Purpose & Impact Report

2025

McDonald's Corporation



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SASB Index

McDonald's reports using the Sustainability Accounting Standards Board (SASB) Food & Beverage – Restaurants Standard, part of the voluntary SASB reporting framework.

Our Purpose & Impact web pages

Our approach to each topic is covered in detail on the "Our Purpose & Impact pages" of our corporate website, including the scope of our foundational strategies, policies and approaches.

A Message From Our Leaders

For generations, McDonald's has been part of people's lives, delivering great-tasting and quality food, strong value, feel-good experiences and a constant connection to the communities we serve. While the world around us continues to change, the fundamentals of what people expect from McDonald's don't.

Our ability to serve millions of customers every day depends on the entire System working together: the people who run our restaurants, the farmers and suppliers who make our menu possible, the communities we call home and the natural resources our food system relies on. When each part of the System is stronger, McDonald's is stronger – better positioned and more resilient in our ability to provide the food our customers expect and trust.

Some of the most meaningful examples of our System coming together this past year includes:

- Sourcing nearly 96% of our primary guest packaging from renewable, recycled or certified materials, marking the culmination of a goal we set in 2018.
- Continuing to advance responsible sourcing across our supply chain, including 99.6% of our coffee sourced sustainably and 99.6% of our primary fiber-based guest packaging sourced through certified systems.
- Reducing Scope 1 and 2 emissions across our operations by over 51% since 2018, putting us on track to exceed our 2030 target ahead of schedule.
- Serving more than 900,000 families, delivering nearly 3 million overnight stays and helping families save an estimated $783 million in food and lodging expenses through Ronald McDonald House.

This year also marked an important milestone: 10 years of Archways to Opportunity in the U.S. Over the past decade, the program has provided more than 70,000 participants with access to tuition assistance. It's a powerful example of how we can create opportunities for people to learn and grow wherever their careers may take them – something that has always been central to McDonald's.

We were also proud to stand alongside Ronald McDonald House as the organization refreshed its legacy brand to better reflect the impact it has today and the role it will continue to play for children and families around the world. McDonald's remains honored to be a founding and forever partner.

None of this happens because of any one person or one part of McDonald's. It happens because the McDonald's System shows up every day to work together, continuing to fulfill Ray Kroc's vision of great quality, service and value. To our employees, our Franchisees, our restaurant teams and our suppliers, thank you for the role you play in moving our business forward, bringing our purpose to life and making a meaningful difference every day.



Chris Kempczinski
Chairman and CEO

McDonald's has long been part of people's lives in many ways: a first job, a favorite meal, a place for connection. We're known for the taste, quality and consistency people trust, but what defines us goes far beyond what's on the menu.

Our scale brings both responsibility and opportunity. By supporting our restaurant teams and Franchisees, helping farmers and suppliers adapt to a changing world and contributing to vibrant communities, we create the conditions to protect the trust, consistency and value that people expect from McDonald's in the long run.

That resilience is increasingly important as we navigate challenges across food systems, supply chains and the broader operating environment. While we have made meaningful progress in areas we directly control, one of our most significant challenges – and one of our greatest opportunities for impact – is reducing emissions across our supply chain: the farms, logistics networks and energy systems that feed into our overall footprint.

We are clear-eyed about the work ahead and the role we play in advancing it. That includes investing in farmer resilience, encouraging supplier-led emissions reductions, advancing deforestation-free sourcing for primary commodities and expanding renewable energy solutions across our business. We also continue to advocate for policies and market conditions that can accelerate progress at scale because achieving meaningful change will require action across entire sectors, not just individual companies.

The long-term resilience of McDonald's also depends on attracting and developing talent, creating economic opportunity, fostering inclusive workplaces where people can thrive and supporting strong communities around the world. These priorities are interconnected. A resilient food system depends on resilient communities, and a resilient business depends on both.

We do not take the privilege of our impact lightly. We know meaningful progress requires partnership, persistence and a willingness to lead where we can. By using our scale responsibly, mobilizing others and remaining focused on measurable action, we are helping build a McDonald's that can continue serving customers and communities for generations to come.



Jon Banner
EVP, Global Chief Impact Officer

Who We Are

McDonald's has been built on consistency – food people trust, quality they can count on and value that fits their day-to-day lives. Protecting that experience for the long term means strengthening the resilience of our business, including how we, as a System, care for our communities.

What began as a small drive-in restaurant in San Bernardino, California, has grown into a global icon that proudly serves millions of customers every day around the world.

While much has changed over the last seven decades, our commitment to Quality, Service, Cleanliness and Value has endured and made McDonald's a trusted favorite for 70 years. McDonald's restaurants, whether franchised or operated by the Company, serve a locally relevant menu of quality food and beverages in communities across more than 100 countries.

Behind our Golden Arches is a global community of Company employees, farmers, suppliers, Franchisees and crew, as well as countless others who make up who we are as a brand. People are at the cornerstone of our business and are an essential part of the McDonald's System.

Our M-C-D Growth Pillars

Maximize Our Marketing

- Brand
- Affordability

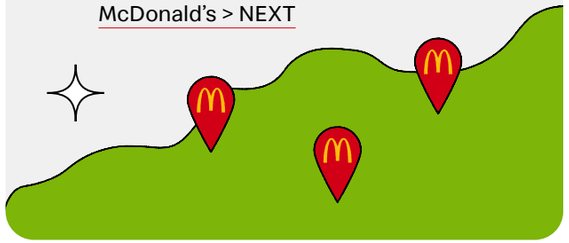
Commit to the Core

- Burgers
- Chicken
- Coffee

Double Down on the 4Ds

- Digital
- Delivery
- Drive-Thru
- Development

The above reference McDonald's growth pillars in 2025. In 2026, McDonald's launched a new strategy, McDonald's > NEXT



Our Five Core Values

1. **Serve** – We put our customers and people first.
2. **Inclusion** – We open our doors to everyone.
3. **Integrity** – We do the right thing.
4. **Community** – We are good neighbors.
5. **Family** – We get better together.



45,356

McDonald's restaurants at year-end 2025, of which approximately 95% were franchised

150,000+

Company employees worldwide as of year-end 2025, with approximately 70% based outside of the U.S.

2M+

individuals working in McDonald's franchised restaurants around the world

The McDonald's System

Our Suppliers

1. Identifying opportunities for increased efficiency
2. Supporting in farm management to scale regenerative practices to identify where nutrition can be improved through agriculture
3. Helping protect nature and promote biodiverse ecosystems
4. Helping improve animal welfare and responsible antibiotic use
5. Tackling deforestation in our supply chain
6. Engaging on emissions reductions
7. Respecting human rights in our supply chain
8. Conserving water, using it responsibly and efficiently, and building resiliency
9. Collaborating to help advance nutrition and food safety from the farm to our customers
10. Working to innovate and source new materials to help eliminate unnecessary packaging and encourage circularity

Our Operations, Employees and Franchisees

11 Nutrition
- Offering customers the choices they love and providing clear, easy-to-find nutrition and ingredient information
- Making balanced meals more accessible for kids and families

12 Office Buildings/Sites
Reducing office greenhouse gas (GHG) emissions

13 Food Safety, Quality, Research and Development
Advancing food safety from the farm to our customers

14 Packaging Manufacturing, Research and Development
Innovating and sourcing new materials to eliminate unnecessary packaging and waste, and encourage circularity



15 Company Employees
Offering competitive employee compensation and benefits

16 Company Employees and Franchise Employees
- Fostering safe, respectful and inclusive workplaces
- Providing continuous learning and development opportunities
- Elevating hospitality and serving great-tasting, high-quality menu items

17 Within All Restaurant Buildings/Sites
(Company-owned and operated restaurants and Franchisee-owned restaurants)
- Reducing energy use in our restaurant operations
- Designing more sustainable restaurants
- Advancing the recycling of guest packaging
- Reducing the use of new plastics from fossil fuels and small plastic items

Our Communities

18 Families and Well-Being
Helping support Ronald McDonald House deliver on its mission.
- Providing the stability, visibility and operational support needed to help Ronald McDonald House expand its reach each year
- Supporting Ronald McDonald House through fundraising, our Franchisees and customers remain at the heart of these efforts

19 Providing Support During Times of Need
- Providing crisis response with community partners
- Offering hardship and disaster relief for Company-owned and operated restaurants in the U.S.
- Providing food and supply donations

20 Opportunity Employment and Other Philanthropic Investments
- Reducing barriers to employment for wide-ranging populations
- Promoting volunteerism opportunities and resources

Our Impact Strategy & Approach

We are taking action on the issues that are most important to our business, and that will help create long-term sustainable value.

Food Quality & Sourcing

The quality and safety of our food are top priorities for us. We're working toward responsibly sourcing our highest-impact commodities, promoting animal health and welfare, and making safe, quality food accessible to customers across the world.

Our Planet

A thriving planet is essential to our ability to source the ingredients McDonald's needs to feed and foster communities for generations to come. That's why we are taking actions that will help our business be more resilient in the future, such as protecting natural resources, reducing waste and transitioning to more sustainable packaging and toys.

Our Impact Strategy

Jobs, Inclusion & Empowerment

McDonald's is, and has always been, a people business. Rooted in our value of Inclusion, we open our doors to everyone. We are committed to fostering workplaces where people feel supported, have access to opportunity and feel empowered to realize their full potential. Guided by our values, we are working on becoming better champions, sponsors and leaders to help empower the people and communities we serve.

Community Connection

McDonald's has a unique connection with communities around the world. We believe that comes with a responsibility to help support the people within them. It's a responsibility we take seriously – because we believe that when our communities thrive, so does McDonald's.

"We're proud that McDonald's impact reaches well beyond the restaurants we operate. The people we serve and employ, the communities we call home, the families we support through Ronald McDonald House, and the farmers and suppliers behind every menu item are underpinned by a shared responsibility to support people, our planet and our communities. This report reflects how we're working to strengthen those connections and help create positive impact that lasts beyond any single meal. We see this work as essential to building a more resilient McDonald's: one that can continue serving millions of customers every day while supporting the food system of the future."

Suheily Natal Davis, Chief Sustainability, Social Impact & Inclusion Officer



Our Impact Areas

We take steps to identify the environmental and social issues that are of the highest importance to our stakeholders and where we believe our business has the greatest impact. Working across the System, our Global Impact function gathers insights to determine where to focus our efforts, evolve our strategy and enhance our reporting.

This includes engaging regularly with both internal and external stakeholders to discuss the key issues and transparency expectations.

We engage with a wide range of stakeholders, including government officials, nongovernmental organizations (NGOs), customers, investors, Franchisees, suppliers and other external experts who provide insights and perspectives that shape our impact agenda, strategies, research, goals, policies and performance indicators.

Our enterprise risk management (ERM) framework is designed to identify and assess risks across the enterprise. The framework applies defined criteria to prioritize and elevate risks that could have a sustained impact on the Company's strategy, reputation or financial position.

The ERM framework leverages internal risk committees with cross-functional leadership, including sustainability and social impact leaders and team members. These committees meet regularly to evaluate and prioritize risks in the context of our business strategy, with further escalation to our CEO, Board and/or Board Committees, as appropriate.

As outlined in this report, the Company has announced, and may from time to time announce, certain Purpose & Impact-related initiatives, goals, targets or other objectives. Such statements reflect current plans, are not a guarantee that they will be achieved and are subject to change. As with all journeys to advance change and meet goals, there are challenges along the way. McDonald's has a complex global supply chain and many stakeholders that have varied interests. Our ability to achieve progress is subject to numerous factors and conditions, many of which are outside of our control. Changes in circumstances, regulatory standards and methods of measuring achievement may impact progress, which may not be linear.

Our Governance Approach

We believe a robust governance structure is critical to effectively managing our strategies, goals and performance indicators tied to environmental, social and governance (ESG) issues. In 2025, our Impact Reporting & ESG Governance team supported cross-functional leaders in providing relevant updates to the following governance oversight bodies.

On our website, find out more about our approach to Governance, Business Resilience and Stakeholder Engagement & Public Policy.

Please refer to the Company's filings with the SEC for details on risks that could adversely affect business performance, including the Company's ability to execute on the initiatives described in this report.



Governance Body	Oversight Responsibility
Board of Directors	Oversees our business in a fair, diligent and ethical manner; reviews our strategic direction and objectives; and is responsible for overseeing our ERM framework.
Senior Leadership team	Accountable for leading the Company's Impact Strategy, including management of ESG-related risks and opportunities to help create long-term value.
Global Impact team	Provides Corporate Staff leadership, coordination and support for the Company's global sustainability-related policies, programs and reporting. The Global Chief Impact Officer reports directly to the Company's Chairman and CEO and elevates environmental and social matters to the Board as appropriate.
Corporate Disclosure Committee	Cross-functional governance body responsible for the timely, accurate and compliant corporate disclosures in alignment with U.S. SEC requirements and other applicable standards, including ESG-related financial disclosures.
ESG Officer Sponsors	Cross-functional advisory group providing strategic guidance on ESG-related strategy, disclosures and commitments.
ERM	Provides governance and processes to help the Company identify, assess, manage, monitor and report on enterprise risks, including climate-related risks.

Food Quality & Sourcing

The quality and safety of our food are top priorities for us. We're working toward responsibly sourcing our highest-impact commodities, promoting animal health and welfare, and making safe, quality food accessible to customers across the world.





100%

of restaurants deployed the Digital Food Safety checklist management system in 2025

100%

of our Happy Meal® Bundle Offerings across all 20 in-scope markets have been free from artificial flavors, added colors from artificial sources and, where feasible,[1] artificial preservatives since 2022

100%

of the eggs used in McDonald's USA's breakfast menu items were cage-free in 2025

In This Section

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11 **Nutrition**
13 **Responsible Sourcing**
15 **Animal Health & Welfare and Responsible Antibiotic Use**

Food Quality, Safety & Taste

Serving safe, quality and great-tasting food in every single restaurant, each and every day, is a top priority and long-standing commitment of McDonald's.

We work to source and serve safe, quality food and beverages each day, building trust as we strive to achieve food safety excellence.



Consumer expectations for food and beverages are changing, with increasing focus on taste, quality and trust. We reestablished a clear and consistent foundation to guide our decisions and help ensure that we can continue to meet and exceed these expectations at scale. As part of this, food safety plays a significant role in ensuring we meet our taste and quality promise to customers.

Our Global Food Safety Strategy centers on three operating principles:

1. **Customer obsessed:** Food safety is always a focus area. The safety of McDonald's food, and that of the customers who consume it, is imperative.
2. **One McDonald's way:** Our food safety systems and standards, which are based on science and validated by external third parties, are designed to help ensure a globally aligned approach.
3. **Leadership:** We are trusted business partners and advisers, helping lead the advancement of food safety from farm to customer and deploying processes to anticipate and manage potential food safety-related risks.

Our Performance

Delivering Great Taste and Consistent Quality

We recently reestablished a common vision that calls back to our brand's earliest days and is driving an unwavering focus on taste and quality. As consumer expectations for food and beverages continue to evolve, we have refreshed the standards we use to develop and serve our menu around the world.

Our standards are shaped through a deep understanding of our customers, our global System, and our brand history. We leverage insights from across markets and Franchisees to help confirm that our menu remains both globally consistent and locally relevant.

Our Standards

These standards are a critical part of delivering McDonald's mission: to make delicious feel-good moments easy for everyone.

These three standards act as screens to guide cross-functional decisions we make about how our menu connects to our mission and to great taste and quality:

1. **Distinctly Delicious**
   a. Evaluation criteria for making recipe changes to existing menu items and qualifying innovations to be distinct to McDonald's.

2 Steadfastly Consistent

a. McDonald's Core Menu includes approximately 20 items.

b. Standards for our Core Menu enable us to deliver consistent taste around the world. Our teams of quality experts across the globe evaluate our ingredients and finished meals, across suppliers and McDonald's restaurants, to assess whether these standards are understood and met so that we can deliver consistently safe, tasty food.

c. We closely control any changes to the Core Menu to help ensure consistency across the System.

3 Uncompromising Quality

a. Uncompromising quality starts with food safety: from farm to fork.

b. We hold our suppliers to high food safety and quality standards. In McDonald's restaurants, crews are expected to execute rigorous procedures designed to ensure that every meal experience is both safe and delicious.

These standards guide decisions across our System – from innovation to supply to execution in McDonald's restaurant operations. We periodically review our standards to identify opportunities to help improve taste and quality, working closely with our dedicated category teams for beef, chicken and beverages.

Advancing Food Safety Risk Management

We take a cross-functional approach to managing food safety, engaging with stakeholders from farm to customer to proactively identify and mitigate risks across our global supply chain.

In 2025, we continued to enhance our approach through digital tools, external partnerships and expanded risk assessment capabilities. An independent third-party assessment reaffirmed that our food safety systems are robust and well embedded. We are building on this foundation to advance a more proactive, data-led approach while strengthening our food safety culture across the value chain.

Enhancing Digital Systems

Our Digital Food Safety (DFS) initiative supports consistent execution and improved data visibility across markets. In 2025:

- 100% of restaurants deployed the DFS checklist management system
- 49% deployed the DFS remote temperature system

We also piloted new capabilities in 2025, including automated temperature tracking, shelf-life monitoring and enhanced hygiene verification, alongside a Global Restaurant Audit Checklist in more than 4,000 restaurants across nine markets. These efforts are helping strengthen execution, improve data quality and support future global rollout.



Additionally, we introduced a new compliance reporting tool to monitor food safety audit outcomes and corrective actions. We also implemented the digital platform OnPoint as our centralized database where food safety, supply chain human rights and product specification audits are recorded.

Building on Our Food Safety Culture

Building a strong food safety culture is essential to delivering safe, high-quality food. In 2025, we expanded training across our global food safety learning platform and launched initiatives during Food Safety Week to share best practices across restaurants and suppliers.

We also prepared for our next global food safety culture assessment in 2026 by developing a questionnaire with an external provider. This assessment will be conducted in 24 markets and will, for the first time, include restaurant crew.

Upholding Supplier Standards

We hold suppliers to high food safety and quality standards through our Supplier Quality Management System (SQMS), with additional Good Manufacturing Practices (GMP) audits for higher-risk foods.

We address identified gaps through training and calibration, and annual third-party audits verify compliance.

We also continued developing an updated SQMS framework, launching in 2027, to further align with Global Food Safety Initiative (GFSI) expectations and support risk reduction and digital transformation.

Nutrition

We serve millions of people every day, with a focus on offering customers the choices they love.

Our aim for nutrition is to make delicious, feel-good moments easy for everyone, today, tomorrow and for the next decade. We take a holistic approach to the nutritional quality of our food, from exploring and investing in farming practices and the ingredients we source, to carefully designing menu items and offering full transparency for our customers. Because we know feeling good about our food includes nutrition.

McDonald's will continue to evaluate how our work can evolve to meet changing customer needs and preferences, building on the progress we have made to date.

Read more about our Nutrition strategy.

Our Performance

Providing Nutrition Transparency

When it comes to the nutritional content of our food, we strive to provide clear, transparent communication with our customers. In 2025, we engaged a third party to conduct a global audit of our nutrition information and labeling, benchmarking 10 McDonald's markets1 against other quick-service restaurants. The audit identified that McDonald's was a leader in providing nutrition and ingredient information across the quick-service restaurant industry.

Evolving Our Menus

Throughout 2025, we continued finding ways to test and offer more choice on our menu on a market-by-market basis. For example, in Canada, the McVeggie, a plant-based menu item launched in 2025, recorded the highest average weekly sales volume among new permanent menu items introduced during the year. Also in 2025, McDonald's India launched the Protein PLUS slice, a 100% vegetarian option made using pea and soy protein. As well as containing five grams of protein, this add-on option has no artificial colors, flavors or preservatives.

Using Our Scale to Impact the Wider Food System

With our scale and reach, we recognize our actions can help inform broader conversations about nutrition. As well as enhancing the nutritional profile of our own menu items, we seek opportunities to collaborate with organizations working to advance nutrition knowledge. For example, during 2025, we partnered with the Bionutrient Supply Company on efforts to improve nutrition in the food system.



The Bionutrient Supply Company is pleased to collaborate with McDonald's in advancing innovative agricultural approaches designed to enhance the nutrient quality of key commodities across its global supply chain. Emerging evidence indicates that integrated practices implemented by engaged farmers have the potential to deliver meaningful improvements in the nutritional quality of food.

While initiatives of this scale require sustained commitment to generate measurable outcomes, the partners have developed a comprehensive, long-term strategy focused on durable impact. Given the scale of the McDonald's supply chain and customer reach, this collaboration has the potential to create a significant ripple effect – supporting farmers, strengthening supply chain resilience, benefiting ecology and advancing nutrition at a global level."

Dan Kittredge,
The Bionutrient Supply Company

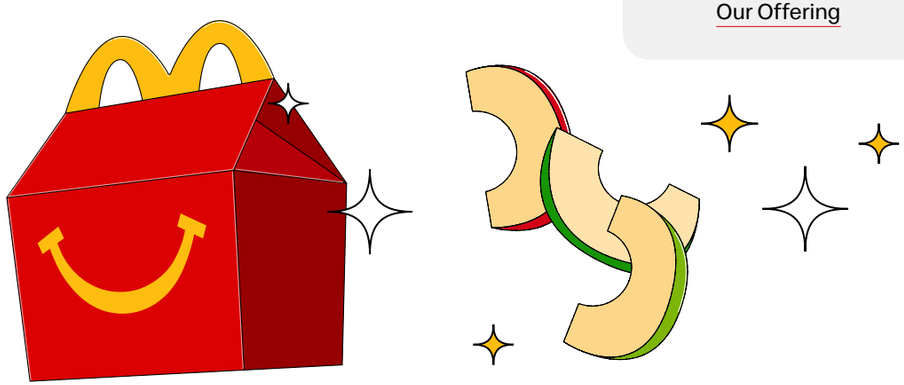
Maintaining Our Standards on Children's Nutrition

We believe parents and caregivers are looking for menu choices they can feel good about feeding their children. We're proud of the progress we have made, and we continue to track and maintain progress, using three core Happy Meal® nutrition standards to track performance across our 20 major markets:

1. Offer balanced meals.
2. Maintain simplified ingredients.
3. Be transparent with Happy Meal® nutrition information.

We also continue working to ensure all Happy Meal® Bundles advertised meet McDonald's Global Happy Meal® Nutrition Criteria and applicable local/regional advertising pledges.

Read more about our responsible marketing approach.



Offering Balanced Meals

In line with our values, we've helped make balanced meals more accessible globally by maintaining our improved standards for the nutritional profile of the average Happy Meal® Bundle developed from 2018-2022. We offer options that contain recommended food groups, such as fruits, vegetables and low-fat dairy and aim to ensure 50% or more of the Happy Meal® Bundle Offerings listed on menus in each of the in-scope markets meet McDonald's Global Happy Meal® Nutrition Criteria. During 2025, an average of 65% of Happy Meal® Bundle Offerings met the Nutrition Criteria across our 20 major markets.[2,3,4] These criteria mean Happy Meal® Bundles must have fewer than or equal to 600 calories, 10% of calories from saturated fat, 650 mg of sodium and 10% of calories from added sugar.

Our Stories
Learn how our Happy Meal® offering has evolved over time.

The Happy Meal® Through the Ages: Evolving the Nutrition Profile of Our Offering

Maintaining Simplified Ingredients

We continued to uphold our efforts to maintain simplified ingredients in Happy Meal® Bundle Offerings. We are proud to have removed 100% of artificial flavors, added colors from artificial sources and – where feasible[5] – artificial preservatives from our Happy Meal® Bundle Offerings in 2022, and we've sustained this achievement through 2025 across all 20 in-scope markets. Looking ahead, we're dedicated to upholding these standards and ensuring that any new Happy Meal® Bundle Offerings also meet this standard.

Offering Transparent Information

As of Q1 2026, 100% of Happy Meal® nutrition information was available for all markets with websites and mobile apps.[6]

Partnering on Children's Nutrition

Supporting children's nutrition has long been a focus for us and, to advance our efforts, we have a long-standing partnership with the Alliance for a Healthier Generation. In 2025, we engaged the nonprofit to support us in the next phase of our children's nutrition strategy.

Our Stories
Learn more about how McDonald's developmental licensee program in India is expanding choice for consumers.

Boosting Protein in India

Marketing Responsibly to Children

We are dedicated to upholding responsible practices when it comes to marketing to children and maintaining Global Marketing to Children Guidelines, which apply to all our markets. We also participate in local and regional pledges, such as the EU Pledge and the U.S. **Children's Food & Beverage Advertising Initiative**.

McDonald's Global Marketing to Children Guidelines, which apply to all our markets, incorporate our commitments related to responsibly marketing to children. Across our markets, only Happy Meal® Bundle Offerings that meet McDonald's Global Happy Meal® Nutrition Criteria and align with relevant laws and regulations are advertised to children.

We track performance in our 20 major markets[2] against a core standard that all Happy Meal® Bundles with advertisements directed to children[7] meet McDonald's Global Happy Meal® Nutrition Criteria and applicable local/regional advertising pledges. In 2025, 99.6% of Happy Meal® Bundles shown in advertisements on third-party media met our Global Happy Meal® Nutrition Criteria. Additionally, we featured water, milk or juice as the Happy Meal® beverage, and fruit, vegetable or dairy items as one of the Happy Meal® sides in 100% of the ads McDonald's directed to children.

Responsible Sourcing

We aim to leverage our scale and influence to help drive positive impacts for people, animals and the planet throughout our supply chain. We believe we can drive the most valuable outcomes when sourcing our highest-impact commodities – beef, soy for chicken feed, fiber, palm oil, fish and coffee – while continuing to work with our suppliers across all categories to drive positive impact.

We approach responsible sourcing holistically, understanding that our work can impact the livelihoods of people, the health of our shared planet and the well-being of animals. We consider and manage risks that could impact supply chain resiliency and our ability to maintain a reliable supply to our restaurants. We also seek to enhance the positive impacts of our supply chain.

Read more about our Responsible Sourcing strategy.

Our Performance

In 2025, we continued advancing efforts to responsibly source our highest-impact commodities. For example:

100%
of soy for chicken feed supports the transformation of soy-producing regions through investment in landscape-level solutions and initiatives covering estimated soy volumes in feed for chicken produced outside of the U.S. and Canada.[1]

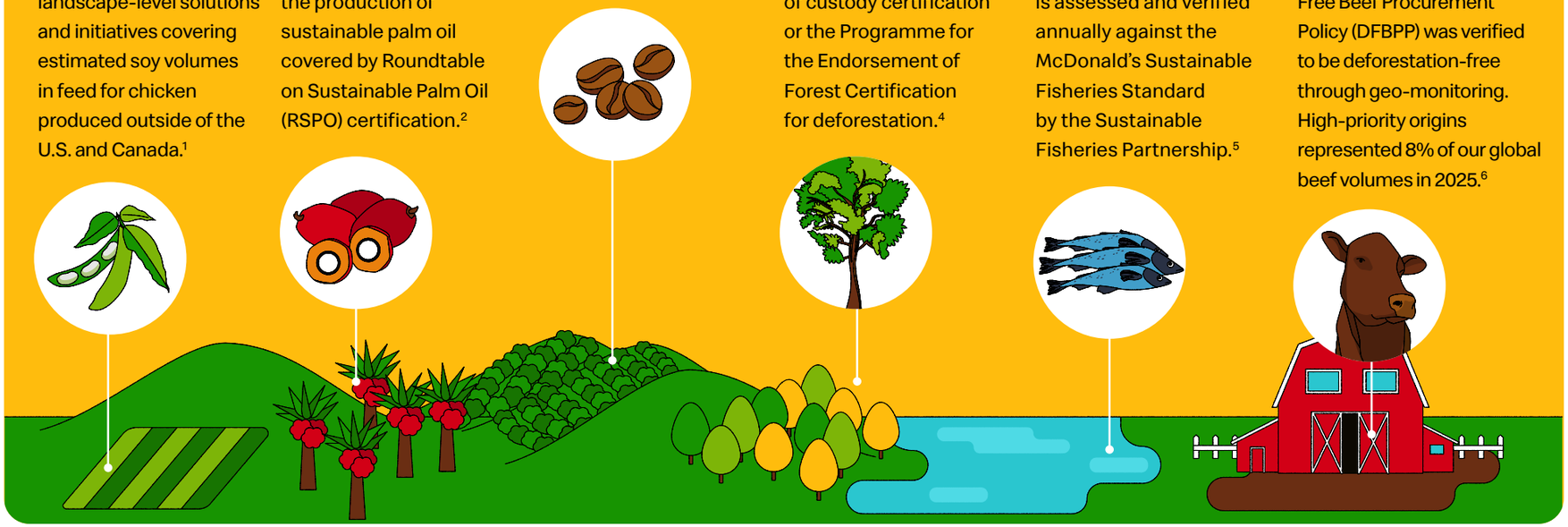
100%
of the palm oil used in McDonald's restaurants, and as an ingredient in McDonald's products, supported the production of sustainable palm oil covered by Roundtable on Sustainable Palm Oil (RSPO) certification.[2]

99.6%
of our ground and whole bean coffee for McDonald's restaurants was sustainably sourced.[3]

99.6%
of our primary fiber-based guest packaging globally was sourced from Forest Stewardship Council® (FSC®) chain of custody certification or the Programme for the Endorsement of Forest Certification for deforestation.[4]

95.7%
of the fish sourced for McDonald's Filet-O-Fish® sandwiches was from sustainably managed wild-caught fisheries and is assessed and verified annually against the McDonald's Sustainable Fisheries Standard by the Sustainable Fisheries Partnership.[5]

65%
of beef sourced from high-priority origins in Argentina, Australia, Brazil and Paraguay per the McDonald's Deforestation-Free Beef Procurement Policy (DFBPP) was verified to be deforestation-free through geo-monitoring. High-priority origins represented 8% of our global beef volumes in 2025.[6]



We look to deliver responsible sourcing programs that drive lasting, meaningful outcomes on the environmental and social issues that are critical to McDonald's. To enable this, we focus on several topics: **Animal Health & Welfare**; **Business Resilience**; **Climate Action**; **Human Rights**; and **Nature, Forests & Water**.

Supporting Regenerative Agriculture

In 2025, we continued our strategic investments in regenerative agriculture principles via projects that aim to increase soil health and biodiversity, optimize water availability, improve climate outcomes and drive food system resiliency. We continue to participate in multi-year regenerative projects that we expect will provide us with valuable insight and learnings that can inform how key practices can be scaled to help restore and protect ecosystems and positively impact our business.

Read about our approach to regenerative agriculture on our Responsible Sourcing web page.

Collaborating With Our Supplier Network

Alongside our suppliers and industry peers, investing in projects that support farmer, rancher and producer resilience and contribute to thriving food systems is becoming a core component of our food sustainability strategy.

In 2025, McDonald's USA unveiled our largest investment in regenerative agriculture to date with the launch of the Grassland Resilience and Conservation Initiative, along with the National Fish and Wildlife Foundation, the U.S. Department of Agriculture's Natural Resources Conservation Service as well as several key McDonald's U.S. beef and beverage suppliers. This initiative will invest more than $200 million over the next seven years to help promote and accelerate regenerative grazing practices, habitat restoration, and water and wildlife conservation on cattle ranches spanning 4 million acres across up to 38 states. Learn more on our **website**.

McDonald's UK and Ireland is proud to be a founding partner of **Routes to Regen**, managed by The Royal Countryside Fund, which is a pioneering cross-sector collaboration designed to accelerate the adoption of regenerative agriculture. This initiative aims to help U.K. farmers access tailored financial, technical and peer-to-peer support to reduce transition risk and scale regenerative practices.

Efforts to Help Keep Soils Healthy

Early scientific evidence indicates that regenerative agriculture practices can improve soil health, which in turn may improve crop nutrient density. In 2025, we continued working with suppliers and partners to explore how regenerative agriculture practices could influence factors such as soil condition and nutrient density in the foods we serve.

We have teamed up with Arla Foods, the U.K.'s largest dairy cooperative, to drive biodiversity and feed management initiatives across over 55 organic dairy farms. These projects identify opportunities for on-farm improvements related to feed management and habitat stewardship. Insights from the project are intended to be shared across Arla's wider dairy network and within McDonald's U.K. supply chain to help amplify potential impacts.

Efforts to Source and Support Local Agriculture

In Europe, McDonald's supports initiatives aimed at empowering the next generation of farmers with programs designed to help more young people pursue careers in agriculture. Programs such as Progressive Young Farmers in the U.K. and Ireland, the Terres Innovantes donation fund in France, support for aspiring agricultural professionals in Poland and sponsorship of the European Congress of Young Farmers, McDonald's helps support education, mentorship, collaboration and greater inclusion across the agricultural sector. Together, these initiatives help strengthen the future of European farming and our ability to continue serving quality food to European customers for generations to come.

As part of our responsible sourcing approach, we seek to work with local producers where feasible and appropriate. Long-standing relationships with local farmers, ranchers and suppliers help McDonald's source ingredients that reflect the markets where we operate. These partnerships support local economies, creating a stronger connection between customers and the food served in our restaurants. For example, McDonald's Korea's "Taste of Korea" menu platform showcases items made using only ingredients sourced from the country. As of December 2025, over 30 million "Taste of Korea" items had been sold, equating to over 1,000 tons of regional produce.

Additionally, approximately 70% of McDonald's Colombia's sourcing is from suppliers located in Colombia. Through these partnerships, we continue to help promote the economic development of producer families in regions such as Boyacá, Santander, Antioquia, Cundinamarca, Valle del Cauca and more.



Our Stories
Learn how McDonald's is investing in today's young farmers to support more resilient, responsible agriculture.

Helping to Enable the Farming of Tomorrow

Animal Health & Welfare and Responsible Antibiotic Use

We believe we have a responsibility to the health and welfare of animals in our supply chain.

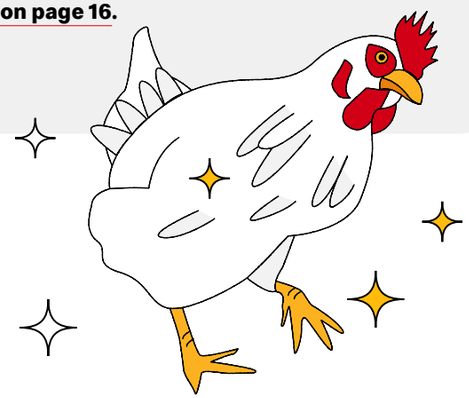
McDonald's works with a global network of suppliers, subject matter experts and academic institutions, encouraging broad collaboration on this topic. Considering factors from Key Welfare Indicators (KWIs) to humane slaughter, we aim to leverage our scale to help drive positive outcomes. And, through our commitment to responsible antibiotic use, we are doing our part to help preserve the effectiveness of antibiotics for future generations, in compliance with applicable regulations.

We aim to source beef, dairy, chicken, eggs and pork from suppliers who share McDonald's values. Our expectations related to animal health and welfare are outlined in our policies, standards and/or specifications for raw materials and finished products. Our policies covering antibiotic use in our beef and chicken supply chains do not permit the routine use of medically important antibiotics for growth promotion or the habitual use of antibiotics for disease prevention.[1]

Read more about our Animal Health & Welfare and Responsible Antibiotic Use strategies.

Our Performance

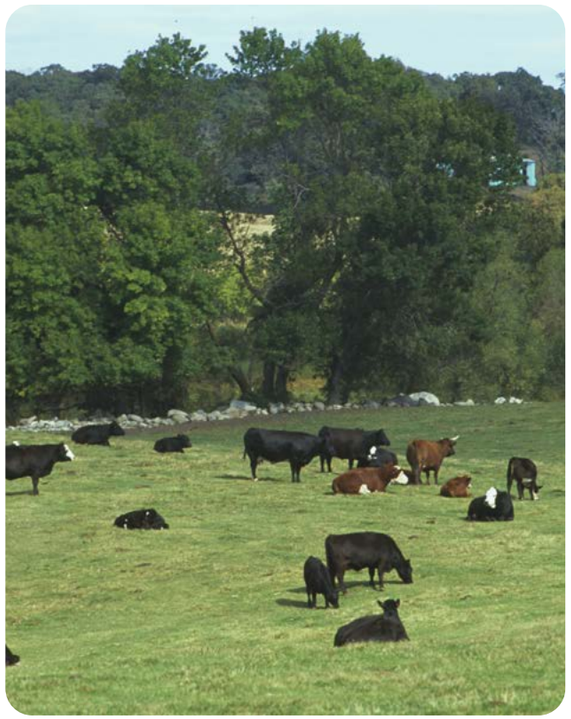
Goal	Progress
Responsible Antibiotic Use in Chicken Supply Chain Goal (Multiple Markets): Eliminate the use of antibiotics defined by the World Health Organization (WHO) as Highest Priority Critically Important Antibiotics (HPCIAs) to human medicine from all chicken served in in-scope markets by the end of 2027.[2] **Status:** Achieved	As of 2026, across in-scope markets, HPCIA use has been eliminated for chicken served in McDonald's restaurants. **Explore our progress in more detail on page 16.**
Responsible Antibiotic Use in Beef Supply Chain Goal (Multiple Markets): In collaboration with our suppliers, producers and farmer partners, we will establish market-appropriate targets for use of medically important antibiotics – as defined by the WHO – in our beef supply chain, and we will partner in the collection of antibiotic use data and measurement of progress on responsible use associated with the beef industry globally. **Status:** Achieved	In December 2022, we established market-specific targets for the responsible use of antibiotics in our beef supply chain for 10 in-scope markets (representing over 80% of our global beef supply chain as of the end of 2022).[3] We have established partnerships to increase data availability, access and collection to help us better understand antibiotic use and identify opportunities for improvement. For example, McDonald's One Health Beef project is fostering industry collaboration to help improve transparency in cattle health and antibiotic use through evidence-based medicine. **Explore our progress in more detail on page 16.**



Responsible Antibiotic Use

Advocating for HPCIA-Free Chicken Supply Chains

We strive to support antibiotic effectiveness and reduce overdependence by working closely with supply chain producers and other field experts. Since February 2019, we've tracked the use of medically important antibiotics and, since 2021, KWIs in the supply chain supporting our top chicken sales markets, representing over 15 billion birds. Producer data collection is managed by a third-party provider, FAI Farms.



HPCIA use has been eliminated in Australia, Brazil, Canada, Europe, Japan, South Korea and the U.S. for several years. We're proud to announce that McDonald's China, an affiliate market, achieved this milestone in 2026, ahead of schedule. This progress reflects significant efforts, including establishing a policy requiring the exclusion of chickens treated with HPCIAs from the supply chain, demonstration of adherence to the policy with monitoring data and engagement with suppliers to ensure a sufficient supply of chickens raised without HPCIAs to meet ongoing market demand. This development is another example of how we live our purpose of feeding and fostering communities while supporting business growth and resilience. This important work was made possible due to the strength of the McDonald's System, with all three legs of the stool coming together to advance progress.

McDonald's supports a responsible use approach that helps preserve the effectiveness of antibiotics for future generations while promoting solutions that proactively prevent disease and protect animal health and welfare. We expect our suppliers to implement judicious use, including the treatment of sick animals in alignment with veterinary guidance.

Collaborating With Beef Supply Chain Partners

In 2025, we achieved our Responsible Antibiotic Use in Beef Supply Chain Goal. Through established partnerships with independent third parties, we collaborate with suppliers to collect beef supply chain antibiotic use data.[3] For example, McDonald's was a founding member of a consortium across our U.S. supply chain to develop a closed-loop, real-time data system, called One Health Beef, that can help collect information on antibiotic use. Other markets have also deployed projects to collect beef supply chain antibiotic use data.

Currently, data on antibiotic use in the beef industry is limited. Our intention is to help drive positive behavioral change and transparency, as well as enable comprehensive assessment of antibiotic use across our in-scope beef supply chains. We will continue using the knowledge gained to make appropriate adjustments to our efforts over time.

Sourcing Chickens Raised With Improved Welfare Outcomes

In 2017 McDonald's established eight Broiler Welfare Commitments that support our ambition to source chickens raised with improved welfare outcomes. As of the end of 2024 – the target year for implementation – we were proud to have achieved all eight commitments for chicken served in the 13 markets that were in-scope of that goal.[4] Since then, we have continued to work with suppliers to these and other markets to measure key farm-level welfare outcomes, provide enrichments to support natural behaviors and implement third-party on-farm auditing. As of the end of 2025, we have gathered data on more than 11 billion birds for the KWI database. Chicken supplied to McDonald's restaurants in certain additional markets, such as Belgium and the Nordics (Denmark, Finland, Norway and Sweden), is sourced from suppliers that also serve markets that were in scope of the Broiler Welfare Commitments, and they have therefore similarly benefited from these enhanced animal welfare practices. As we transition Broiler Welfare Commitments into our broader broiler sourcing policies and standards, we continue to work with suppliers to assess the feasibility of extending these practices, where appropriate, to additional markets where McDonald's operates.

Our Chicken Sustainability Advisory Council (CSAC) convened in 2025 at McDonald's headquarters to align on strategy and progress across KWIs. Discussions covered research updates, best practices, regulatory developments and next steps to support advancement of chicken welfare outcomes.

Sourcing Cage-Free Eggs

We have worked to source cage-free eggs in various markets. For example:

- McDonald's USA continued to source 100% cage-free eggs for items served on their breakfast menus in the U.S. in 2025.
- In 2025, McDonald's Canada continued to source 100% Canadian free-run eggs[5] for McMuffin®, McGriddles® and Bagel sandwiches.
- Additional examples of markets that continued to source 100% cage-free eggs in 2025 include Australia, France and Germany.

Our Planet

A thriving planet is essential to our ability to source the ingredients McDonald's needs to feed and foster communities for generations to come. That's why we are taking actions that will help our business be more resilient in the future, such as protecting natural resources, reducing waste and transitioning to more sustainable packaging and toys.





51.8%
reduction in Scope 1 & 2 emissions compared to 2018 baseline

18
markets globally purchased clean energy[1] for restaurants in 2025

73.5%
of our plastic guest packaging supports the production of non-virgin fossil fuel-based plastic as of the end of 2025[2]

In This Section

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25 **Nature, Forests & Water**

Climate Action

We are taking action on climate and supporting food system transformation to help promote the future resilience of our business.

Driving sustainable growth, while positively impacting our communities and the livelihoods of suppliers, farmers and producers, is fundamental to how we operate and the long-term resilience of our business. Natural disasters, geopolitical disruptions and extreme weather patterns pose increased risks to food supply chains and communities around the world, including those from which we operate and source. We are prioritizing actions in the most vulnerable areas within our supply chain.

Read more about our Climate Action strategy.

Our Performance

Goal	Progress
Reduce absolute Scope 1 and 2 GHG emissions by 50.4% from Company-owned and operated restaurants and offices, by the end of 2030, from a 2018 base year. **Status:** In Progress	We are on track to exceed our Scope 1 and 2 2030 climate goals, driven largely by sustained investments in lower-carbon energy and restaurant energy efficiency. During 2025, we pursued various actions to help reduce Scope 1 and 2 emissions, including enhancing how we design and power restaurants. For example, McDonald's adopted new energy-efficiency standards that are intended to help address Scope 1 emissions from Company-owned and operated restaurants and Scope 2 emissions associated with procured energy for Company-owned and operated restaurants. **Explore our progress in more detail on page 19**.
Reduce absolute Scope 3 energy and industrial GHG emissions by 50.4% from Franchisee and Company-owned and operated restaurants, and the facility, logistics and plastic packaging emissions in our supply chain, by the end of 2030, from a 2018 base year. **Status:** Facing Challenges **Reduce absolute Scope 3 Forest, Land and Agriculture (FLAG) GHG emissions by 16%, and maintain no deforestation across our primary deforestation-linked commodities, by the end of 2030, from a 2018 base year.** **Status:** Facing Challenges	While our System has shown incredible commitment, reducing our Scope 3 emissions is influenced by factors that extend well beyond any single company's operations. Meaningful progress requires systemic change across industries, infrastructure and policy, and cannot rest on the actions of any one brand. Successfully meeting our goals requires the support and progress of others; we cannot do it alone. Given these realities, we face significant challenges and, at this point, we do not expect to reach our 2030 Scope 3 goal on the original timeline. We'll continue working with our System, focusing on solutions that can scale, and being transparent about what's delivering impact and where further progress depends on broader change **Explore our progress in more detail on page 19**.

GHG Emissions

Metric Tons Carbon Dioxide Equivalent (CO_2e)

	2018 (Baseline)	2025	Percent Change
Scope 1	137,950	97,696	-29.2%
Scope 2 (market-based)	452,898	186,888	-58.7%
Scope 3[1]	73,312,316	70,548,051	-3.8%

We recalculated our 2018 baseline to reflect updated emissions factors, methodological enhancements, the inclusion of additional data and the impact of transactions that recur periodically such as sales and acquisitions of the McDonald's business in international developmental licensed markets. As a result, 2025 emissions data is not directly comparable to previously reported values.

Our Targets

In line with the latest guidance to help keep global temperature rise below 1.5°C, we are pursuing a 2030 global emissions target and a global 2050 net zero emissions reduction target, which have been validated by the Science Based Targets initiative (SBTi).[2] We are currently on track to exceed our Scope 1 and 2 2030 climate goals, driven largely by sustained investments in lower-carbon energy and restaurant energy efficiency. As of the end of 2025, we reduced Scope 1 and 2 GHG emissions by 51.8% compared to a 2018 baseline.

Among other efforts, in 2025 we continued our focus on:

- Implementing energy-efficiency measures in the design and operations of McDonald's restaurants to reduce energy use.
- Driving clean energy development through physical Power Purchase Agreements (PPAs) and Virtual Power Purchase Agreements (VPPAs) while exploring other avenues to procure clean energy to power McDonald's restaurants and offices.

Achieving our Scope 3 ambitions will require systemic change across industries, infrastructure and policy. Progress on Scope 3 emissions will be shaped not just by what McDonald's does, but also by how quickly the world around us changes. In many regions, growth in energy demand is outpacing the current speed of clean energy deployment.[3] When we set our Scope 3 targets, we did so in good faith and in line with the best available science, standards and expectations at the time. Since then, we've gained clearer insight into the complexity of decarbonizing global agriculture, energy systems and supply chains at scale – including the extent to which progress depends on factors beyond any single company's control. That experience has reinforced the importance of pairing ambition with realism, transparency and investment in solutions that can deliver positive impact and long-term value for the business. We remain committed to our ambition of net zero by 2050. However, the challenges that are contributing to our delay in meeting our 2030 target, and others that may arise in the future, may necessitate adjustments to our future decarbonization goals. We will continue to regularly review our targets as standards, policy and real-world conditions evolve.

Adding Clean Energy to the Grid

Investing in clean energy[4] is a key lever of our climate strategy when it makes commercial sense. We agree to VPPAs, where available and appropriate, to help add more clean energy to the grid through solar and wind technologies. To date, we have invested in eight operational projects across four U.S. states.

During 2025, physical PPAs were signed in three countries: Spain, Japan and Poland. These agreements include wind, solar and hydropower and are expected to increase clean energy coverage across restaurants. Learn more about these **projects and expected results**.

More Sustainable Restaurant Development

In 2025, we introduced new energy-efficiency standards. These standards identify key technological solutions to help reduce energy use and costs in restaurants. They apply to Company-owned and operated restaurants as well as franchised restaurants and will be implemented in most newly built restaurants and existing restaurant buildings as they're remodeled or equipment reaches its end of life.

Our Stories

Learn more about how we're redesigning restaurants to drive more sustainable operations.

Rethinking How We Build Restaurants



Global Restaurant Energy-Efficiency Standards

- Energy Management System and Controls
- Improved Heating, Ventilation and Air Conditioning
- Refrigeration Upgrades
- Lighting Upgrades
- Rooftop Solar
- Water Heater Upgrades

Scaling Sustainable Practices Within Our Supply Chain

Addressing supply chain Scope 3 emissions – our largest source of emissions – requires independent buy-in from our supply chain. We expect McDonald's suppliers to act with self-managed excellence in managing the risks to and impacts of their own operations.

Read more about our approach to Regenerative Agriculture on page 14 and our Responsible Sourcing web page.

Challenges and Dependencies

We still maintain a long-term ambition: net zero emissions by 2050. We know this includes dependencies on many external variables – the changes required to reduce Scope 3 emissions include systemic shifts that are interconnected across the value chain. We are actively pursuing our current aspirational goals for 2050 because of the benefits we see to our business and its resilience, and we will continue to review and refine our strategies. We focus on science-based approaches and aim to leverage the tools and resources available to us to the extent possible to progress toward our goals. Despite McDonald's actions and continuing commitment to reducing GHG emissions, we face challenges and factors, some beyond McDonald's direct control, that may impact our ability to achieve our stated goals:

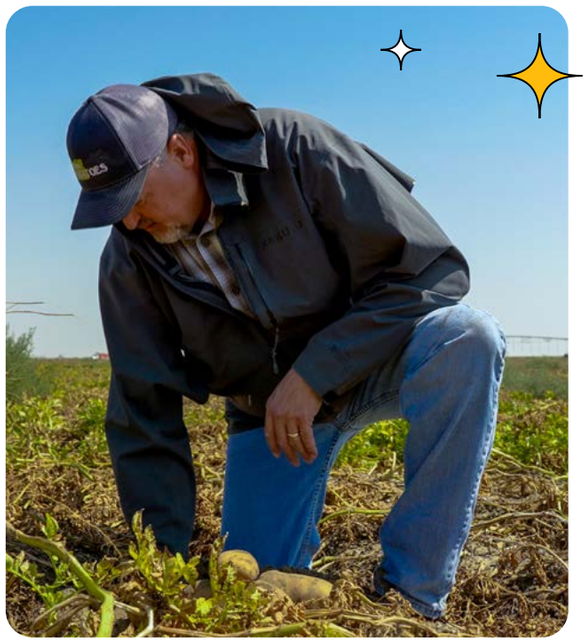
Challenges Within McDonald's System

- McDonald's global value chain is complex and, as such, we do not expect progress toward decarbonization within our value chain to be linear.
- McDonald's has many stakeholders with varied interests.
- Franchisees and suppliers face numerous and varied implementation challenges in their decarbonization efforts across the world.

Challenges Outside McDonald's System

- McDonald's decarbonization efforts depend on technology, the market and other factors beyond our control or direct influence.
- Disclosure and reporting requirements or voluntary frameworks may change over time.
- Our systems, processes and controls for identifying, measuring and reporting metrics may change over time with the maturity and evolution of technology and industry accounting practices.
- Widespread, meaningful reduction of GHG emissions and adaptation to climate change at scale requires significant action across all sectors of the global economy.
- Governments and other policymakers hold primary responsibility for establishing pragmatic policies that are conducive to innovation and that will enable positive climate action.
- External economic realities may affect the pace or scale of investments by McDonald's and other stakeholders.

We will continue progressing toward net zero emissions globally by 2050. However, these challenges, and others that may arise in the future, may contribute to delays in meeting, or necessitate adjustments to, our decarbonization goals. Successfully meeting our goals requires the support and progress of others; McDonald's cannot do this alone. We will regularly review our goals and consider if any changes are necessary due to the previously mentioned factors or other relevant considerations. Despite these challenges, we will look for opportunities to act, using the scale of our System to drive positive change, leaning on science, learning from others and being transparent.



Packaging, Toys & Waste

We are working to accelerate solutions that help reduce waste while also transitioning to more sustainable packaging and toy materials.

In 2025, we substantially achieved our packaging, toys and waste goals by sourcing more sustainable materials, working to eliminate intentionally added fluorinated compounds, advancing recycling solutions and drastically reducing plastics in Happy Meal® toys.

As a global brand with representation in over 100 countries, there is no one-size-fits-all approach to packaging and recycling solutions, as local waste management laws, infrastructure and customer preferences make each area unique. That's why we pursue opportunities on a localized basis to help identify appropriate solutions for our business in each geography. Reaching our packaging, toys and waste goals has required years of effort across our System, including working closely with markets to align global ambitions with local realities. This journey has meant not only adapting to widely varying regulatory and infrastructure environments, but also working with stakeholders to support sourcing, certification and delivery of more sustainable packaging solutions across a complex, worldwide System.

See our Packaging, Toys & Waste strategy and programs in detail on our website.

Our Performance

Goal	Progress
Guest Packaging Sourcing Goal (Multiple Markets): We aim to source 100% of our primary guest packaging[1,2] from renewable, recycled or certified materials by the end of 2025. **Status:** Substantially Achieved*	As of the end of 2025, we have substantially achieved this goal, with 95.8% of our primary guest packaging[1,2] sourced from renewable, recycled or certified materials. Non-structural components of packaging are out of scope.[3] **Explore our progress in more detail on page 22.**
Guest Recycling Goal (Multiple Markets): We aim to implement global and local solutions across our business to advance the reduction, reuse, composting and/or recycling of guest packaging, and help create demand for recycled materials by the end of 2025. **Status:** Substantially Achieved	As of the end of 2025, we substantially achieved this goal. 96.9% of restaurants in markets with advanced infrastructure[4] offered guests the opportunity to recycle and/or compost guest packaging items. **Explore our progress in more detail on page 23.**
Plastic Reduction in Happy Meal® Toys Goal (Multiple Markets): Drastically reduce plastics in Happy Meal® toys around the globe and transition to more sustainable materials by the end of 2025.[5] **Status:** Substantially Achieved*	As of the end of 2025, we have substantially achieved this goal by reducing virgin fossil fuel-based plastic for Happy Meal® toys by 88.9% as compared to a 2018 baseline, meeting our expectation of an approximate 90% reduction. **Explore our progress in more detail on page 24.**
Added Fluorinated Compounds Goal (Multiple Markets): Ensure all primary guest packaging is free from intentionally added fluorinated compounds by the end of 2025.[6] **Status:** Substantially Achieved*	As of the end of 2025, we have substantially achieved this goal. 99.9% of our primary guest packaging did not contain intentionally added fluorinated compounds. We are committed to removing the remaining intentionally added fluorinated compounds from our guest packaging.

*Substantially Achieved = 95% to 99.9% of the stated target.

Guest Packaging Sourcing Goal (Multiple Markets)

We are proud that the progress and advancements we've made to scale impact across the globe have resulted in 95.8% of our primary guest packaging[1,2] being sourced from renewable, recycled or certified materials, as of the end of 2025. More specifically, as of the end of 2025, 73.5% of our plastic guest packaging supports the production of non-virgin fossil fuel-based plastic through the use of recycled or renewable materials via a mass balance approach, and nearly all (99.6%) of our fiber-based guest packaging is made with certified fiber that supports sustainable sourcing.

We rely on a mass balance approach for certain recycled or renewable plastic materials. This approach allows those materials to be mixed with conventional materials during production, while tracking and verifying the total amount of different materials used across the supply chain via chain of custody certification. Use of this process helps accelerate the pace at which more sustainable packaging materials can be commercially scaled and is part of how we are taking steps to help promote the transition away from the use of conventional resources for packaging manufacturing.

	2025
Percentage of primary guest packaging from renewable, recycled or certified sources	95.8%. This includes 73.5% of our plastic guest packaging being made from non-virgin fossil fuel-based plastic through the use of recycled or renewable materials via a mass balance approach.
Percentage of primary fiber-based guest packaging sourced from recycled or certified sources	99.6%

Examples of our progress in 2025 include:

- **In the U.S.**, we began transitioning to renewable plastic wax coatings on paper wraps and switching from plastic to paper for our breakfast platter bags.
- **In Japan,** the market moved from traditional plastic take-out bags to 95% bio-PE bags made of polyethylene, which is plastic made from plant-based materials.
- **In China,** some plastic guest packaging (including cold cups and lids, hot lids, sundae cups and plastic cups) began shifting to renewable PLA.[7]
- **In Europe,** most markets moved to fiber-based salad containers with plant-based plastic coatings.

Identifying and implementing commercially scalable renewable, recycled or certified sources for certain packaging items that meet our and our customers' expectations is challenging, impacting our ability to source all of our primary guest packaging from such materials.

Achieving 95.8% of our guest packaging sourcing goal is a big deal – and we're proud of the work behind it. We've made significant investments to get to this point. However, much of the industry has not moved at the same pace, and many global regulations treat plastic packaging made with recycled or renewable content the same as packaging made with virgin fossil fuel-based materials.

We believe that policy frameworks that recognize the value of recycled and renewable content in plastic packaging could help accelerate progress industrywide. Without this, our continued investment in more sustainable packaging innovations may be at risk.

We're proud of the progress we've made. We'll continue working with our System, focusing on solutions that can scale, and being transparent about what's delivering impact and where further progress depends on broader change.

Our Stories

Learn how our markets are bringing our commitment to life.

A Systemwide Approach to Packaging, Toys and Waste



Guest Recycling Goal (Multiple Markets)

In 2025, we continued to implement solutions across our business to advance recycling, composting, reduction and/or reuse of our guest packaging, substantially achieving our goal.

Recycling and Composting

Across the globe, waste and recycling infrastructure differs significantly. Some areas are operating within advanced infrastructure, while in others the infrastructure is still developing. As of the end of 2025, 96.9% of restaurants in markets with advanced infrastructure[4] offered guests the opportunity to recycle and/or compost guest packaging items through customer-facing bins for back-of-house or off-site sorting for recycling or composting, utilizing existing local waste infrastructure systems.

As an example, McDonald's affiliate in China worked across the value chain, aiming to increase demand for recycled material by incorporating recycled resin in their serving trays while enabling recycling of guest packaging in nearly 1,300 restaurants. Read more on **China's waste initiatives**.

In areas where recycling infrastructure is a challenge, we're focusing on helping to address systemic constraints and advocating for greater investment in material separation, sorting, recovery and recycler acceptance.

For more information, please see our Packaging, Toys & Waste web page.

Reducing Guest Packaging

We focus on reduction as a core part of our packaging strategy by aiming to eliminate unnecessary packaging where we can. For example, across the globe, some markets voluntarily apply a "lids and straws upon request" principle for dine-in customers, aiming to reduce waste from these items.

Understanding the Impact of Reusable Packaging

We continue to assess the impact of reusable packaging in our restaurants, in line with local regulations. Our analysis continues to indicate that there is no one-size-fits-all solution. McDonald's strives to accelerate solutions that help reduce packaging waste, transition to more sustainable packaging materials and promote circularity.

Reusable packaging is introduced to McDonald's restaurants based on applicable legislation. Several markets currently offer reusable packaging options; for example, in Germany, customers can choose single-use or reusable cups (with reusable lids) for drinks, the McFlurry® and the sundae. This offer is for both dine-in and take-out, with a €2 deposit return scheme.

As we move forward, we will continue to learn from our markets and advocate for feasible solutions that can help advance evidence-based circularity strategies for McDonald's and the wider industry.

Creating Demand for Recycled Materials

At McDonald's, we recognize that supporting a circular economy requires not only designing packaging for recyclability but also actively creating demand for recycled content. By choosing packaging solutions that incorporate recycled materials, we aim to help strengthen end markets and contribute to broader efforts to scale recycling technologies and infrastructure. We support efforts to expand the availability of food-safe, post-consumer recycled materials.

One example of this approach is the introduction of polypropylene cups in the U.S. that incorporate recycled content through a mass balance approach using chemically recycled resin.[8] Additionally, in 2025, select markets in the Asia-Pacific (APAC) region moved to sip lids made from 100% recycled PET.



By embedding these types of expectations into our supply chain, we help reinforce the business case for high-quality recycled fiber and support ongoing efforts to improve material recovery and reuse.

In 2025, multiple markets across Europe and APAC transitioned certain products such as cold dome lids, plastic cold cups, salad packaging and sundae packaging from 100% virgin fossil fuel-based plastics to PET made with 100% recycled content using a mass balance approach. By aggregating demand across these applications, we aim to support end markets for recycled plastic.

Plastic Reduction in Happy Meal® Toys Goal (Multiple Markets)

We've worked with our suppliers to test toy materials and packaging, leading to innovations that helped us substantially achieve our goal of drastically reducing fossil fuel-based plastic in Happy Meal® toys. By the end of 2025, we reduced virgin fossil fuel-based plastic for Happy Meal® toys by 88.9% compared to a 2018 baseline.

As an example of our efforts, in 2025, select markets introduced a Squishmallows plush program that incorporated plastic derived from water bottles into both the plush fabric and the stuffing while using paper bags as the packaging.[9] This approach was designed to increase the use of recycled materials instead of virgin materials in the product itself, and to reduce plastic packaging use by choosing FSC®-certified, lightweight glassine bags for the packaging instead of plastic alternatives.



Additionally, in 2025, we launched the "A Minecraft Movie" program in multiple markets that featured products made from polypropylene with certified mass balance credit claims. The Pokémon Dragon Discover program from 2025 used fiber-based materials, further expanding the use of alternative packaging and product inputs across our licensed programs.

Added Fluorinated Compounds Goal (Multiple Markets)

Hygiene, safety and functionality are critical aspects of our guest packaging. We follow a product stewardship process that includes robust evaluation of chemicals used in our guest packaging and ensures materials comply with all applicable laws.

We are also committed to ensuring all primary guest packaging is free from intentionally added fluorinated compounds. As of the end of 2025, we have substantially achieved our Added Fluorinated Compounds Goal. 99.9% of our primary guest packaging did not contain intentionally added fluorinated compounds as of the end of 2025.[6]

Nature, Forests & Water

We take a holistic approach to strengthen the long-term resilience of our business, which includes supporting the protection of natural resources and the communities that rely on them.

We seek to safeguard nature and water in order to build resilience for our business and producer livelihoods. To do so, we're taking action to help protect biodiversity and respect human rights and, through our targets for **Climate Action**, considering estimated emissions from deforestation. To amplify the impact of our efforts, we participate in nature-positive partnerships that can help accelerate progress across our value chain.

Read more about our Nature, Forests & Water strategy.

Our Performance

Goal

Eliminate Deforestation Goal (Multiple Markets): Eliminate deforestation from our global supply chains by the end of 2030, building on the progress from our 2020 milestones in highest-priority commodities and regions.

We continue our focus on supporting deforestation-free supply chains for our primary commodities: beef, soy (for chicken feed), palm oil, coffee and fiber (used in primary guest packaging).
Status: In Progress

Progress

We continue to drive resilience-focused transformation of production systems in our supply chain through our work toward eliminating deforestation and addressing conversion for the below primary commodities and origins.

Percentage of Commodities Sourced in 2025 Supporting Deforestation-Free Supply Chains



Soy (for chicken feed) 100%: We support the resilient transformation of soy-producing regions by investing in landscape-level solutions and initiatives covering 100% of estimated soy volumes in feed for chicken produced outside of the U.S. and Canada.[1]



Palm oil 100%: We require palm oil sourced for McDonald's restaurants or as an ingredient in McDonald's products to be covered by Roundtable on Sustainable Palm Oil (RSPO) certification.[2]



Fiber-based primary guest packaging 99.6%: We require that fiber for primary guest packaging at McDonald's restaurants be from sources with Forest Stewardship Council® (FSC®) chain of custody certification or the Programme for the Endorsement of Forest Certification (PEFC) for deforestation.[3]



Coffee 99.6%: We require coffee sourced for McDonald's restaurants from Indonesia and Vietnam to be Rainforest Alliance Certified™ and coffee sourced from Honduras to be Rainforest Alliance Certified™ or from a McCafé® Sustainability Improvement Platform (SIP) program. For ground and whole bean coffee from other countries, we require it to be Rainforest Alliance Certified™, Fairtrade International certified or from a McCafé SIP program.[4]

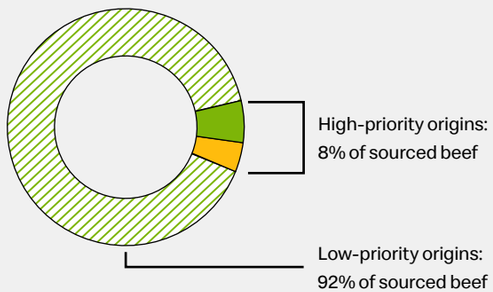


Beef: McDonald's requires beef sourced from our identified high-priority origins in Argentina, Australia, Brazil and Paraguay to be deforestation-free. In 2025, high-priority origins represented 8% of our global beef volumes, and **65%** of beef sourced from these high-priority origins was verified to be deforestation-free through geo-monitoring. Details can be found in our Deforestation-Free Beef Procurement Policy. See more on page 26.[5]

Forests and Natural Ecosystems

The availability of many of the ingredients used for menu items served in McDonald's restaurants depends on the continued viability of healthy forests and natural ecosystems, supported by responsible land management. This is why McDonald's works with suppliers and other stakeholders to help prevent deforestation, address natural ecosystem conversion and support more resilient production systems in areas where we can have the greatest impact while driving value for our customers.

2025 Global Beef Sourcing*



- Low-priority origins: Areas identified as low risk or no risk of deforestation
- High-priority origins: 65% verified to be deforestation-free through geo-monitoring
- High-priority origins: 35% not yet verified to be deforestation-free through geo-monitoring

*As of the end of 2025.

Supporting Resilient Transformation in Supply Chains for Primary Commodities

McDonald's is committed to eliminating deforestation[6] and addressing conversion[7] in our global supply chain by 2030 for commodities and regions where we can deliver the greatest impact. We are also working to drive resilience-focused transformation of production systems. Read more in our **Commitment on Forests and Natural Ecosystems**.

Commodity Highlights

Since 2018, we have maintained detailed requirements to help support forest-positive beef sourcing from high-priority origins[8] in Argentina, Australia, Brazil and Paraguay, as outlined in the McDonald's Deforestation-Free Beef Procurement Policy. We work with geospatial monitoring partners and engage suppliers directly to support adherence to the policy and help strengthen ecosystem and business resilience. In 2025, 92% of our beef was sourced from low-priority origins.[9]

To further enhance our efforts, in 2025, we expanded our policy to cover all of Brazil and implemented monitoring of Indigenous territories in the Paraguayan Gran Chaco. In 2025, 97% of the beef sourced from high-priority origins under the McDonald's Deforestation-Free Beef Procurement Policy in Latin America was verified to be deforestation-free through geo-monitoring.

Additionally, we created detailed producer reintegration guidance to support former producers who have strengthened their practices and are seeking to reenter our supply chain. We continue to work toward advancing progress across our high-priority origins.

In 2024, we completed a global mapping project with our chicken suppliers to better understand the likely origins and potential ecosystem risks of soy used in chicken feed. In 2025, we used this information to update our soy sourcing strategy, shifting from purchasing Book and Claim credits for embedded soy in chicken feed outside the U.S. and Canada to supporting initiatives in regions that play an important role in soy production for our chicken feed. In particular, through the McDonald's 2025 Global Soy Fund, we are supporting two landscape solutions and initiatives[10] in Brazil: the Produce, Conserve and Include (PCI) strategy and the Responsible Commodities Facility.

We require that palm oil sourced for McDonald's restaurants or as an ingredient in McDonald's products be covered by RSPO certification or credits. Our volumes of physical RSPO-certified palm oil increased from 13% in 2016 to 71.3% in 2025, with the remaining 28.7% covered by RSPO Book and Claim credits. In addition, we're committed to advancing sustainable palm oil production and supporting NDPE (no deforestation, no peat and no exploitation) through collaboration with stakeholders and suppliers, including through our support of a landscape initiative called SUSTAIN KUTIM.

Read more about our landscape solutions and initiatives for beef, soy and palm oil.

Our Stories

Learn how Arcos Dorados is collaborating to restore and protect a biodiversity hotspot, the Pantanal.

Arcos Dorados: Taking Action for the Planet

Natural Ecosystem Conversion

As of 2024, McDonald's has committed to addressing conversion for commodities and regions where we can have the biggest impact under our Commitment on Forests and Natural Ecosystems. While work to address conversion under sourcing policies like our Deforestation-Free Beef Procurement Policy continues in Brazil, we've also expanded our progress in partnership with others around the world, including in the U.S.

In 2025, we conducted a preliminary land use change assessment in the U.S., covering sourcing sheds of embedded soy (for chicken feed), corn (for beef feed and chicken feed) and grazing cattle. This builds on progress achieved by the U.S. Land Use Change Initiative (LUCI) and enables us to better understand supply shed opportunities to enhance ecosystems, producer economic livelihoods and business resilience.

Water

Water is essential to our System; from operating restaurants to growing the ingredients in our food, we need safe, readily available water. Water is also used by our suppliers to produce items for the McDonald's menu. We continue to set expectations regarding self-managed excellence with suppliers on water stewardship matters.

To identify areas of water stress and prioritize efforts accordingly, in 2025, we reviewed the results of our 2024 global value chain water risk assessment, which considered select suppliers, franchised restaurants and McDonald's-owned and operated restaurants, to highlight which basins are considered most relevant for opportunities for engagement throughout our value chain.

To learn more about water stewardship efforts, read McDonald's Global Water Report.

Pursuing Nature-Positive Partnerships

Working with credible experts and industry peers helps McDonald's advance practices that can strengthen the resilience of our supply chain. Alongside direct engagement with our suppliers, we work with independent experts, NGOs and multi-stakeholder initiatives to help inform our approach.

We believe working with leading experts on nature and water is essential to support best practice and scale action. Alongside our partnerships with Proforest, the World Wildlife Fund (WWF) and the World Resources Institute (WRI), we participate in industry groups like:

- The Consumer Goods Forum's Forest Positive Coalition
- Global Roundtable for Sustainable Beef
- GlobeScan & WWF Shaping the Future Water Agenda
- WRI Aqueduct Alliance
- Accountability Framework initiative (AFi)'s Private Sector Advisory Group

We are also engaging with suppliers to help ensure they understand our Commitment on Forests and Natural Ecosystems and their role in adhering to the sustainable sourcing policies that underscore them.

Partnerships in 2025

Throughout 2025:

- We co-led the Beef Working Group in the Consumer Goods Forum's Forest Positive Coalition and participated in the Human Rights Coalition. Read more in the **Consumer Goods Forum's Forest Positive Coalition 2025 Report**.
- As a founding member of the Global Roundtable for Sustainable Beef (GRSB), we co-lead the Nature Positive Working Group, promoting nature-positive production and transparency on nature-related topics. In 2025, the GRSB Nature Positive Working Group finalized a global nature-positive framework.
- At COP30 in Brazil in November 2025, we shared how the McDonald's three-legged stool (the Company, Franchisees and suppliers) works together alongside other partners to advance supply chain resilience.

Landscape Solutions and Initiatives

We are proud of our growing portfolio of landscape solutions and initiatives, which help enhance ecosystem resilience and producer economic livelihoods, and therefore support McDonald's long-term business resilience.



Cerrado biome, Brazil

Supported by McDonald's Global Soy Fund, the Brazilian Produce, Conserve and Include (PCI) strategy covers several municipalities in the **Mato Grosso state** (which spans the Amazon, Cerrado and Pantanal biomes). It aims to support farmers and smallholders through interventions that include restoration, producer technical assistance, water-related efforts and certification support. In parallel, the McDonald's Global Soy Fund supports the Responsible Commodities Facility's efforts in the Cerrado biome to promote deforestation-free soy production through financial incentives for soy producers.



Pozo Amarillo Indigenous community, Paraguay

Within the Paraguayan Gran Chaco, a beef sourcing region considered high priority for McDonald's, McDonald's has partnered with Hendata SRL and the Federation for the Self-Determination of Indigenous Peoples. We initiated a project to help demarcate Indigenous communities covering over 30,000 hectares, as supported by the Association of Indigenous Cooperation Services, and to support free, prior and informed consent (FPIC) from the Indigenous communities. This work brings together public and private actors and supports community land rights as recognized by the national government.



Kutai Timur, Indonesia

In Indonesia, McDonald's continues to support SUSTAIN KUTIM, a palm oil-focused landscape initiative in Kutai Timur, to help reduce forestry and land use emissions by conserving forested areas while supporting local communities and stakeholders.

Jobs, Inclusion & Empowerment

We are committed to fostering workplaces where people feel supported, have access to opportunity and feel empowered to realize their full potential. Guided by our values, we are working on becoming better champions, sponsors and leaders to help empower the people and communities we serve.





34M+

Hamburger University® courses completed by Restaurant Staff in 2025

7.8/10

score on the Children's Rights Benchmark, a 32% improvement from 2024

79

markets now using the redesigned Safe, Respectful and Inclusive Workplace training as of the end of 2025

In This Section

29 **Human Rights**
33 **Inclusion**
37 **Talent & Benefits**

Human Rights

We strive to weave human rights into McDonald's day-to-day practices, helping fulfill our commitment to respect the rights of all people and communities who produce, serve and enjoy our food.

Guided by our **Human Rights Policy**, we focus on business-relevant issues and actions we can take to address those issues within McDonald's corporate functions, market operations, supply chain oversight and community engagement while providing flexibility to respond to emerging human rights-related trends and business priorities.



We conduct our activities in ways that respect the dignity of each person. To continue evolving our human rights approach, we engage employees and stakeholders, using their insights to inform our own policy and help influence broader societal change. We support Company-owned restaurants and Company offices with human rights-related implementation, and we provide optional guidance to Franchisees and suppliers to reinforce a culture of integrity and respect. In 2025, executive oversight of our global approach to human rights was updated to ensure that governance of human rights fits our operating structure. The Global Chief Restaurant Experience Officer joined existing executive sponsors of the Human Rights Working Group, reflecting organizational changes in the business.

To identify human rights focus areas and mitigate potential related risks across our operations, we conduct human rights due diligence. This helps us align with international human rights frameworks while upholding our values.

Read more about our Human Rights strategy.

Human Rights Focus Areas

McDonald's conducted due diligence (including assessments) to identify its human rights focus areas, listed in alphabetical order, not in order of perceived importance:

- Child Labor
- Data Privacy
- Discrimination and Harassment
- Education and Employment Creation
- Effective Remedy
- Forced Labor
- Freedom of Association and Collective Bargaining
- Inclusion
- Land Rights
- Nutrition
- Occupational Health and Safety
- Working Conditions
- Workplace Security

Our Performance

Child Labor: Safeguarding Young Workers

In Our Supply Chain

McDonald's **Supplier Code of Conduct** states that suppliers shall ensure no underage labor, as defined in the Code, has been used in the production or distribution of their goods or services. We periodically evaluate opportunities to strengthen our standards.

McDonald's is a member of **AIM-Progress**, a business initiative focused on responsible sourcing. At the industry level, we are part of the AIM-Progress working group on child labor, and in 2025, we supported the expansion of its child labor prevention toolkit to help U.S. suppliers identify and address child labor-related risks in U.S. manufacturing. Together with The Centre for Child Rights and Business (The Centre), AIM-Progress members developed **two new resources**:

- A Child Labor Remediation Framework, which provides a practical, rights-based roadmap for business-funded remediation, adapted from global best practices.
- Summarized research into local community organizations' capacity to respond quickly and accurately regarding child labor suspicions and cases, identifying a need for investment and coordination to provide a roster of specialized organizations offering legal aid, education and other services.

In Our Restaurants

In 2025, we prioritized increasing our understanding of how markets safeguard young workers in restaurants. To do so, we gathered feedback from over 30 market leaders and analyzed a broad range of internal and external resources to understand how markets engage with and protect youth in the workplace. The following are examples from some restaurants in certain markets, not universal practices:

- **The U.S.:** In some franchised restaurants, parents and family members of youth employees are invited to join orientation days to learn more about employment at a specific location. While all restaurant employees have access to complaints channels, some Franchisees choose to share owner or local leadership contact information with parents, in addition to the youth employee, as an informal avenue for raising questions or concerns.
- **Poland:** McDonald's restaurants in Poland also work closely with the parents of youth employees by inviting them to visit the restaurant to understand the work environment and providing them with additional information.
- **The Netherlands:** Some restaurants use a "buddy system" designed to help employees navigate questions, workplace norms and available resources, particularly for newer young employees. The buddy role is intended to support orientation and guidance – not to replace formal reporting channels. The buddy system is part of a broader movement that places increased emphasis on onboarding and well-being.

This work is ongoing in 2026, building knowledge from both inside the System and collecting external risk insight to inform potential future approaches for strengthening how we safeguard young workers.

Strengthening Our Child Rights Efforts

McDonald's is committed to upholding strong child rights practices and following the **Global Child Forum Children's Rights Benchmark**. In 2025, we saw a 32% increase in our benchmark, moving from 5.9 (2024) to 7.8 (2025). During the year, we enlisted a third-party expert to review our global business activities against child rights, prioritizing five thematic areas deemed most relevant:

- Preventing child labor in supply chains.
- Safe and suitable work for minors in restaurants.
- Combining health and taste – child nutrition.
- Responsible marketing to children.
- Providing a safe space for young customers.

While no critical gaps were identified, the assessment uncovered valuable insights that were shared with relevant McDonald's teams to inform future work.

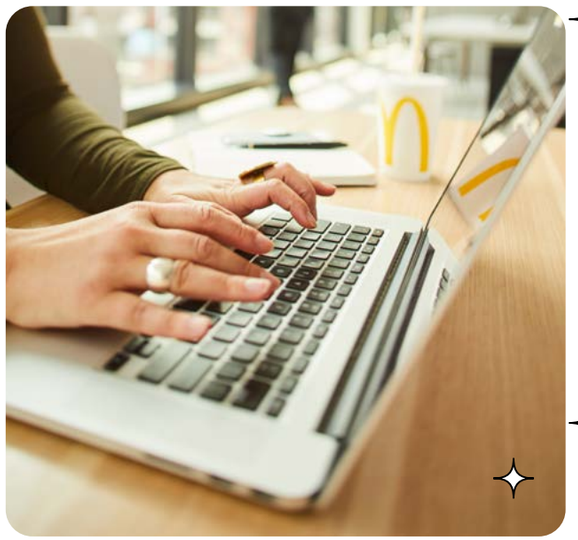
32%

increase in our Global Child Forum benchmark, from 5.9 in 2024 to 7.8 in 2025

Data Privacy: Enhancing Global Privacy

On Global Data Privacy Day, January 28, 2025, McDonald's launched its Global Privacy Program in the U.S. to help protect and prevent the misuse of employees', customers', suppliers', Franchisees' and other individuals' personal information. This program operationalizes new and improved policies and procedures, supported by privacy technology, to strengthen McDonald's commitment to privacy.

The Global Privacy Program was also implemented across all McDonald's International Operated Markets (IOM) throughout 2025. In 2026, McDonald's will start sharing guidance with developmental licensee markets based on program principles.





Effective Remedy: Encouraging People to Speak Up

McDonald's launched a global Effective Complaints Management: Good Practice Toolkit in 2025, featuring examples from five markets and informed by assessments across more than 10. This guidance was made available to people responsible for receiving and managing complaints across functions.

Following the successful launch of a dedicated Workplace Investigations team in the U.S., McDonald's is now scaling it to new geographies. Established to investigate and remediate discrimination, harassment, retaliation and workplace violence concerns for Company-owned restaurant employees and Corporate Staff, the team helps drive Company values and support safe, respectful and inclusive workplaces (SRIW) by conducting fair and consistent investigations into workplace conduct concerns raised by employees and by leveraging data and insights to help inform McDonald's risk mitigation strategies.

Discrimination and Harassment: Safe and Respectful Workplaces

At McDonald's, creating safe and respectful workplaces is a global priority. Our People Brand Standards build on McDonald's and our Owner/Operators' commitment to lead in SRIW and offer SRIW training resources for every restaurant employee, across all markets. To reinforce our commitment, restaurant employees generally complete SRIW training within 14 days of onboarding.

In 2025, we launched a redesigned, interactive SRIW learning experience to help build the everyday behaviors that create safe and inclusive environments. This new design focused on delivering a memorable, people-first experience where restaurant employees can practice empathy by formulating a thought and seeing the impact of one's actions on others. This new training is now available in 79 markets.

Read more about our global approach to promoting safe and respectful workplaces through the implementation of our People Brand Standards across all McDonald's restaurants.

Working Conditions: Value-Driven Supplier Auditing

We're evaluating how we allocate resources to continue effectively mitigating supply chain human rights risks against a backdrop of increasing human rights legislation, due diligence requirements and scrutiny. We are transitioning our suppliers to Sedex Members Ethical Trade Audit (SMETA) to help enhance McDonald's human rights due diligence approach and reduce audit duplication and fatigue for suppliers.

By moving from our proprietary audit checklist to an industry tool like SMETA, we can put more focus on value-added drivers of improvement like stakeholder engagement, training and cross-functional opportunities to collaborate with other stakeholders to enact change.

In 2024, McDonald's benchmarked current efforts using the SMETA audit to ensure alignment. During 2025, we supported all suppliers not already on the Sedex platform with this transition.

Our Stories

Learn more about how we're embedding respect for human rights into how we operate.

McDonald's Dedication to Helping Uphold Human Rights

Workplace Security: A Consistent Crisis Response

McDonald's takes a proactive approach to helping safeguard people across the System by reducing risk, strengthening preparedness and enabling effective responses when workplace crises occur. McDonald's Global Crisis Management standard, LEAD through Crisis, helps ensure the McDonald's System responds to workplace crises in a consistent, coordinated and controlled way that prioritizes protecting people, safeguarding our brand and ensuring operational excellence. The standard has been fully adopted across the U.S. and IOM, with resources also made available to developmental licensee markets.

To support readiness and response, McDonald's maintains multiple safeguards, including a 24/7 crisis hotline and risk-specific response plans. In 2025, McDonald's Global Security Crisis Management Center of Excellence (COE) introduced a suite of resources to help mitigate and manage workplace crises. The COE conducts biannual tabletop exercises at the global and segment levels – with markets conducting their own – to test response protocols and strengthen cross-functional coordination, while its quarterly Crisis Conversations series helps teams share lessons learned and continuously improve preparedness.

Stakeholder Engagement

We conduct assessments, monitor media and third-party reporting, and participate in internal and external stakeholder engagement to understand key human rights issues. In 2025, our partnership highlights included the **Consumer Goods Forum's (CGF) Human Rights Coalition (HRC)**, which McDonald's co-chaired. On International Human Rights Day in December 2025, the CGF HRC published "**Tackling Forced Labour Through Human Rights Due Diligence**," providing member-company-specific examples – including McDonald's – illustrating how organizations tackle forced labor concerns in their own operations.

The CGF HRC also worked with **CGF's Forest Positive Coalition (FPC)** to develop a new **Best Practice Note for Business on Human Rights Defenders** in global supply chains to inform continuous improvement measures to respect Defenders in line with the UN Guiding Principles on Business and Human Rights.

Building on our existing AIM-Progress membership, in 2025, we joined the initiative's leadership team. We also support Verité's **Farm Labor Due Diligence Initiative**, which helps companies eliminate labor abuses from global agricultural supply chains through comprehensive due diligence.

Learn more about our approach to stakeholder engagement on our Human Rights web page.



Inclusion

At McDonald's, we believe in creating access to opportunity for everyone we serve, whether it's our customers, employees, Franchisees or suppliers. It's a belief that underpins our steadfast commitment to always putting people first.



Our Inclusion Ambition

Our doors have been open to everyone for more than 70 years, and, to this day, inclusion remains fundamental to our business, knowing we're our best when our teams are shaped by and connect with the communities where they operate. It's why we strive, every day, to create environments where our people feel valued and supported to share their perspectives, which helps them perform at their best.

When it comes to inclusion, we follow our Golden Rule: treat everyone with dignity, fairness and respect, always. Through this rule and the ongoing commitment of our entire System, we are aligning our efforts to meet current and future business needs by focusing on our pipeline of people, Franchisees and suppliers.

To see more of our strategy in detail, visit Our Commitment to Inclusion web page.

Publishing Our Performance

The data in this report covers demographic data for our employees, Board of Directors and Franchisees, as well as supplier spend, including our investment in a wide variety of media, production companies and content creators. We prioritize transparency by tracking and publicly sharing demographic data, which we believe promotes accountability, ensuring non-discrimination, evaluating strategy effectiveness and understanding our workforce. We believe sharing this data helps demonstrate our inclusive culture and reflects our ongoing efforts to expand equal access to opportunity for all.

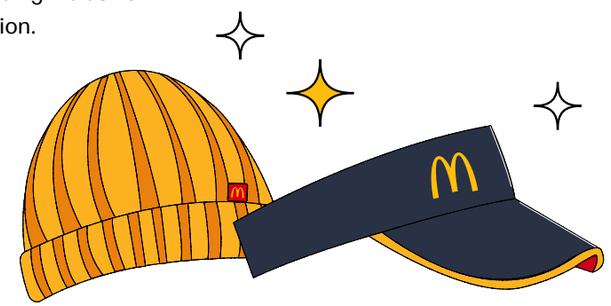
Our Performance

We have made significant strides in fostering a culture where every individual is valued, empowered and supported to reach their full potential. Our efforts focused on empowering employees, broadening access to opportunities and reinforcing inclusive practices throughout the organization.

Evolving Our Inclusion Ambition

In 2025, we built on our approach to inclusion, strengthening the integration of mindset and behavioral goals across the organization while shifting away from aspirational representation and spend goals. We strive to support equal access to opportunity for everyone by working to remove barriers where they exist and ensuring our hiring and promotion decisions are made through fair, consistent and non-discriminatory processes using job-related criteria. It's an approach that serves as part of our foundation and a guiding principle for all areas of our business, including people practices, franchising and supplier inclusion.

To further Systemwide engagement with, and integration of, our inclusion ambition, we offered learning opportunities to global Company employees. For example, a workshop covered inclusive hiring practices, including sourcing strategies intended to reach a broad talent pool. It also provided guidance on delivering clear and actionable feedback for employees and identified ways to support team engagement.



Our People

Promoting Inclusive People Practices

We continue to cultivate an environment where everyone feels valued and empowered to share their unique perspectives. We are taking steps to develop strong, mindful leaders who help our talent thrive and help drive our business forward.

Expanding Access to Opportunity

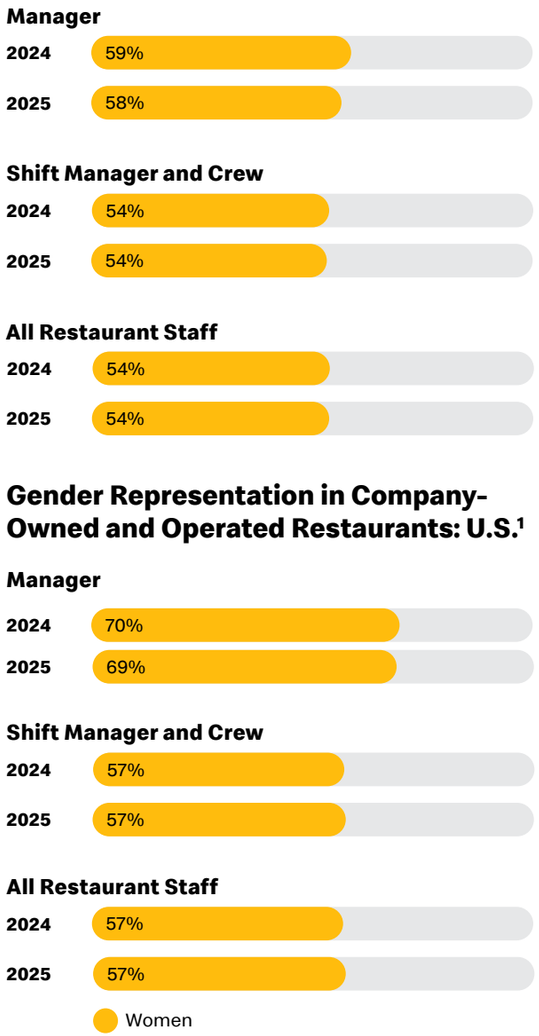
McDonald's is focused on supporting equal access to opportunities for all through inclusive recruitment, hiring and promotion practices. In the U.S., we partner with career fairs and workshops, aiming to attract top talent. We leverage tools to support fair interviewing processes, promote internal communication for open roles at the Director level and below, and prioritize succession planning to expand candidate pools for future positions.

Our Stories

Learn about the work McDonald's markets around the globe are doing to foster inclusion for people with disabilities.

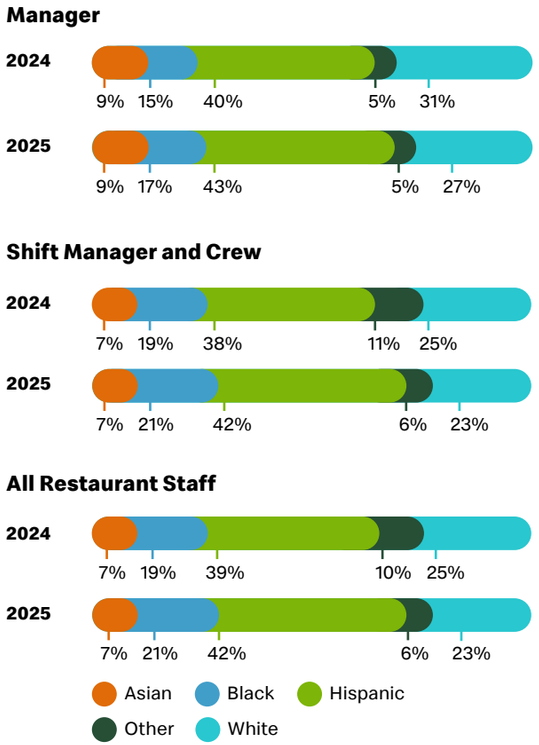
A Place of Welcoming: How McDonald's and its Franchisees Are Stepping Up as Champions for Disability Inclusion

Gender Representation in Company-Owned and Operated Restaurants: Global[1]



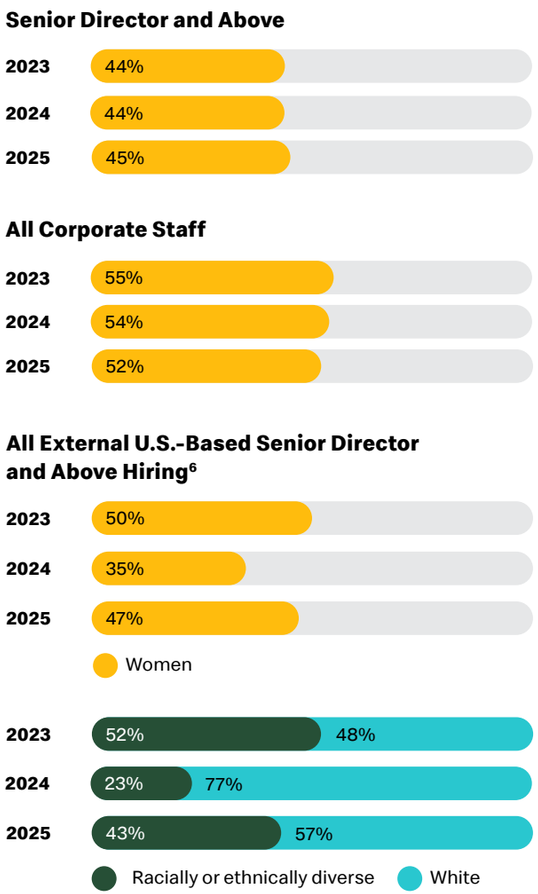
Gender Representation in Company-Owned and Operated Restaurants: U.S.[1]

Race/Ethnicity Representation in Company-Owned and Operated Restaurants: U.S.[2,3,4]

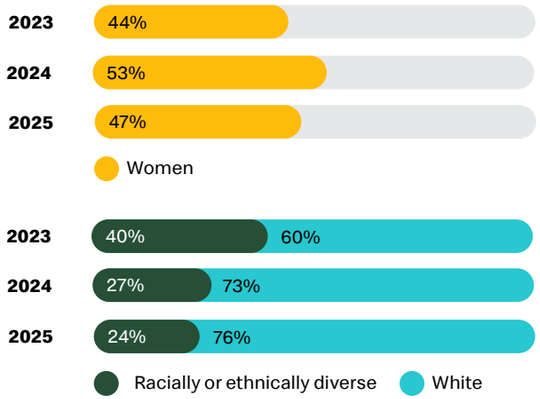


Promoting Inclusive Recruitment, Hiring and Promotion Processes

Gender Representation – Corporate Staff: Global[5]

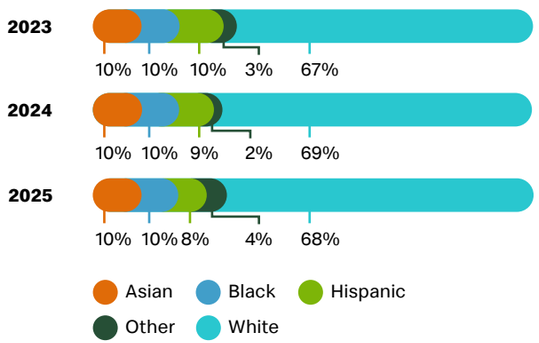


All U.S.-Based Senior Director and Above Promotions[6]

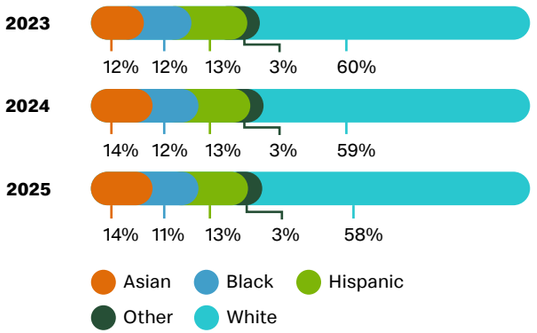


Race/Ethnicity Representation – Corporate Staff: U.S.[7]

Senior Director and Above



All Corporate Staff



Fostering Inclusive Leadership Through Learning and Development

During 2025, we expanded our inclusion learning resources, introducing new online channels that feature LinkedIn Learning content to help Corporate employees deepen their understanding of inclusive, accessible workplaces and learn best practices for supporting colleagues with disabilities. Inclusive leadership principles are integrated into our leadership training programs and supported by a variety of online and employee-led resources.

Equal Pay for Equal Work

We believe in compensating employees fairly for the work they do, regardless of gender or any other protected characteristic. Compensation for Company employees – including both Corporate Staff and Company-owned and operated restaurant employees – is determined by factors like market conditions, job level, experience, performance and location.

The 2025 Equal Pay analysis showed that women globally in Company-owned and operated markets were paid 99.9 cents on the dollar in base pay on average of what men were paid for similar work. McDonald's also reviews base pay with the aim of ensuring employees are compensated fairly, regardless of race or ethnicity, in the United States. We close pay gaps identified, as appropriate. McDonald's intends to continue conducting annual equal pay analyses in line with our values.[8]

See our **Talent & Benefits** web page for more detail on our compensation philosophy, including the Global Pay Principles in place for Company employees to help ensure that good pay practices are understood, implemented and executed across McDonald's.

Fostering Inclusion Through Employee Business Networks

Our volunteer-led Employee Business Networks (EBNs) continue to welcome employees of all identities and backgrounds, including allies. EBNs foster relationships, offer career development insights and help grow our business. Members can benefit from networking, mutual learning and collaborative career development. EBNs also provide a source of mentors, role models and leadership-building opportunities available to all our employees, as well as meaningful cultural insights that support our business.

To equip our EBNs to have a greater impact, we evolved our governance approach in 2025 to clarify EBNs' roles and help strengthen connections with all our employees. Throughout the year, EBNs helped bring McDonald's values to life by driving business growth through sharing insights and perspectives, hosting cultural celebrations, leading career development workshops that empowered employees to grow and mobilizing teams to support our communities through volunteerism and outreach.

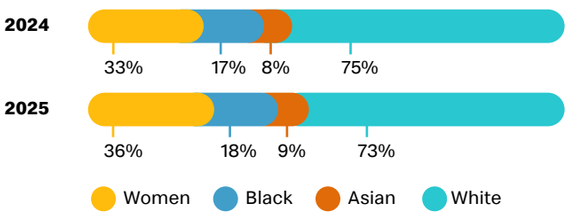
Read more about how our EBNs bring McDonald's values to life on our EBN web page.

Board Inclusion

Our Board is keenly focused on ensuring our Directors represent a wide range of backgrounds, viewpoints, perspectives and experiences to support the demands of our global business and better understand the needs and desires of our customers, Franchisees and suppliers around the world.

As of the end of 2025, more than half of our Board (63%) comprised Directors who are women or who identify with racially or ethnically diverse backgrounds.

Board of Directors[9]

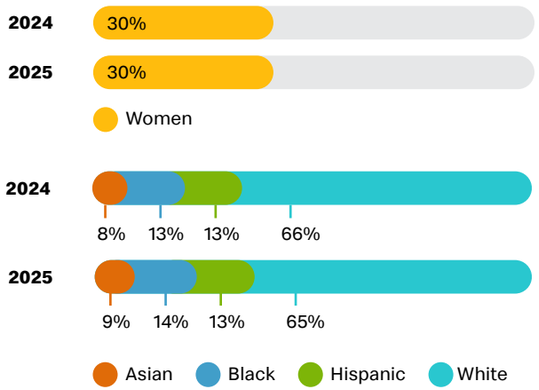


Our Franchisees

Building a Thriving Franchisee Pipeline

We are helping raise the bar for inclusion throughout our Franchisee network, helping to ensure all Franchisees have the support they need to succeed. Alongside existing resources designed to help Franchisees thrive, throughout 2025, global market leaders provided additional tailored support and resources to our Franchisees, prioritizing mentorship, benchmarking and best practice sharing.

Approved Owner/Operators (Franchisees)[10]



In the U.S., our Field Leadership team received specialized training to further support consideration of inclusive actions in franchising business practices. This training emphasized performance-based, data-driven decision-making and equal access to opportunities for candidates of all backgrounds. Additionally, the U.S. Franchising team hosted a "From Employee to Entrepreneur: Your McDonald's Franchise Future" workshop for U.S.-based Corporate employees. It provided an in-depth look at the pathway to becoming a Franchisee, covering the steps involved, available resources and perspectives from former employees who transitioned to franchise ownership. McDonald's leaders also discussed their approach to supporting career growth both within and beyond the Company, offering attendees valuable perspective on entrepreneurial opportunities.

Our Suppliers

Fueling Economic Impact and Innovation

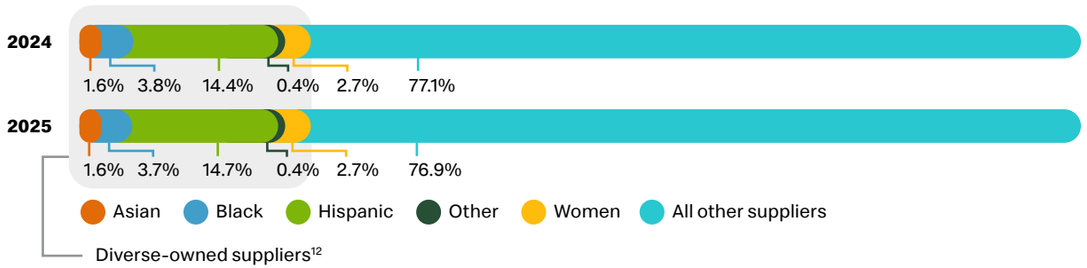
In 2025, we conducted the "Demystifying Supplier Inclusion Through Best Practices" workshop. This event brought together sourcing professionals from various departments to enhance their engagement with small businesses, foster stronger relationships and apply fair and consistent sourcing practices. We also developed and initiated the dissemination of our Supplier Inclusion Market Expansion Strategy, with a full implementation planned for 2026. This strategy emphasizes the role of supplier inclusion and the use of fair and consistent sourcing practices in creating a competitive advantage within our markets.

To further support these initiatives, we launched the Digital Depot Channel of Inclusion. This centralized platform provides employees and suppliers with convenient access to valuable inclusion resources, promoting transparency, engagement and capability-building across the organization. We also hosted convenings that facilitated direct dialogue between suppliers and McDonald's leadership. These events aimed to strengthen supplier engagement by providing opportunities for relationship building, valuable feedback and a reaffirmation of McDonald's dedication to fair and consistent sourcing practices and equal access to opportunity.

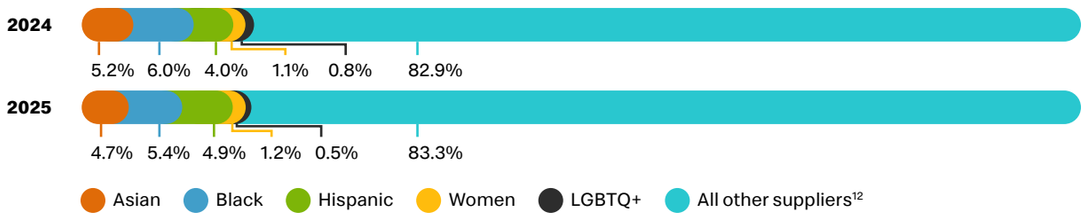
U.S. Marketing Investment Spend

As of the end of 2025, McDonald's USA and its U.S. Franchisees continued strong investments with diverse-owned media and production companies and content creators. Throughout the year, we maintained key partnerships that allowed us to scale our work with media companies that have positively impacted business results.

% Spend Through U.S. System With Tier 1 Suppliers[11]

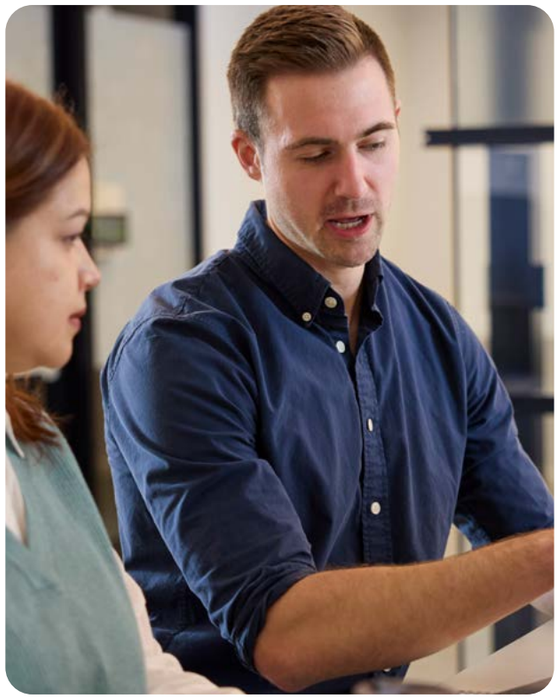


% U.S. Marketing Investment Spend[13]



Talent & Benefits

Led by McDonald's core values, we are committed to fostering workplaces where employees feel empowered to pursue their career aspirations with access to opportunity.



We believe providing a best-in-class employee experience is a business imperative as it helps build high-performing, highly engaged teams. We equip our people with the right knowledge, tools and support to ensure they can, in turn, deliver great service and hospitality to our customers.

Our strategic human resources and talent management processes help support our long-term business strategy, building the foundation for a seamless, personalized employee experience. We have established globally leveraged and locally relevant processes and simplified our technology landscape with four transformation objectives: elevate the McDonald's employee experience; gain efficiency; improve workforce management; and enable advanced data analytics, insights and reporting.

To help attract and retain talent at all levels of the Company, we provide competitive compensation commensurate with an employee's position, experience, performance and location, as well as market-competitive benefits. In parallel, we are elevating our talent strategies by providing access to a rich set of learning and development experiences, including LinkedIn Learning, and scaling best-in-class talent management practices globally.

Read more about our Talent & Benefits strategy.

Our Performance

Career Planning and Development Philosophy

Our Career Planning and Development Philosophy guides Company employees in how to develop their careers and details how we can build strong leadership pipelines. There are many ways we put it into action, including the following:

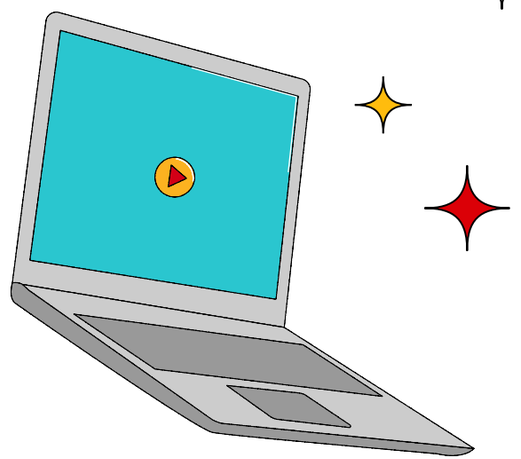
- The Career Navigator guide for employees to use when exploring tools, services and offerings available to help their career journeys.
- Annual Career Conversations for Company employees to discuss career and development plans with their People Manager and receive guidance on how to pursue them.
- A Career Planning and Development Philosophy website for Corporate Staff to explore our commitment in more detail.

People Manager Connections

We are committed to growing and developing our People Managers, recognizing the key role they can play in supporting and advancing their teams. Our People Manager Connection series is designed to help People Managers explore key topics, understand what's expected of them and learn from one another. In 2025, we delivered 80 sessions globally, with over 4,800 People Managers participating.

4,800+

People Managers participated in our People Manager Connection series in 2025



Learning and Development

Learning and development is a competitive advantage to McDonald's and a true differentiator in our employee value proposition. Our strategy is grounded in three growth pillars: Transform Experiences, Accelerate Capability and Modernize Delivery.

In 2025, we:

- Continued transforming crew and crew trainer development with two programs – Crew Academy and Crew Trainer Academy. These programs offer interactive learning experiences and are now live in 63 markets.
- Fully rolled out our Global Technology program, Tech Academy. During the year, more than 400 employees completed the Tech Leadership program, while more than 470 employees completed Tech Foundations and over 110 People Managers completed Manager Enablement training.
- Delivered Accelerate 2.0 to 1,215 leaders. Continuing the momentum from Accelerate 1.0, Accelerate 2.0 is McDonald's flagship global leadership development experience, designed to deepen leaders' capabilities to lead through complexity, ambiguity and transformation. The program features in-person immersive learning and on-demand online components to support performance, transformation and collaboration.
- Scaled and adapted our existing Future Forward program, adding the U.S. market and global function, to help develop more high-potential managers and senior managers ready to be promoted to Director level. In 2025, we centralized funding for this initiative in a move that will enable us to welcome two cohorts in 2026.

We are committed to continuing to enhance our learning strategy and evolving our program offerings while building a holistic enterprise upskilling plan. The priority for this plan will be to enhance enterprise-wide AI capabilities. To continue creating safe, respectful and inclusive workplaces, we plan to launch a newly redesigned Manager Training Module for Corporate and Restaurant Staff to follow our learning modernization approach and focus on behavior change.

Hamburger University®

Hamburger University (HU) is McDonald's center of training excellence, designed to upskill and reskill employees globally, create a culture of continuous learning and instill a strong sense of pride. It allows employees to grow in their current roles and prepare for the next level of responsibility, combining hands-on experience, networking, mentoring and structured classes. Throughout 2025, Corporate Staff completed 312,198 HU courses, while Restaurant Staff[1] completed more than 34,098,620 HU courses, including restaurant and leadership curricula.

In 2025, we launched HU Online. HU Online serves as the new front door to learning, bringing together multiple learning sources into one simple, centralized experience. It offers easy access to relevant, high-impact content designed or curated to build both today's essential skills and tomorrow's leadership capabilities, supporting the McDonald's System now and in the future. Featuring LinkedIn Learning, HU Online is now available to McDonald's Corporate Staff and has been launched to restaurant teams in nine markets, with a soft launch in the United States. We will continue deploying the platform further in 2026.



Archways to Opportunity

In 2025, we celebrated **10 years of Archways to Opportunity**,[2] a program that offers eligible U.S.-based employees of Company-owned restaurants and participating Franchisees financial support to help them grow and learn – no matter where they are on their educational journey. We are proud that the program continues to support our people, with 83% of participants saying it is extremely valuable that the program made it financially feasible for them to further their education, according to a 2025 survey. Four out of five participants say the program has opened up more economic opportunities and helped them achieve greater success.

As of year-end 2025, the program:

- Awarded over $250 million in tuition assistance to more than 70,000 participants.
- Supported nearly 2,500 graduates of the Career Online high school program.
- Supported more than 11,500 graduates of the English Under the Arches program.
- Increased access to education for over 95,000 U.S.-based employees of Company-owned restaurants and participating Franchisees.

Our Stories

Learn how Archways to Opportunity helped two employees realize their professional ambitions.

Making Dreams Reality With Archways to Opportunity

Several markets also offer education and upskilling programs, for example:

- In 2025, McDonald's Australia launched an option for employees to transform workplace learning into university credits. Through on-the-job training, employees can earn up to eight nationally recognized micro-credentials that are accepted by several leading universities. These credentials can be applied toward degrees in business, HR, management, technology and IT.
- McDonald's developmental licensee in Malaysia offers the Vocational Academy, established in 2018 in partnership with the Ministry of Human Resources and the Ministry of Education. The Vocational Academy is designed to equip Restaurant Staff with industry-relevant skills and create sustainable career pathways. Since its inception through the end of 2025, over 5,000 students have been trained, and more than 2,000 have graduated with recognized qualifications. More than 1,800 graduates have been integrated into the workforce, with many advancing quickly – 80% became Crew Leaders, and 20% were promoted into Manager roles.

Award-Winning Commitment

As well as delivering positive impact for our employees, our learning and development efforts have been recognized externally. In 2025, we won seven gold Brandon Hall awards for learning and development excellence. These included:

- **Safe, Respectful and Inclusive Workplace:** Best Compliance Training and Best Training Program for Global Accessibility



- **Shift Simulation:** Best Use of Games or Simulation for Learning and Best Custom Content
- **Accelerate:** Best Corporate Cultural Transformation
- **Tech Academy:** Best New Hire Onboarding Program
- **Danielle Collins (individual award):** Being a Rising Star

Rewards

Our rewards programs are designed to attract, engage and retain talent while promoting fairness, transparency and compliance. We provide competitive compensation commensurate with an employee's position, experience, performance and location, informed by regular market reviews and wage data. Our pay practices are non-discriminatory, performance-based and designed to be clearly communicated and consistently applied in accordance with applicable laws. Complementing pay, we offer benefits that are market-competitive and support employee well-being across key dimensions, underpinned by a global well-being framework that enables local relevance. Together, these principles reinforce responsible pay practices and a consistent, high-quality employee experience across McDonald's.

Learn more on our Talent & Benefits web page.

Community Connection

McDonald's has a unique connection with communities around the world. We believe that comes with a responsibility to help support the people within them. It's a responsibility we take seriously – because we believe that when our communities thrive, so does McDonald's.





$87M+

raised through customer donations from the Round-Up for Ronald McDonald House® program globally in 2025

1.5M+

pounds of food donated by ~1,900 U.S. restaurants to ~1,100 charities across 37 states in 2025

~$8.5M

invested by McDonald's in Chicago Community Impact Grants to advance youth opportunity from 2022 to 2025

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44 **Ronald McDonald House®**

Community Impact & Philanthropy

We take our responsibility of supporting people seriously – because we believe that when our communities thrive, so does McDonald's.



McDonald's has consistently acted as a resource during times of need, showing up to help support people in the communities we serve.

We aim to build strong and inclusive connections that deliver on the needs of our communities. We are focused on partnering with organizations that share our core values, harnessing our size and influence to help maximize collective impact while also strengthening relationships with the communities we serve.

Our Community Impact & Philanthropy strategy focuses on three key strategic outcome areas:

1. **Supporting families:** Help address the needs of families and their well-being through the support of Ronald McDonald House.
2. **Times of need:** Help respond to the needs of people and communities in the face of crisis and hardship.
3. **Opportunity employment:** Help reduce systemic barriers to employment.

Read more about our Community Impact & Philanthropy strategy.

Our Performance

Opportunity Employment

Several populations face barriers to employment, including, but not limited to, youth, refugees, senior citizens and people with disabilities. McDonald's is helping reduce systemic barriers to employment by providing apprenticeship programs, restaurant jobs and access to McDonald's world-class training through Hamburger University® and Archways to Opportunity (U.S.).

Read more about HU and Archways to Opportunity.

Examples of McDonald's and Our Franchisees' Opportunity Employment Impact Across the Globe

Youth: In 2025, McDonald's provided a grant of $500,000 to the International Youth Foundation to build on our previous youth employment goal to support young people in overcoming barriers to work. As we move forward, we are continuing to assess new ways to evolve and broaden our approach to opportunity employment.

Refugees and displaced populations: Our international work with refugees continues across various markets, where McDonald's is actively hiring many of these individuals – both directly and in collaboration with partners such as Tent.org. In several regions, migrants represent an essential talent pool for McDonald's, so we maintain various initiatives designed to foster community integration and help restaurants reach more promising migrant talent.

McDonald's stands with UCAN youth, giving them the opportunity to heal, grow and dream. In our workforce development programs, youth gain the kind of training and career support that opens the door to new possibilities. Together, we bring positivity – and our participants feel the love the moment they walk into the building."

Christa Hamilton,
President and CEO, UCAN

Senior citizens: McDonald's Korea partnered with the Seoul 50 Plus Foundation – an employment support organization developed by the Seoul Metropolitan Government – to provide job fairs and information sessions for citizens interested in working in our restaurants. The sessions provided participants with information about the job, gave them a chance to ask questions and presented opportunities to receive an interview for employment. In 2025, 74 participants, approximately 31.9% of enrollees, ultimately joined McDonald's.

People with disabilities: McDonald's Australia and its Franchisees celebrated a 40-year partnership in 2025 with Jobsupport, Australia's leading employment service for people with intellectual disabilities. It's a partnership that stretches all the way back to 1986, when McDonald's came on board as a founding partner of this valuable organization.

Representing the Communities in Which We Operate

Chicago: Contributing at Home

As a large employer headquartered in Chicago, we believe we have a responsibility to help address urgent community needs through strategic investments and engagement. That's why we launched a Chicago Community Impact Grants Program together with The Chicago Community Trust to invest in local neighborhood organizations advancing youth opportunity. Since 2022, we have invested approximately $8.5 million through this program. In 2025, we were proud to maintain our support for 19 local organizations, helping provide resources to support skills development in young people to ready them for a multitude of potential career pathways.

The Chicago Community Impact Grants Program will continue to support nonprofit organizations that are actively advancing safe, healthy and thriving community support systems while working to reduce barriers to employment and education opportunities for youth in the South and West Sides of Chicago.

Supporting Communities in Need

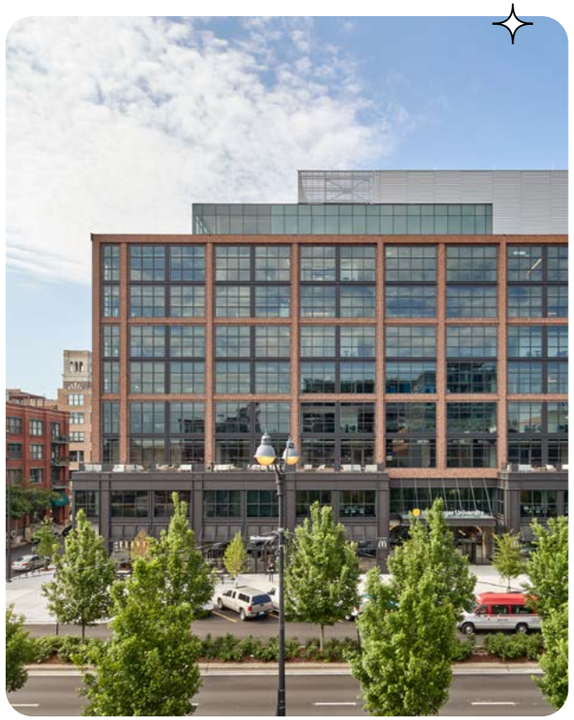
Disaster Response

When disaster strikes, the McDonald's System comes together to support communities in need. In 2025, our people continued to step up. For example, following the Palisades Fire, the McRig was set up at the Rose Bowl Stadium to distribute food to first responders while local Franchisees distributed meals to shelters. Similarly, following the Texas floods and St. Louis tornadoes, Franchisees delivered hot meals to first responders and those in need. And, when Kentucky was recovering from tornadoes in May 2025, a Franchisee hosted a toy drive in two of their restaurants to provide toys and meals to families who lost their homes.

Throughout 2025, our employees donated through the McDonald's online donation portal to support American Red Cross relief efforts in response to natural disasters and humanitarian efforts. Additionally, through the McOpCo Employee Relief Fund, we provided financial support to employees in 2025 following personal hardships.

We are grateful that McDonald's continues to join Center on Halsted in shaping our definition of community together, especially for LGBTQ+ youth. The collaborative nature of our partnership allows our Youth Programming participants to be their authentic selves and explore joyful connection. We look forward to partnering together in the future and strategically expanding our services to LGBTQ+ and allied youth on Chicago's South and West Sides."

Dr. Luke Romesberg (he/him),
Senior Director of Youth Programming,
Center on Halsted



Our Stories
Learn how McDonald's employees stepped up to support environmental action.

Coming Together to Help Clean Italy's Shared Spaces

Employee-Led Action for Qatar's Coast

Locally Driven Needs: The Company's 2025 Actions

We are dedicated to supporting communities in times of need and have taken several actions to advance this in 2025, including:

- Continuing our support of the American Red Cross as an Annual Disaster Giving Program partner. Our $1 million donation enables strong infrastructure, trained volunteers, innovative technology and critical resources to provide immediate relief and support to those in crisis.
- Delivering $500,000 in support to Ronald McDonald House India to fund development of a Ronald McDonald House in Hyderabad at the Rainbow Children's Hospital.
- Supporting Picanya, one of the Valencian municipalities affected by the 2025 storms. McDonald's Spain organized a charity soccer match as part of its wider "En el Campo X el Campo" initiative, with all proceeds going toward supporting the recovery of the local countryside.

We also help amplify the impact of U.S. employee donations, matching funds donated to certain nonprofits by U.S. employees up to $5,000 ($10,000 for a Vice President and $15,000 for a Board member). In 2025, we matched over $935,000 in employee donations, bringing the total sum of McDonald's U.S. employee donations, Board member donations and matched gifts to over $2.6 million.

Volunteerism

Volunteering is one of the most significant ways employees in the McDonald's System can support the charities that they care about.

While volunteering and community support are encouraged year-round, we also celebrate and activate community service through our Global Volunteer Month. In 2025, Global Volunteer Month served as an opportunity for McDonald's System employees to support meaningful causes. Throughout the year, in recognition of Global Volunteer Month, McDonald's System employees participated in 189 events in 18 countries, with nearly 12,300 volunteers donating 26,325 hours to meaningful causes.[1]

As part of this work, McDonald's also acknowledges and invests in employee-led volunteer initiatives. For example, the Poland Franchisee team has volunteered with Fundacja Daj Herbatę, an organization that provides meals, warm clothing and therapeutic, social and sanitary support to individuals experiencing homelessness. In recognition of its dedication and to support the organization's continued work, Fundacja Daj Herbatę was awarded a $25,000 Global Volunteer Month grant in 2025.

We aim to build a culture of volunteerism that empowers individuals to contribute meaningfully to their communities on an ongoing basis. We aim to strengthen our connection with McDonald's markets to align more closely with the "One McDonald's" philosophy.

~1,900

U.S. restaurants donated over 1.5 million pounds of food to around 1,100 charities across 37 states in 2025



Ronald McDonald House®

For over 50 years, collective support from McDonald's and our Franchisees, suppliers and customers has helped Ronald McDonald House deliver on its mission.

This ongoing support is consistent with McDonald's purpose to feed and foster communities, and we are proud to be more than a founding partner of Ronald McDonald House – we are its forever partner.

See our Ronald McDonald House strategy and programs in detail on our website.



What Ronald McDonald House Does

Ronald McDonald House[1] – previously Ronald McDonald House Charities – is a nonprofit 501(c)(3) organization whose purpose is to care for families when their child is seriously ill or injured.

Through a global network of nonprofit Chapter affiliates operating in more than 60 countries and regions, Ronald McDonald House envisions a world where every family has what they need to ensure the best health outcomes for their children.

Ronald McDonald House helps enable family-centered care, a healthcare approach that improves patient outcomes by providing essential resources, community support and accommodations near hospitals, reducing the burdens families face when a child is hospitalized or in outpatient care. Working in partnership with leading pediatric hospitals, Ronald McDonald House operates the following core global programs:

- **Ronald McDonald House:** More than just a place to sleep, each House is near a hospital and provides housing, meals and a range of supportive resources to families when their child is hospitalized. At the end of 2025, 394 Ronald McDonald House programs existed globally.
- **Ronald McDonald House Family Room:** Located within a hospital, this program offers families a place to recharge, rest and access food and services at no cost, all within a few steps of their child's bedside. At the end of 2025, 280 Ronald McDonald House Family Room programs existed globally.

By 2030, the organization aims to support more than 1.2 million families annually around the world through its core global programs.

Alongside the core programs, Ronald McDonald House Chapters have developed hundreds of Ronald McDonald House Local Programs, tailored to help address unmet needs and make a measurable difference in the lives of families and children throughout their healthcare journeys.

Ronald McDonald House Impact

In 2025, across all programs, Ronald McDonald House served more than 902,000 families, delivered 2.9 million overnight stays and helped save families an estimated $783 million[2] in food and lodging expenses through its House and Family Room programs.

New Name, Same Ambition

Pediatric healthcare systems around the world are evolving rapidly, consolidating and becoming increasingly more specialized. These forces are increasing demand for Ronald McDonald House services. Currently, the organization is only meeting an estimated 24% of global demand. Because of this, Ronald McDonald House has set bold ambitions to serve more families and serve them better, including doubling the number of families served in its core programs by 2030. To help achieve this, in 2025, the organization announced a modernized brand, new visual identity and communications platform called *Family Stays*. Family Stays celebrates the fortitude and resilience of Ronald McDonald House families and amplifies their stories and experiences. The new brand and communications platform is designed to advance the Ronald McDonald House vision of a world where every family has what they need to ensure the best health outcomes for their children.

Ronald McDonald House Refreshed Identity
Explore the new brand identity of Ronald McDonald House in more detail on its website.

Learn about the Ronald McDonald House mission from its "Family Stays: Road Trip" film.

Ronald McDonald House®

Our Performance

2025 marked 51 years of partnership with Ronald McDonald House. What began as a single House has grown into a global network, united by a shared belief: families should never face their most challenging days alone.

Our Franchisees and customers remain the driving force behind fundraising efforts, while McDonald's Corporation provides the stability, visibility and operational support needed to help Ronald McDonald House expand its reach each year.

Together, we've raised billions of dollars and touched tens of millions of lives. In 2025 alone, McDonald's and our Franchisees and customers donated more than $220 million[2] to Ronald McDonald House, which represents approximately 25% of the Ronald McDonald House System's total annual funding – helping the charity provide approximately 2.9 million overnight stays for families around the world.

In some locations, McDonald's restaurants (via Franchisees and developmental licensees) donate a percentage of their sales of specific products to Ronald McDonald House or run other special promotions in restaurants – like McHappy Day, our largest annual fundraising event, when a portion of sales from a select day or time period supports local Ronald McDonald House Chapters.

Location-specific, purchase-enabled donation activities took place in McDonald's restaurants in more than 50 countries across the globe, raising more than $56 million in 2025. Additionally, local Chapters reported that nearly 20,000 people from across the McDonald's System volunteered their time to Ronald McDonald House throughout the year.

Helping Customers Give to Ronald McDonald House

McDonald's makes it easy for customers to join in giving to Ronald McDonald House. Many restaurants have donation boxes available year-round, where customers can donate cash to support local Ronald McDonald House Chapters. Restaurants also host limited-time promotions through which customers can add a donation to their meal in the restaurant. Round-Up for Ronald McDonald House lets customers round up their purchase to the nearest whole number or make a fixed donation, with that additional amount donated to Ronald McDonald House.

Our Stories
Learn how our markets continued to bring our commitment to Ronald McDonald House to life in 2025.

Everyday Actions for Ronald McDonald House

McDonald's continued offering these options in 2025, with restaurants in 59 countries gathering donations from customers through these channels. Throughout the year, more than 20 countries received customer donations through Round-Up for Ronald McDonald House, raising more than $87 million.

In 2025, we also expanded the reach of Round-Up for Ronald McDonald House – as well as our fixed donations option – by adding it to the McDonald's Global Mobile App. Initially available to customers in the U.S., the in-app Round-Up for Ronald McDonald House and fixed donation feature raised $1.3 million during November and December 2025. Access to these in-app donation features will be extended to additional markets in 2026, aiming to raise even more money for Ronald McDonald House Chapters around the world.

$220M+

donated to Ronald McDonald House by McDonald's, our Franchisees and our customers

~20,000

people from across the McDonald's System volunteered their time to Ronald McDonald House

"At Ronald McDonald House, we believe families are stronger when they are together and supported. For over 50 years, our partnership with McDonald's has helped transform that belief into reality. Thanks to the unwavering commitment of the McDonald's System and the generosity of customers, our local Chapters have provided comfort, care and connection to millions of families around the world. Together, we are shaping a future where every family has what they need to ensure the best health outcomes for their children and feels the strength of a compassionate community standing beside them during life's most challenging moments."

Katie Fitzgerald,
Global President and CEO,
Ronald McDonald House



Appendix

Endnotes

Food Quality & Sourcing

1 McDonald's works to ensure all items meet strict food safety and quality standards. "Where feasible" means that by removing an artificial preservative, there will not be a sacrifice in the food quality or safety standards, value or taste. In certain cases, it was determined that an artificial preservative was necessary to ensure the safety, quality, taste or value of the food.

NUTRITION

1 The 10 benchmarked markets – Australia, Brazil, Canada, China, France, Germany, Japan, the Netherlands, the U.K. and the U.S. – were chosen for geographic representation across the survey, ensuring we included McDonald's largest markets.

2 Our major markets include Argentina, Australia, Austria, Brazil, Canada, China, France, Germany, Hong Kong, Italy, Japan, Mexico, the Netherlands, Poland, Spain, Sweden, Switzerland, Taiwan, the U.K. and the U.S.

3 Averaged across the 20 major markets.

4 One market was granted an exemption from this goal due to the use of a frying oil that meets local dietary customs.

5 McDonald's works to ensure all items meet strict food safety and quality standards. "Where feasible" means that by removing an artificial preservative, there will not be a sacrifice in the food quality or safety standards, value or taste. In certain cases, it was determined that an artificial preservative was necessary to ensure the safety, quality, taste or value of the food.

6 In 2022, two markets were granted an exemption from publishing one or two nutrients due to local legislative requirements. All other nutrient information was published.

7 If a local food pledge commitment exists, the "directed to children" definition in that food pledge applies. In countries without a local food pledge commitment, for measured media, the following definition applies: media purchased for any program or website where the expected audience generally consists of 35% or more of children under the age of 12 years. In unmeasured media, McDonald's may consider other factors, as appropriate, to determine whether the advertising is directed to children, such as the overall impression of the advertising, the target demographic based on the media plan and whether age screening applies.

RESPONSIBLE SOURCING

1 **Soy (for chicken feed). Scope:** Includes all estimated soy volume used in the feed of chicken sourced for McDonald's products by all chicken suppliers to the McDonald's System and all McDonald's restaurants owned and operated by McDonald's and our Franchisees that sell chicken. Landscape-level solutions and initiatives are efforts within and with communities facing potential natural ecosystem conversion risk (including deforestation) and/or human rights-related risk in a defined geographic area to address environmental, social and economic challenges and to support more sustainable livelihoods. Europe refers to Austria, Azerbaijan, Belgium, Bulgaria, Croatia, the Czech Republic, Denmark, Estonia, Finland, France, Georgia, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Moldova, the Netherlands, Norway, Poland, Portugal, Romania, Serbia, Slovakia, Slovenia, Spain, Sweden, Switzerland, the U.K. and Ukraine. **Exclusions:** soy used as an ingredient in McDonald's products sold in restaurants – for example, soy lecithin, soy oil and chicken fed on soy from the United States and Canada. The United States and Canadian markets are exploring alternative regional approaches.

2 **Palm oil. Scope:** Includes all palm oil (including crude palm oil, palm kernel oil, derivatives and fractions) sourced for McDonald's restaurants for use as restaurant cooking oil and all palm oil sourced by McDonald's suppliers and used directly as an ingredient in a McDonald's product and listed on the product's ingredient statement. Includes all suppliers of products containing palm oil in the McDonald's System and all McDonald's restaurants owned and operated by McDonald's and our Franchisees that use palm oil. All countries are currently identified as high-deforestation priority regions for palm oil, and all volumes are required to be covered by Roundtable on Sustainable Palm Oil (RSPO) certification or credits. All RSPO supply chain models applicable to RSPO are applicable to McDonald's – RSPO Identity Preserved (IP), RSPO Segregated (SG), RSPO Mass Balance (MB) and Book and Claim (BC) – although McDonald's is committed to increasing traceability by specifying physical certification for the palm oil used in the McDonald's System in the greatest volumes (IP, SG or MB). **Exclusions:** Palm oil, palm kernel oil or their derivative used as secondary ingredients in McDonald's products. This is when palm oil is used as an ingredient within an ingredient, for example, an emulsifier.

3 **Coffee. Scope:** Includes all ground and whole bean coffee, including decaffeinated coffee, used in espresso-based drinks and coffee brewed at McDonald's restaurants, and all ground and whole bean coffee in McDonald's-branded retail products. Includes all suppliers of coffee to the McDonald's System. Market scope includes all McDonald's restaurants owned and operated by McDonald's and our Franchisees that sell coffee, and retail outlets selling McDonald's-branded coffee products. Countries with regions currently identified as high-deforestation priority regions for coffee include Honduras, Indonesia and Vietnam. McDonald's requires all coffee sourced from Indonesia and Vietnam to be Rainforest Alliance Certified™ and all coffee sourced from Honduras to be either Rainforest Alliance Certified™ or from a McCafé® Sustainability Improvement Platform (SIP) program. Sustainably sourced means coffee is either Rainforest Alliance, Fair Trade USA or Fairtrade International certified, or is coming from a McCafé® Sustainability Improvement Platform (SIP) program, for the U.S. market. **Exclusions:** Coffee extracts and ingredients used in products such as frappés and coffee in baked goods; coffee in cold brew drinks if they are brewed off-site; coffee extract in ready-to-drink retail products; and other locally sourced products containing coffee.

4 **Fiber. Scope:** Primary fiber-based packaging refers to products that are used to package guest food on premises at McDonald's restaurants. This type of packaging includes containers, cups, wraps, bags for food, beverages, napkins, folding cartons, clamshells, foodservice bags, salad bowls, Happy Meal® cartons, drink carriers and cup carriers. Includes all suppliers of primary fiber-based packaging to the McDonald's System and all McDonald's restaurants owned and operated by McDonald's and our Franchisees. Countries with regions currently identified as high-deforestation priority regions for fiber include Argentina, Cambodia, China, Indonesia, Laos, Malaysia, Russia and Vietnam. McDonald's requires all wood fiber sourced from these regions to be Forest Stewardship Council® (FSC®)-certified or FSC®-controlled wood sources with full chain of custody certification. **Exclusions:** Primary fiber-based packaging in food packaged off-site of McDonald's restaurants; tray liners, straws and limited locally sourced items.

5 **Fish:** Fish refers to any type of fish species used as an ingredient in a McDonald's product and listed on the product's ingredient statement. **Wild-caught fish** refers to fish that come from the ocean. **Filet-O-Fish® sandwich** refers to the McDonald's menu item containing wild-caught fish. Verified sustainable sources refers to wild-caught fish, sourced by suppliers to the McDonald's System, from fisheries that are annually verified as compliant with the McDonald's Sustainable Fisheries Standard by the Sustainable Fisheries Partnership (SFP). **Scope:** Includes all wild-caught fish sourced for Filet-O-Fish sandwich portions served in McDonald's restaurants. Includes all suppliers of wild-caught fish for Filet-O-Fish sandwiches to the McDonald's System and all McDonald's restaurants owned and operated by McDonald's and our Franchisees that sell fish. **Exclusions:** Products that are not Filet-O-Fish sandwich containing wild-caught or farmed fish. Marine Stewardship Council (MSC) Certification is optional to McDonald's markets. Fisheries may also be independently certified as meeting the MSC Principles and Criteria for sustainable fishing where a certificate of conformity to an MSC Standard has been granted. **Source:** https://www.msc.org/en-us. McDonald's may display the MSC certification logo in some of our markets where fisheries and restaurants are certified against the MSC Chain of Custody standard.

6 **Beef.** We continue to refine our calculation methodology, which may create potential inconsistencies with previously reported information. **Scope:** Includes volume from raw material suppliers (if in priority origins according to the McDonald's Deforestation-Free Beef Procurement Policy (DFBPP)) to beef suppliers to the McDonald's System and all McDonald's restaurants owned and operated by McDonald's and our Franchisees that sell beef. In 2025, the McDonald's System sourced 92% of our beef from low-priority origins under the McDonald's DFBPP. McDonald's requires all beef raw material sourced from high-priority origins to adhere to McDonald's DFBPP and meet the requirements as outlined in McDonald's Commitment on Forests and Natural Ecosystems. Countries with origins currently identified as high priority for beef include Argentina, Australia, Brazil and Paraguay. **Exclusions:** Grain-fed Australian beef and beef used as secondary ingredients in McDonald's products – for example, as flavoring in a sauce.

ANIMAL HEALTH & WELFARE AND RESPONSIBLE ANTIBIOTIC USE

1 This is applicable to our existing antibiotic use policies for chicken and beef supply chains. Beef antibiotic use: Habitual use of medically important antibiotics for disease prevention is a probable indication of an underlying herd-specific and/or management issue and is not permitted except in the following narrowly defined situations: based upon the determination of a qualified veterinarian familiar with the disease history in the herd, non-routine prevention uses may be permitted if there is a high risk of contraction of a particular infectious disease. If use is deemed necessary and when effective multiple treatment options exist, McDonald's encourages adoption of a tiered approach to antibiotic selection – least important to human medicine being the first choice, with HPCIAs reserved for last resort. See Antibiotic Policy for Our Beef Supply Chain for further information. Chicken antibiotic use: Antibiotics shall not be used for routine prevention or for growth promotion. In addition, antibiotics shall only be prescribed by a licensed chicken veterinarian that has clinically diagnosed an infectious disease or illness, and such antibiotics must be used strictly in accordance with labeled and veterinary direction for dose, duration, route, frequency, withholding period and withdrawal times.

2 **Chicken antibiotic use:** Markets covered by this goal include Australia, Brazil, Canada, China, Europe, Japan, South Korea and the U.S. For the purposes of this goal, Europe includes Austria, Azerbaijan, Belgium, Bulgaria, Croatia, the Czech Republic, Denmark, Estonia, Finland, France, Georgia, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Moldova, the Netherlands, Norway, Poland, Portugal, Romania, Serbia, Slovakia, Slovenia, Spain, Sweden, Switzerland, the U.K. and Ukraine.

3 **Beef antibiotic use:** This focuses on Australia, Brazil, Canada, France, Germany, Ireland, New Zealand, Poland, the U.K. and the U.S., which represented our top 10 beef sourcing countries and accounted for over 80% of our global beef supply chain as of the end of 2022.

4 **Broiler welfare:** These commitments applied to chickens raised for sale at McDonald's restaurants in Australia, Canada, France, Germany, Ireland, Italy, the Netherlands, Poland, South Korea, Spain, Switzerland, the U.K. and the U.S.

5 The Canadian term for cage-free eggs is free-run eggs.

Our Planet

1 Our definition of "clean energy" matches the GHG Protocol definition of "green power," which is: A generic term for renewable energy sources and specific clean energy technologies that emit fewer GHG emissions relative to other sources of energy that supply the electric grid. Includes solar photovoltaic panels, solar thermal energy, geothermal energy, landfill gas, low-impact hydropower and wind turbines.

2 Through the use of recycled or renewable materials via a mass balance approach. Mass balance allows certified, recycled or renewable materials to be mixed with conventional materials during production, while tracking and verifying the total amount of material used across the supply chain via chain of custody certification.

CLIMATE ACTION

1 In 2024, we recalculated our Scope 3 baseline to include services emissions as part of Category 1: Purchased Goods and Services.

2 McDonald's SBTi-validated target in full:

- McDonald's Corporation commits to reduce absolute Scope 1 and 2 GHG emissions by 50.4% by 2030, from a 2018 base year.
- McDonald's Corporation also commits to reduce absolute Scope 3 energy and industrial GHG emissions from purchased goods and services, fuel- and energy-related activities, upstream transportation and distribution, waste generated in operations, end-of-life treatment of sold products and franchises by 50.4% within the same timeframe.
- McDonald's Corporation commits to reduce absolute Scope 3 FLAG GHG emissions by 16% by 2030, from a 2018 base year. McDonald's Corporation also commits to maintain no deforestation across its primary deforestation-linked commodities.

3 Johns Hopkins University CSSE – (2025) U.S. energy supply chains are unlikely to meet anticipated demand | HubIEA (2025), Energy and AI, IEA, Paris https://www.iea.org/reports/energy-and-ai, License: CC BY 4.0.

4 Our definition of "clean energy" matches the GHG Protocol definition of "green power," which is: A generic term for renewable energy sources and specific clean energy technologies that emit fewer GHG emissions relative to other sources of energy that supply the electric grid. Includes solar photovoltaic panels, solar thermal energy, geothermal energy, landfill gas, low-impact hydropower and wind turbines.

PACKAGING, TOYS & WASTE

1 **Primary guest packaging:** Single-use fiber and plastic packaging used to package guest food and drinks on premises at McDonald's restaurants that is given to customers in all order channels, including cups, lids, bags, cartons and clamshells, napkins, wraps, cup carriers, cup sleeves, salad and dessert and breakfast packaging, bowls and containers, straws, cutlery, stirrers and associated wrappers. This also includes Happy Meal® toy and book packaging, all coatings on fiber-based packaging and items made of 100% non-wood alternative natural fibers.

2 **Packaging. Scope:** Inclusive of all markets for our single-use fiber-based packaging, single-use plastic-based packaging and Happy Meal® book and toy packaging. Renewable applies to plastics only, not fiber. By renewable plastic, we mean bio-based, that is, plastic materials made from plants or other biological materials. **Source:** ISO 14021:2016 for plastic, ASTM 6866 or ISO 16620-2. **Fiber-based packaging** must be certified under a chain of custody forest management standard. McDonald's requires all wood fiber finished product originating from Argentina, Cambodia, China, Indonesia, Laos, Malaysia and Vietnam to be Forest Stewardship Council® (FSC®)-certified or FSC®-controlled wood sources with full chain of custody certification. Please refer to our Nature, Forests & Water web page for additional definitions. **Exclusions:** Primary fiber-based and plastic-based packaging in food packaged off-site of McDonald's restaurants, tray liners, test items, limited locally sourced items, reusable plastic packaging and non-structural components of packaging.

3 Non-structural components of packaging vary based on the packaging, but may include adhesives, inks, overprint varnishes, retention agents or binders, processing aids, impact modifiers, minerals used non-structurally as well as structurally, and nucleating and clarifying agents. We continue to monitor industry standards on these components and look for opportunities to work toward making any part of our packaging, including non-structural components, more sustainable.

4 **Markets with advanced infrastructure:** Mature waste and recycling infrastructure at a national level that has (1) a recycling infrastructure network across the entire market, (2) multiple materials being recycled within this national infrastructure network, (3) existing legislation on recycling and (4) high customer awareness of waste and recycling. At the end of 2025, that included 20 markets where McDonald's operates.

5 **Toys. Scope:** Inclusive of all toys. Fiber-based toys or fiber components in the toys: 100% certified fiber required. **All other materials:** McDonald's ambition was to reduce the use of virgin fossil fuel-based plastics, offer more sustainable toys by the end of 2025 and not manufacture electronics and batteries in Happy Meal® toys globally, all of which were substantially achieved by the end of 2025. For plastics to be considered sustainable for McDonald's, a minimum of 60% of plastic weight is required to come from recycled or renewable content or a combination of recycled and renewable content, though in many practical applications that percentage is much higher. The remaining 40% may be conventional fossil fuel-based material. These thresholds were developed in conjunction with input from nongovernmental organizations (NGOs), external manufacturing partners and scientists, and based on an assessment of sustainable toy and packaging industry leaders so that our targets reflected current sustainable engineering capabilities to maintain safety and functionality. Our efforts met our approximate prediction of a 90% reduction in virgin fossil fuel-based plastic use against a 2018 baseline. Fiber-based packaging made from 100% recycled sources must be third-party verified, unless certified under a chain of custody forest management standard. **Source:** ISO 14021:2016. McDonald's requires all wood fiber finished product originating from Argentina, Cambodia, China, Indonesia, Laos, Malaysia and Vietnam to be Forest Stewardship Council® (FSC®)-certified or FSC®-controlled wood sources with full chain of custody certification. **Exclusions:** The thresholds described above do not include the presence of adhesives, glues, inks, overprint varnishes, pigments, heat transfer labels, retention agents or binders, processing aids, nucleating agents and clarifying agents, impact modifiers, two-color plush cord, thread, sewn-in tags, lining tape, high-pile, inaccessible metal components, pencil cores and gearboxes.

6 **Fluorinated Compounds. Scope:** Inclusive of all markets except for Israel, Latin America and Turkey, and Happy Meal® book and toy packaging. McDonald's commits to not intentionally adding organic fluorinated compounds through our processes; however, fluorinated compounds present in the local environment make it difficult to ensure there are no traces of organic fluorine from packaging. **Exclusions:** Primary fiber-based packaging in food packaged off-site of McDonald's restaurants, tray liners, test items and limited locally sourced items.

7 PLA (polylactic acid) is a bio-plastic made from plants.

8 Some of the materials referenced are sourced using a mass balance approach. Mass balance allows certified, recycled or renewable materials to be mixed with conventional materials during production, while tracking and verifying the total amount of material used across the supply chain via chain of custody certification.

9 Excluding stitching and labeling.

NATURE, FORESTS & WATER

1 **Soy (for chicken feed). Scope:** Includes all estimated soy volume used in the feed of chicken sourced for McDonald's products by all chicken suppliers to the McDonald's System and all McDonald's restaurants owned and operated by McDonald's and our Franchisees that sell chicken. Landscape-level solutions and initiatives are efforts within and with communities facing potential natural ecosystem conversion risk (including deforestation) and/or human rights-related risk in a defined geographic area to address environmental, social and economic challenges and to support more sustainable livelihoods. Europe refers to Austria, Azerbaijan, Belgium, Bulgaria, Croatia, the Czech Republic, Denmark, Estonia, Finland, France, Georgia, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Moldova, the Netherlands, Norway, Poland, Portugal, Romania, Serbia, Slovakia, Slovenia, Spain, Sweden, Switzerland, the U.K. and Ukraine. **Exclusions:** soy used as an ingredient in McDonald's products sold in restaurants – for example, soy lecithin, soy oil and chicken fed on soy from the United States and Canada. The United States and Canadian markets are exploring alternative regional approaches.

2 **Palm oil. Scope:** Includes all palm oil (including crude palm oil, palm kernel oil, derivatives and fractions) sourced for McDonald's restaurants for use as restaurant cooking oil and all palm oil sourced by McDonald's suppliers and used directly as an ingredient in a McDonald's product and listed on the product's ingredient statement. Includes all suppliers of products containing palm oil in the McDonald's System and all McDonald's restaurants owned and operated by McDonald's and our Franchisees that use palm oil. All countries are currently identified as high-deforestation priority regions for palm oil, and all volumes are required to be covered by Roundtable on Sustainable Palm Oil (RSPO) certification or credits. All RSPO supply chain models applicable to RSPO are applicable to McDonald's – RSPO Identity Preserved (IP), RSPO Segregated (SG), RSPO Mass Balance (MB) and Book and Claim (BC) – although McDonald's is committed to increasing traceability by specifying physical certification for the palm oil used in the McDonald's System in the greatest volumes (IP, SG or MB). **Exclusions:** Palm oil, palm kernel oil or their derivative used as secondary ingredients in McDonald's products. This is when palm oil is used as an ingredient within an ingredient, for example, an emulsifier.

3 **Fiber. Scope:** Primary fiber-based packaging refers to products that are used to package guest food on premises at McDonald's restaurants. This type of packaging includes containers, cups, wraps, bags for food, beverages, napkins, folding cartons, clamshells, foodservice bags, salad bowls, Happy Meal® cartons, drink carriers and cup carriers. Includes all suppliers of primary fiber-based packaging to the McDonald's System and all McDonald's restaurants owned and operated by McDonald's and our Franchisees. Countries with regions currently identified as high-deforestation priority regions for fiber include Argentina, Cambodia, China, Indonesia, Laos, Malaysia, Russia and Vietnam. McDonald's requires all wood fiber sourced from these regions to be Forest Stewardship Council® (FSC®)-certified or FSC®-controlled wood sources with full chain of custody certification. **Exclusions:** Primary fiber-based packaging in food packaged off-site of McDonald's restaurants; tray liners, straws and limited locally sourced items.

4 **Coffee. Scope:** Includes all ground and whole bean coffee, including decaffeinated coffee, used in espresso-based drinks and coffee brewed at McDonald's restaurants, and all ground and whole bean coffee in McDonald's-branded retail products. Includes all suppliers of coffee to the McDonald's System. Market scope includes all McDonald's restaurants owned and operated by McDonald's and our Franchisees that sell coffee, and retail outlets selling McDonald's-branded coffee products. Countries with regions currently identified as high-deforestation priority regions for coffee include Honduras, Indonesia and Vietnam. McDonald's requires all coffee sourced from Indonesia and Vietnam to be Rainforest Alliance Certified™ and all coffee sourced from Honduras to be either Rainforest Alliance Certified™ or from a McCafé® Sustainability Improvement Platform (SIP) program. Sustainably sourced means coffee is either Rainforest Alliance, Fair Trade USA or Fairtrade International certified, or is coming from a McCafé® Sustainability Improvement Platform (SIP) program, for the U.S. market. **Exclusions:** Coffee extracts and ingredients used in products such as frappés and coffee in baked goods; coffee in cold brew drinks if they are brewed off-site; coffee extract in ready-to-drink retail products; and other locally sourced products containing coffee.

5 **Beef.** We continue to refine our calculation methodology, which may create potential inconsistencies with previously reported information. **Scope:** includes volume from raw material suppliers (if in priority origins according to the McDonald's Deforestation-Free Beef Procurement Policy (DFBPP)) to beef suppliers to the McDonald's System and all McDonald's restaurants owned and operated by McDonald's and our Franchisees that sell beef. In 2025, the McDonald's System sourced 92% of our beef from low-priority origins under the McDonald's DFBPP. McDonald's requires all beef raw material sourced from high-priority origins to adhere to McDonald's DFBPP and meet the requirements as outlined in McDonald's Commitment on Forests and Natural Ecosystems. Countries with origins currently identified as high priority for beef include Argentina, Australia, Brazil and Paraguay. **Exclusions:** Grain-fed Australian beef and beef used as secondary ingredients in McDonald's products – for example, as flavoring in a sauce.

6 "Eliminate deforestation" refers to actions that McDonald's, Franchisees and suppliers are taking to live out the McDonald's Commitment on Forests and Natural Ecosystems (PDF – 126 KB). Deforestation refers to loss of natural forest as a result of: (i) conversion to agriculture or other non-forest land use; (ii) conversion to a tree plantation; or (iii) severe and sustained degradation. **Source:** The Accountability Framework.

7 Conversion refers to: Loss of a natural ecosystem as a result of its replacement with agriculture or another land use, or due to a profound change in a natural ecosystem's species composition, structure or function. **Source:** The Accountability Framework.

8 High-priority origins are defined as countries, biomes, municipalities, farms or postcodes that are identified as areas where deforestation has occurred historically, as determined through regular assessments, including with third parties, that rely on the latest supply chain data and trends related to forests and natural ecosystems.

9 Low-priority origins refer to countries, biomes, municipalities, farms or postcodes that are identified as areas without or with a low risk of deforestation, as determined through regular assessments, including with third parties, that rely on the latest supply chain data and trends related to forests and natural ecosystems.

10 Landscape solutions and initiatives are efforts within and with communities facing potential natural ecosystem conversion risk (including deforestation) and/or human rights-related risk in a defined geographic area to address environmental, social and economic challenges and support more sustainable livelihoods. Initiatives are multi-stakeholder and include operationalization of a landscape-focused approach by setting common goals, taking collective action, reconciling different interests and monitoring progress toward desired resilience-focused outcomes.

Jobs, Inclusion & Empowerment

INCLUSION

Our demographic and spend data disclosures have 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 our report 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 report has not been audited or verified by any third party. While such data represents the best information available at the time of publishing this report, 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 may have been restated and is noted in the footnotes for the relevant data on a case-by-case basis.

1 Gender Representation – Company-Owned and Operated Restaurants: Manager includes all salaried managers in the restaurant.

2 Race/Ethnicity Representation – Company-Owned and Operated Restaurants: U.S.; Manager, Shift Manager and Crew, and All Restaurant Staff: This data reflects U.S. employees who voluntarily disclosed race/ethnicity information. "Other" includes the following categories: employees who identify as Multi-Racial, Two or More Races, Native American or Hawaiian/Pacific Islander. Beginning in 2025, we evolved our voluntary self-identification categories to include the option of "Prefer Not to Disclose." This data excludes employees who selected "Prefer Not to Disclose" or who did not provide race/ethnicity information, representing 5% of the U.S. restaurant employee population.

3 The data presented in this report regarding employees who self-identify with racially or ethnically diverse backgrounds reflects U.S. employees who voluntarily disclosed race/ethnicity information.

4 Beginning in 2025, we evolved our voluntary self-identification categories to include the option of "Middle Eastern or North African." This data includes employees who self-identify as "Middle Eastern or North African," representing 1% of the U.S. paid employee population.

5 Gender Representation – Corporate Staff: Global; Senior Director and Above, and All Corporate Staff: 2024, 2025: Data includes aggregate numbers from Australia, Austria, Belgium, Canada, Czech Republic, France, Germany, Italy, the Netherlands, Poland, Portugal, Slovakia, Spain, Switzerland, Ukraine, the U.K. and the U.S. Corporate employees who support our developmental licensees are also included. Data was obtained through various means, including informal identification and voluntary self-disclosure.

6 Data includes U.S. paid employees only. All U.S. paid employees working in other markets are excluded. This data reflects U.S. paid employees who voluntarily disclosed race/ethnicity information. Beginning in 2025, we evolved our voluntary self-identification categories to include the option of "Prefer Not to Disclose." This data excludes employees who selected "Prefer Not to Disclose" or who did not provide race/ethnicity information, representing 9% of the U.S. paid Senior Director and above employee population. This data was obtained from two different collection processes, which were then reconciled and integrated. Due to rounding, some totals may not correspond with the sum of the separate figures.

7 Race/Ethnicity Representation – Corporate Staff: Data includes U.S. paid employees only. This data reflects U.S. employees who voluntarily disclosed race/ethnicity information. "Other" includes the following categories: employees who identify as Multi-Racial, Two or More Races, Native American or Hawaiian/Pacific Islander. Beginning in 2025, we evolved our voluntary self-identification categories to include the option of "Prefer Not to Disclose." This data excludes employees who selected "Prefer Not to Disclose" or who did not provide race/ethnicity information, representing 7% of the U.S. paid Corporate Staff population. This data was obtained from two different collection processes which were then reconciled and integrated. Due to rounding, some totals may not correspond with the sum of the separate figures.

8 Our equal pay analysis evaluates base pay outcomes by gender for Corporate Staff and Company-owned and operated restaurant employees in all markets where there is sufficient headcount to conduct a statistical analysis. In the U.S., additional analysis is conducted where self-identified race/ethnicity data is available.

9 All female Directors who served on the Board in 2024 and 2025 identify as White or Caucasian. The percentages for 2024 are as of December 31, 2024. The percentages for 2025 are as of December 31, 2025. Due to rounding, some totals may not correspond with the sum of the separate figures.

10 **Approved Owner/Operators (Franchisees):** Due to rounding, some totals may not correspond with the sum of the separate figures. 2024 and 2025 data were obtained through various means, including informal identification and voluntary self-disclosure, in addition to the Registered Applicant voluntary self-identification process. More information regarding the Registered Applicant process can be found in Franchising FAQs.

11 % Spend Through U.S. System With Tier 1 Suppliers: U.S. Systemwide spend is inclusive of spending by McDonald's and its U.S. Franchisees. 2024, 2025: This figure includes supplier spending by all restaurants, whether owned and operated by McDonald's or by Franchisees. Further, this figure is inclusive of U.S. Company-owned and operated 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). This chart reflects spend with Tier 1 suppliers, which are those from whom McDonald's and Franchisees buy directly. Tier 2 suppliers are those diverse-owned suppliers with whom our suppliers do business. Based on Tier 2 spend reported to us by our suppliers, McDonald's Tier 2 spend is 2.8% for both 2024 and 2025. Only Tier 1 spend is reported in this chart. For 2021–2024 data reporting years, Tier 1 and Tier 2 spend was combined and reported together. 2024: The 2024 spend data has been republished to reflect only Tier 1 spend.

12 **Diverse-owned suppliers:** Diverse-owned supplier spend data reflects only those businesses that voluntarily provided diverse-ownership information. "Other" includes the following categories: Veteran-owned, Native American-owned, Disability-owned, LGBTQ+-owned and other unidentified categories, including unidentified Minority (MBE)-owned. Our diverse-owned supplier spend figures in the U.S. include both self-certified and formal industry-recognized certification. The term "diverse-owned suppliers" refers to businesses that are at least 51% owned, managed 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. Where a diverse-owned supplier is both gender and racially/ethnically diverse, that supplier spend data is reflected in the racially/ethnically diverse-owned supplier spend data.

13 Marketing Investment Spend (national media, production companies and content creators): Paid media investment represents contracted dollars with suppliers. The classification of media, production companies and content creators as diverse-owned suppliers is determined by both self-certification and third-party certification. Due to rounding, some totals may not correspond with the sum of the separate figures.

TALENT & BENEFITS

1 Employees of Company-owned (McOpCo) and Franchisee-owned restaurants in the U.S. markets.

2 Most McDonald's restaurants are operated by independent Franchisees who are independent employers that set their own employment policies and practices, including pay and benefits, for the people working in their restaurants. Franchisees are the exclusive employer of their employees and are solely responsible for all employment-related matters in their restaurants. McDonald's does not control independent Franchisees' employment policies and practices and does not employ individuals working at franchised restaurants. The programs or benefits described here are available at McDonald's-owned restaurants and the restaurants of participating Franchisees. McDonald's and its Franchisees are equal opportunity employers committed to efforts that help support a diverse and inclusive workforce.

Community Connection

COMMUNITY IMPACT & PHILANTHROPY

1 Data reflects activities recorded during the reporting period through McDonald's internal system, Benevity and information voluntarily shared by participating markets. Results may not represent all employee volunteer activity globally.

RONALD MCDONALD HOUSE

1 Ronald McDonald House is a trademark of McDonald's Corporation and its affiliates. Ronald McDonald House is a nonprofit 501(c)(3) organization.

2 All donation and monetary figures have been converted to U.S. dollars and are approximate.

EEO-1 Component Data

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 in 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.

EEO-1

EEO-1 Component 1 Data 2024
EEO-1 Component 1 Data 2023
EEO-1 Component 1 Data 2022
EEO-1 Component 1 Data 2021
EEO-1 Component 1 Data 2020

2025 filing portal not open at time of publication.

Our Reporting

In This Report

This report provides a review of the progress made and actions taken in 2025. Unless otherwise stated, the information and data in this report covers McDonald's Corporation and its majority-owned subsidiaries worldwide during fiscal year 2025 (January 1 to December 31).

The inclusion of information in this Purpose & Impact Report is not an indication that such information is material in the context of our financial statements, filings with the SEC or other public statements. The data contained in this report has not been audited or verified by any third party. While such data represents the best information available at the time of publishing this report, it is subject to certain limitations related to, among other things, the data collection processes in place at the time such data was collected. Statements about future developments and past occurrences are similarly based on information and assumptions available as of the date of publication.

For certain figures throughout this report, columns and rows may not sum precisely due to rounding. Additionally, previously reported figures may be adjusted as our data collection and verification processes continue to evolve.

In addition, certain information in this report has been provided by third parties, including our suppliers. In these cases, we have relied on these third parties for accuracy and completeness.

We work with Franchisees and suppliers to mutually set objectives and targets, monitor progress and engage collaboratively on shared innovation opportunities and challenges.

Our Franchisees and suppliers are independent business owners who make decisions for their own organizations while maintaining core standards for our brand and customer satisfaction. We cannot prescribe solutions for them. Rather, we work in collaboration to raise awareness and provide tools and opportunities to help them manage ESG issues. Through self-managed excellence, suppliers are encouraged to identify and manage key ESG risks and opportunities within their own companies and incorporate relevant goals into their business strategies. Company employees and Company-owned and operated restaurants are in our direct sphere of control. Therefore, many Purpose & Impact measures start with Company restaurants, with a plan to demonstrate success and encourage Franchisees to implement the same initiatives.

McDonald's Corporation considers implementation of the Purpose & Impact strategy with the same structured approach as other projects requiring capital allocation, ensuring that enterprise-level investments are actionable, measurable and fiscally responsible. Analysis for proposed spend, including those that are Purpose & Impact-related, includes an evaluation of the business rationale and expected outcomes based on McDonald's values and strategic objectives, along with a financial evaluation utilizing measurement tools such as return on investment, net present value or other relevant metrics. This rigorous review process ensures that financial evaluation, resource requirements and justifications are aligned with business priorities. Once approved, budget cycle processes help ensure that Finance continues to collaborate cross-functionally to monitor progress and associated costs. By embedding accountability and visibility into the process, we ensure that Purpose & Impact-related investments deliver meaningful business outcomes.

Key Definitions

- **McDonald's:** Our global brand, unless specified otherwise.
- **We/our/the Company:** McDonald's Corporation and its majority-owned subsidiaries worldwide.
- **The System:** The Company, its Franchisees and suppliers are collectively referred to as the "System" – also known as McDonald's "three-legged stool."
- **Franchisees:** Collective group of independent individuals and entities owning and operating McDonald's restaurants under one of the following structures – conventional franchise, developmental license or affiliate. For more information on the Company's structure and scope, see our latest **Annual Report**.
- **McDonald's restaurants/restaurants:** Includes restaurants owned by the Company and its Franchisees.
- **Company employees:** Includes those in our corporate and other offices as well as in Company-owned and operated restaurants.

Forward-Looking Statements

This report contains forward-looking statements about future events and circumstances and their effects upon revenues, expenses and business opportunities. Generally speaking, any statement in this report not based upon historical fact is a forward-looking statement. Forward-looking statements can also be identified by the use of forward-looking or conditional words such as “could,” “should,” “can,” “continue,” “aim,” “estimate,” “forecast,” “intend,” “look,” “may,” “will,” “expect,” “believe,” “anticipate,” “plan,” “remain,” “confident,” “commit,” “enable,” “potential,” and “trajectory” or similar expressions. In particular, statements regarding the Company’s plans, strategies, prospects and expectations regarding its business and industry, as well as environmental and social impact initiatives and similar commitments, are forward-looking statements. They reflect expectations, are not guarantees of performance and speak only as of the dates the statements are made. These forward-looking statements involve a number of risks and uncertainties. Factors that could cause actual results to differ materially from those in the forward-looking statements include those that are reflected in the Risk Factors section on page 27 of the Company’s 2025 Annual Report on Form 10-K, filed on February 24, 2026, and elsewhere in the Company’s filings with the SEC. Except as required by law, the Company does not undertake to update such forward-looking statements. You should not rely unduly on forward-looking statements.

The following are trademarks of McDonald’s Corporation and its affiliates: McDonald’s, Happy Meal, Hamburger University, Filet-O-Fish, McCafé, McNuggets, McFish, McFlurry, McBites, Big Mac, Ronald McDonald House, RMH and Ronald McDonald Care Mobile.

What’s Online

Our Stories

Read more about what we’re doing every day to drive impact by living our purpose.

SASB Index

McDonald’s reports using the SASB Food & Beverage – Restaurants Standard, part of the voluntary SASB reporting framework.

Our Purpose & Impact web pages

Our approach to each topic is covered in detail on the Our Purpose & Impact pages of our corporate website, including the scope of our foundational strategies, policies and approaches.