Corporate Staff: U.S.

L, M Senior Director and Above, and All Corporate Staff

- i. Data includes U.S. Paid employees only. All U.S. Paid employees working in other markets are excluded.
- ii. This data reflects U.S. employees who voluntarily disclosed race/ethnicity information.
- iii. Due to rounding, some totals may not correspond with the sum of the separate figures.

Company-Owned Restaurants: U.S.

N, O, P Manager, Shift Manager and Crew, and All Restaurant Staff

This data reflects U.S. employees who voluntarily disclosed race/ethnicity information.

N Manager

2019, 2020

Includes General Manager, Assistant Managers and Department Managers.

2021

Includes General Managers and Assistant Managers only. In 2021, the management structure in Company-owned restaurants was reorganized, resulting in the elimination of the Department Manager position.

Supplier Diversity (U.S. System)

Q % Spend Through U.S. System With Diverse Suppliers

2020, 2021

- i. This figure includes supplier spending by all restaurants, whether operated by McDonald's or by Franchisees. Further, this figure is inclusive of U.S. Company-owned restaurant spend, Supply Chain, Restaurant Development, Marketing, Legal, Global Technology, Workplace Solutions, Global Impact, Finance, Global People and other corporate functions. This figure also includes purchases made by Franchisees for advertising, restaurant development, technology, food, distribution, packaging, equipment and uniforms. This scope excludes non-controllables (Taxes, Utilities, Rent, Aircraft Fuel, Airport Fees, Facility Leases, Donations, Bank Fees and Subscriptions).
- ii. Additionally, the gender diversity figure excludes women from Underrepresented Groups, who are reflected in the racial/ethnic demographic data.
- iii. 2020 and 2021 diversity spend in the U.S. includes both self-certified and formal industry recognized certification and Tier 1 and Tier 2 spend. Tier 1 suppliers are those from whom McDonald's buys directly. Tier 2 suppliers are those with whom our suppliers do business.

- iv. Diverse-owned suppliers refers to businesses that are 51% owned and controlled by women and/or Black, Hispanic, Asian, Indigenous, Veteran, LGBTQ+ and disabled persons or people having a combination of these identities or attributes.
- v. In 2020, McDonald's enhanced the data collection processes utilized to determine diverse-owned spend, including consolidating spend across the organization at the vendor-level. The spend from 2019 remains largely unchanged from the 2020 spend. McDonald's is continually assessing and enhancing our data collection and reporting.
- vi. 2020 % spend through U.S. System with diverse-owned suppliers restated following update of diversity classification of two suppliers and evolved data practices around Tier 2 spend reporting and accounting for Supply Chain managed spend for equipment and operating supplies.

Media Investment

R Marketing Investment Spend (National Diverse-Owned Media, Production and Content)

- i. Paid Media investment represents contracted dollars with suppliers.
- ii. The classification of media and production houses and content creators as diverse-owned suppliers is determined by both self-certification and third-party certification.

Equal Pay for Equal Work

S 2021 Underrepresented Groups Pay Gap Analysis Results (U.S.)

The analysis is conducted on U.S. employees who voluntarily disclosed race/ethnicity information.

T 2021 Gender Pay Gap Analysis Results (Company-Owned and Operated Markets)

Markets included in the analysis: the U.S., Canada, Russia, Germany, Australia, the U.K., Ireland, Slovakia, Austria, Portugal, France, Belgium, Czech Republic, Italy, Netherlands, New Zealand, Poland, Spain, Switzerland and Ukraine; and our corporate offices in Dubai, Hong Kong and Singapore.