

McDonald's Corporation Director Selection Process

Consistent with its charter, the Governance Committee (the "Committee") is responsible for establishing criteria for Director nominees, screening candidates and for evaluating the qualifications of persons that may be considered for potential service as a Director, including candidates nominated by or recommended by shareholders. The Committee recommends Director nominees to be ultimately approved by the full Board. The Committee considers candidates suggested by its members, other Directors, senior management, shareholders, advisors and other firms or third parties as appropriate as part of its regular Director succession planning and in anticipation of upcoming Director elections and actual or expected Board vacancies. The process for shareholder nominations shall be described in the Company's Proxy Statement for the Annual Meeting of Shareholders and in the Company's By-Laws.

The Committee is authorized, at the expense of the Company, to retain search firms, consultants, and any other advisors it may deem appropriate, in order to identify and screen potential candidates. The Committee will determine whether or not the engagement of an outside advisor is warranted in connection with the identification of potential candidates on a case-by-case basis. The Committee may also utilize the services of a search firm or other independent consultants to evaluate and/or perform background reviews on potential candidates, including those nominated or recommended by shareholders. The purpose of any such evaluation or review is to assist the Committee in determining the extent to which a potential candidate possesses the qualifications that the Board is then seeking.

When evaluating candidates, the Committee will take into account the current and long-term needs of the Board and the Company. In determining these needs, the Committee will: (1) consult with the Chairman of the Board, other Board members and key members of senior management; (2) consider the results of recent Board and Committee self-evaluations; (3) review the current size and composition of the Board of Directors and identify needs due to upcoming retirements and anticipated vacancies; and (4) if needed, consult with external advisors of its choosing.

The Committee shall also take into account the needs of the Board and the Company in light of the overall composition of the Board with a view to achieving a balanced representation of core competencies important to the Board's oversight role for the long term success of the Company's global business strategies. In addition to demonstrated leadership skills in strategy and business development, risk management, and leadership development and succession planning, the needs of the Board and the Company will generally include experience in the following areas: consumer branded products; supply chain; manufacturing and distribution; global company operations; finance and accounting; marketing and consumer insights; technology; real estate; and corporate social responsibility and public policy matters.

The Board values diversity in the broadest sense, including, among the other attributes as described herein, leadership, experience, skills, perspectives, gender, ethnicity and geography. When seeking new candidates, the Committee will actively endeavor to include women, minority and geographically diverse persons in the pool from which candidates are chosen. Ultimately, the Committee shall at all times consider potential candidates in light of the entirety of their credentials, including:

- Their integrity and business ethics;
- Their strength of character and judgment;
- Their ability and willingness to devote sufficient time to Board duties;

- Their potential contribution to the diversity and culture of the Board;
- Their educational background;
- Their business and professional achievements, experience and industry background, particularly in light of the Company's strategic plan, opportunities and challenges;
- Their ability to represent the interests of all shareholders of the Company;
- Their leadership experience at the policy-making level in business, government, education, technology or public interest;
- Their demonstrated knowledge of corporate governance matters applicable to U.S. based multi-national companies;
- Their demonstrated ability to understand and respect the advisory and proactive oversight responsibility of the Board;
- Their comprehension of the role of a public company director, particularly the fiduciary duties owed to the Company and all of its shareholders under applicable law;
- Their interest in any agreement, arrangement or understanding with any person or entity that might limit or interfere with their ability to comply with their fiduciary duties under applicable law;
- Their interest in any agreement, arrangement or understanding with any person or entity other than the Company with respect to any direct or indirect compensation, reimbursement or indemnification in connection with service or action as a nominee or as a Director;
- Their having given any commitments or assurances to any person as to how they would act or vote as a Director on any issue or question or their being party to any agreements, arrangements or understandings regarding such matters;
- Their potential or actual conflicts of interest or the appearance thereof;
- Their independence from management under NYSE Listing Standards, the Company's Governance Principles and Standards on Director Independence;
- Their expressed willingness to comply with all publicly disclosed policies and guidelines of the Company with respect to codes of conduct, corporate governance, conflict of interest, confidentiality, stock ownership and trading applicable to the Company's Directors; and
- Their compliance with Board policies related to matters such as the number of boards on which a Director may sit and other requirements as set forth in the Company's Governance Principles.

The Committee shall endeavor to find candidates of high integrity who have a solid record of accomplishment in their chosen fields and who display the independence of mind and strength of character to effectively represent the best interests of all shareholders. Candidates shall be selected for their demonstrated ability to exercise good judgment, to provide practical insights and diverse perspectives.

After reviewing the qualifications of potential candidates and considering the recommendations of its advisors (if any), the Committee shall determine which candidates will proceed to the next step of evaluation, which will normally be an in-person interview. Potential candidates shall be interviewed by the Chairman, the CEO, and the Chair of the Committee, and to the extent feasible, by other Committee members. The results of these interviews, together with other background information relating to the candidate, shall be considered by the Committee in its decision to recommend a Director candidate to the Board for nomination.

In addition to reviewing the qualifications of new candidates, the Committee shall also review sitting Directors who are being considered for re-nomination, looking at their skills and experience in light of the above considerations and their past contributions to the Board.

As Updated and Adopted by the Governance Committee on
November 30, 2016