



Purpose & Impact Report

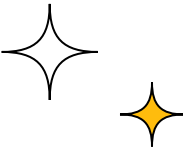
2024–2025

McDonald's Corporation





What's Inside



Introduction

McDonald's is a leading global foodservice retailer, with more than 43,000 restaurants in over 100 countries serving millions of customers every day. Our System works together to feed and foster the communities we serve. Whether we are helping deliver more sustainable food systems or building an inclusive workplace, we believe there has never been a more important moment to work together to advance collective positive impact.

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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.

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The safety and quality of our food is a top priority. We're working toward responsibly sourcing our priority commodities, promoting animal health and welfare and making safe, quality food accessible to families across the world.

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Jobs, Inclusion & Empowerment

McDonald's is, and has always been, a people business. 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.

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Community Connection

With more than 43,000 restaurants globally, 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.

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A Message From Our Leaders

McDonald’s celebrated its 70th anniversary this year. From day one, our business has been grounded by more than great food; we’re rooted in consistency, quality and community impact.

What sets our brand apart is not just what we do, but how we do it. Through generations of ever-changing global economies, technological booms, extraordinary evolution and resounding connection to the center of culture, we’ve grown stronger year after year by staying true to what we do best: serving delicious food with unmatched value to our customers while feeding and fostering communities around the world.

Building an Enduring Business

Growing our business – serving 70 million customers in 43,000 restaurants and counting, while preserving resources – is no small feat for a brand of our size. Across our System, we’re ensuring quality food is accessible and affordable for families; exploring ways to power our restaurants even more efficiently; and encouraging farmers, producers and suppliers to adopt practices that support a resilient, thriving food system we depend on for our iconic menu. Consuming less as we strive to do more is imperative to maintaining our competitive advantage. Together with our Franchisees and suppliers, we have made genuine progress through tenacity, agility and adaptability.

Empowering People, Everywhere

McDonald’s has always been a people business, creating access to opportunity for everyone we serve: our customers, employees, Franchisees and suppliers. No matter where you are in the world, our restaurants are places where everyone is welcome – and often where opportunity begins. Dedicated investment in tuition assistance, learning development and career training helps make education and advancement more accessible for more people in more communities. This year it’s been an absolute pleasure to celebrate 50 years of incredible impact with our forever partner, Ronald McDonald House Charities. This milestone was made even more meaningful by a record-breaking \$73 million raised through Round-Up for RMHC, alongside continued support from our corporate funding. We are inspired by the work that has been done – and will continue – to empower our people and uplift our communities across the world.

We’re committed to ensuring that our growth is sustainable, aligned to our values and creating positive impact in the places that matter most. When we act with intention, we don’t just serve our communities; we strengthen them. That’s how we’ll continue to feed and foster the world around us today, tomorrow and for generations to come.

Chris Kempczinski, Chairman and CEO, McDonald’s Corporation



When we lean into the combined strength of the McDonald’s System, we have the power to transform our business and positively shape the world around us. McDonald’s is one of the largest brands in the world, but, at our heart, we are a collective of local businesses. Through shared accountability with our suppliers and the approximately 2 million people employed by us and thousands of dedicated Franchisees, we’re able to learn from one another, scaling local solutions to create more sustainable food systems and improve access to opportunity around the world.

Every day, we’re investing in the programs and talent we need to serve and source the delicious, high-quality, affordable food our customers count on. It’s not just the right thing to do – it’s essential to driving sustainable growth. In a year in which McDonald’s opened over 2,000 new restaurants globally and increased Systemwide sales, we simultaneously reduced our greenhouse gas emissions, increased our use of sustainable packaging and continued to deliver on our commitment to inclusion.

Results like these are not guaranteed, nor will they always be linear. Like many companies with ambitious goals, we face challenges and uncertainties from a multitude of stakeholders. McDonald’s is committed to driving progress. We’ll continue to learn, innovate and push forward – because of the benefits we see to our business and its resilience.

Jon Banner, Executive Vice President and Global Chief Impact Officer, McDonald’s Corporation





Who We Are

Our purpose is to feed and foster communities. As a leading global foodservice retailer, we believe it's our responsibility to make a positive impact on the world.

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 crew, farmers, suppliers, Franchisees and 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 Growth Pillars

Maximize Our Marketing

We stay connected to what our customers love about us and bringing that emotion into our creative.

Commit to the Core

Our core menu remains our competitive advantage and a strength that we are capitalizing on to drive long-term growth.

Double Down on the 4Ds (Digital, Delivery, Drive-Thru and Development)

We will continue to expand our loyalty program to power personalized experiences while getting closer to our customers by accelerating the development of new locations.

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.

43,477

McDonald's restaurants at year-end 2024, of which 95% were franchised

150,000

total Company employees worldwide as of year-end 2024, 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 suppliers in farm management and scaling regenerative practices
- 3 Helping protect nature and promote biodiverse ecosystems
- 4 Helping to improve animal welfare and responsible antibiotic use
- 5 Tackling deforestation in our supply chain
- 6 Engaging with suppliers on emissions reductions
- 7 Respecting human rights in our supply chain
- 8 Conserving water, using it responsibly and efficiently and building resiliency
- 9 Collaborating with suppliers to advance food safety from the farm to our customers
- 10 Working with suppliers to innovate and source new materials to help eliminate unnecessary packaging and encourage circularity

Our Operations, Employees & Franchisees

- 11 **Nutrition and Choice**
 - Offering families choices to promote balanced meals for kids
 - Marketing responsibly to children
- 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

Our Communities

- 18 **Families and Well-Being**
 - Helping support Ronald McDonald House Charities
- 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 youth employment
 - Promoting volunteerism opportunities and resources



- 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

- 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 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.

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.

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Every day we work toward the future we want for our planet, our people and the thousands of communities we call home. Taking action on climate impact and increasing access to opportunity for everyone in our value chain are non-negotiable elements of how we do business to remain resilient and adaptable in an ever-changing global landscape. Our ability to source and serve our fans the food they love today and for the next generation is dependent on the investments we're making in local communities. Together with our incredibly innovative and ambitious suppliers, operators, partners and teams around the world, we are helping to ensure sustainable growth."

Beth Hart, Chief Sustainability & Social Impact Officer, McDonald's Corporation





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 business, 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 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-wide risk management (ERM) framework is designed to identify, assess and prioritize strategic, financial and reputational risks that could have a sustained impact on our Company.

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 and social issues. In 2024, our Impact Reporting & ESG Governance team supported cross-functional leaders in providing relevant updates to the following governance oversight bodies.

Governance Body	Oversight Responsibility	Engagement Frequency
Board of Directors	Oversees our business in an honest, fair, diligent and ethical manner; reviews our strategic direction and objectives; and is responsible for overseeing our ERM framework.	Regular engagement, including by its Corporate Responsibility Committee, which met three times in 2024.
Senior Leadership team	Accountable for leading our Impact Strategy, including management of environmental, social and governance (ESG)-related risks and opportunities to help create long-term value.	Ongoing engagement.
ESG Disclosure Committee	Oversees procedures related to the governance of our ESG disclosures, including external impact reporting.	Met seven times in 2024, with ongoing informal engagement between meetings.
Global Impact team	Provides Corporate Staff leadership, coordination and support for our global sustainability policies, programs and reporting.	Ongoing engagement.

-  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 Securities and Exchange Commission for details on risks that could adversely affect business performance, including the Company’s ability to execute on the initiatives described in this report.



Our Planet

Our success is closely interlinked with the health of shared natural resources, which form the foundation of the agricultural supply chains for our menu.

As such, to continue feeding the communities we serve for generations to come, we recognize we need to protect our planet and manage our impacts. We're helping to drive climate action, protect natural resources, reduce waste and are transitioning to more sustainable packaging and toys.

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Climate Action

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

Our Strategy in Brief

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 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 carbon-intensive aspects of Company- and Franchisee-owned and operated restaurants and our supply chain.

 Read more about our [Climate Action strategy](#) and our approach to [Responsible Sourcing](#).

Goal

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

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 its primary deforestation-linked commodities, by the end of 2030, from a 2018 base year.

Status: Facing Challenges

Progress

Guided by our climate risk and opportunities insights and driven by our goals, during 2024 we pursued various actions to help reduce emissions – from enhancing how we design and power restaurants to supporting more sustainable agriculture production techniques.

As with all journeys to advance change and meet goals, there are challenges along the way and it's clear we cannot do this alone. McDonald's has a complex global supply chain and many stakeholders that have varied interests. Changes in circumstances, regulatory standards and methods of measuring achievement may impact progress, which may not be linear.

[Explore our progress in more detail on page 10.](#)

Scope 1

12%

reduction compared to 2018 baseline

Scope 2

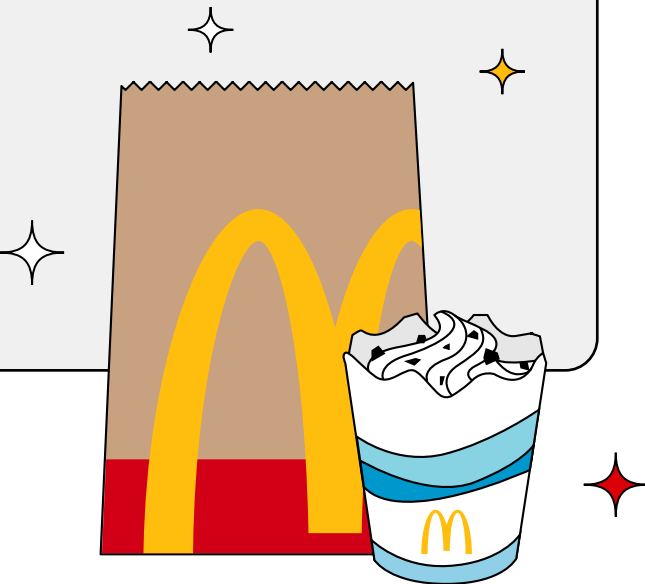
68%

reduction compared to 2018 baseline

Scope 3

3%

reduction compared to 2018 baseline





Our Performance

Our Net Zero Targets and Progress

GHG Emissions

(Metric Tons Carbon Dioxide Equivalent (CO₂e)¹)

	2018 (Baseline)	2024
Scope 1	106,963	94,233
Scope 2 (market-based)	364,985	118,334
Scope 3 ²	62,836,186	60,245,138

In 2023, the Science Based Targets initiative (SBTi) validated our global 2050 net zero emissions reduction target and our adjusted 2030 global emissions target, aligned with the latest guidance to help keep global temperature rises below 1.5°C.³

Achieving these ambitions will require continued and immediate action throughout our own business and across our full value chain. Among other efforts, we intend to continue focusing on:

- Driving clean energy development through our portfolio of Virtual Power Purchase Agreements (VPPAs) and exploring other avenues to procure clean energy to power our restaurants and offices.
- Scaling regenerative agriculture practices within our supply chain (see [Responsible Sourcing](#) on page 19).

- Contributing to deforestation-free supply chains for our primary commodities in highest-priority regions through our sourcing actions (see [Nature, Forests & Water](#) on page 15).
- Using our voice to [engage](#) and advocate for climate-positive policies globally.

Adding Renewable Energy to the Grid

Investing in renewable energy is a key lever of our climate strategy. We enter into VPPAs, where appropriate, to help add more renewable energy to the grid.



Better Energy Solutions for India

Learn how we're transitioning to renewable energy sources and leveraging energy management systems to enhance efficiency and drive energy conservation in our [Progress Summary](#).

Since 2019, McDonald's has signed multiple large-scale renewable energy VPPAs that will help add new renewable energy to the U.S. grid through solar and wind technologies. Two additional projects became operational in 2024, bringing the total number of operational projects with Company investment to six, across four states. We have invested in additional projects that we expect to become operational in the coming years.

While we will continue to pursue investments in renewable energy and energy efficiency, these projects face headwinds. In particular, renewable energy developments are subject to a dynamic and emerging regulatory landscape and variable market conditions, and their success depends on technology advancements and solutions.

More Sustainable Restaurant Development

With two of our climate targets focused on reducing restaurant-related emissions, how we operate and

design our restaurants represents a key opportunity for progressing toward net zero by 2050.

In 2024, we completed an evaluation of the potential impact of updating energy-saving equipment in existing restaurants and embedding such equipment into new-build processes. We are currently rolling out energy-efficient technologies to our restaurants to reduce energy use, including energy management systems, LED lighting and others.



Designing Restaurants With Sustainability in Mind

Learn how we're incorporating renewable energy, recycled materials and circular principles into restaurants across our markets in our [Progress Summary](#).



Scaling Sustainable Practices Within Our Supply Chain

Addressing 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 impacts of their own operations.

We’re working with suppliers and farmers across the world to help them scale regenerative agriculture practices and eliminate deforestation, consistent with our **Commitment on Forests and Natural Ecosystems**, in ways that can help improve productivity, build resilience to a changing climate and conserve natural ecosystems.

 Read more about our approach to [Regenerative Agriculture](#) on page 20 and on our [Responsible Sourcing](#) web page.

Amplifying Impact

We continue to identify opportunities to participate in external groups that aim to shape the future of climate action and accounting for our industry and supply chain. This includes the GHG Protocol’s Technical Working Group on Land Based Emissions, which we joined to help establish standards and guidance for measuring the impact of emissions from farming, forestry and other land-based activities. On deforestation action and tracking, we use the guidance of the Accountability Framework initiative

(Afi), and we work with organizations such as the World Wildlife Fund (WWF) to guide our climate action and accounting approach.

 For more information on how we advocate for solutions that will enable progress on our climate strategy, please see our [Climate Action](#) web page.

Challenges and Dependencies

We are actively pursuing our current aspirational goals for 2030 and beyond 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 the Company’s actions and continuing commitment to reducing GHG emissions, we face challenges and factors that are beyond the Company’s direct control and may impact McDonald’s ability to achieve its stated goals:

Within McDonald’s System

- McDonald’s global value chain is complex and, as such, we do not expect our progress toward decarbonization within the 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.

- Although some supplier relationships are managed centrally within the Company, many are managed regionally or on a market basis by the Company, or more independently by the Company’s Affiliates and Developmental Licensees.
- Suppliers’ progress against their own goals may be impacted by external factors such as resources available to suppliers and market conditions.

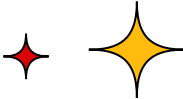
Outside McDonald’s System

- McDonald’s decarbonization efforts depend on technology, the market and other factors beyond the Company’s 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.
- Collective, meaningful reduction of GHG emissions and adaptation to climate change at scale requires significant public-private collaboration 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 to progress 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, the Company’s decarbonization goals. We will regularly review our goals and consider if any changes are necessary due to the above factors. 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.



Ross Barney Architects and the photographer Kendall McCaugherty, Hall, Merrick, McCaugherty Photographers





Packaging, Toys & Waste

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

Our Strategy in Brief

Our packaging, toys and waste strategies are designed to help keep communities clean, help protect the planet for future generations and support the Company’s long-term business resilience. To achieve this, we’re evolving our packaging – redesigning some of our most iconic products to eliminate unnecessary packaging, identifying alternative materials and increasing opportunities for recovery. We’re working collaboratively with our stakeholders and investing in strategies to help address systemic challenges related to recycling infrastructure, demand for recycled materials and development of new packaging and toy materials. We continue to evaluate the impact of reusables in our restaurants around the world, in compliance with applicable laws regarding reusable packaging.



See the [Packaging, Toys & Waste strategy and programs](#) in detail on our website.

Goal

Guest Packaging Sourcing Goal (Multiple Markets): We aim to source 100% of our primary guest packaging^{4,5} from renewable, recycled or certified materials by the end of 2025.

Status: In Progress

Progress

As of the end of 2024, we were 90.93% of the way toward our goal of sourcing 100% of our primary guest packaging^{4,5} from renewable, recycled or certified materials by the end of 2025. Non-structural components of packaging are out of scope.⁶ We continue to face challenges in identifying commercially scalable renewable, recycled or certified sources for certain packaging items that meet our and our customers’ expectations, including the linings and lids used for hot items contained in fiber packaging. These challenges will impact our ability to source 100% of our primary guest packaging from renewable, recycled or certified materials by the end of 2025. [Explore our progress in more detail on page 13.](#)

Added Fluorinated Compounds Goal (Multiple Markets): Ensure all primary guest packaging is free from intentionally added fluorinated compounds by the end of 2025.⁷

Status: In Progress

As of the end of 2024, 99.82% of our guest packaging items did not contain intentionally added fluorinated compounds. [Explore our progress in more detail on page 14.](#)

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: In Progress

In 2024, approximately 89.6% of restaurants in markets with advanced infrastructure⁸ offered guests the opportunity to recycle and/or compost packaging items. In these restaurants, guest packaging is collected in customer-facing bins for back-of-house or off-site sorting for recycling or composting, utilizing existing local waste infrastructure systems. [Explore our progress in more detail on page 14.](#)

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 2025.⁹

Status: In Progress

As of the end of 2024, we reduced virgin fossil fuel-based plastic for Happy Meal toys by 80.26% as compared to a 2018 baseline. This progress has involved decreasing the use of virgin fossil fuel-based plastics. For example, in 2024 we began using viscose stuffing made from wood pulp, fabric and stuffing made from recycled plastic, and bagasse molded fiber made from sugarcane in Happy Meal toys. [Explore our progress in more detail on page 14.](#)



Our Performance

Advancing the Reduction, Reuse or Recycling of Guest Packaging

Across the globe, waste and recycling infrastructure differ significantly. Some areas are operating within advanced infrastructure, while in others the infrastructure is still developing. In areas where recycling infrastructure is a challenge, we're focusing on addressing systemic constraints in partnership with others and advocating for greater investment in material separation, sorting, recovery and recycler acceptance.

To scale impact, we've invested in collaborations that collect and recycle cups from multiple brands. In a number of European markets, McDonald's is a part of the Cup Collective – a consortium focused on collecting single-use fiber cups for recycling.

We continue to work with local communities to improve foodservice packaging recycling and remain active in organizations like the NextGen Consortium, Foodservice Packaging Institute and Polypropylene Recycling Coalition.

 For more information, please see our [Packaging, Toys & Waste](#) web page.

Understanding the Impact of Reusable Packaging

We continue to assess the impact of reusable packaging in our restaurants, in line with local regulations. We believe that renewable and certified fiber-based packaging, as well as advancing recycling, recovery and reduction, must continue to be part of overall guest packaging-related waste reduction strategies.

To respond to reusable packaging requirements as they arise, McDonald's has developed a portfolio of reusable packaging made of plastic and continues to test, learn and implement solutions for washing reusables, driving customer returns and adapting restaurant design and operations to maintain food safety and customer experience.

McDonald's has researched various materials for reusable packaging globally and identified polypropylene as the preferred global material due to its suitability for food contact. McDonald's reusable packaging does not contain any post-consumer or post-industrial recycled plastic due to food safety requirements in certain countries. Materials must pass various tests such as durability, global availability, cost, recyclability, safety, food quality, food safety standards and more.

Reusable packaging is introduced to McDonald's restaurants based on the applicable legislation. Several markets currently offer reusable packaging options, including:

- **In France**, reusable packaging is used for beverages, desserts, fries and McNuggets for dine-in customers. Fiber wraps are used for all sandwiches, as permitted by local legislation.
- **In the Netherlands**, dine-in drinks and the McFlurry® are served in reusable cups. For take-out, customers can choose a reusable cup (with a €1 deposit return scheme) or a single-use cup.
- **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.

Reusable packaging in varying scopes is also implemented, where required, in Sweden, Taiwan, South Korea, parts of the U.S. and the Philippines.

Any solution must be grounded in business realities and customer behavior. The success of both reusable and single-use packaging systems depends on the availability of recycling infrastructure, and McDonald's supports legislation that promotes recycling and enhances existing infrastructure. If reusable items are not returned or reach their end of life due to damage, we believe it is important that they can be recycled, which is why our packaging is designed for recyclability. As we move forward, we will advocate for feasible solutions that can help advance evidence-based circularity strategies for McDonald's and the wider industry.

Percentage of primary guest packaging from renewable, recycled or certified sources



Percentage of primary fiber-based guest packaging sourced from recycled or certified sources





Fluorinated Compounds in Our Packaging

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

We are committed to ensuring all primary guest packaging is free from intentionally added fluorinated compounds by the end of 2025.⁷

Happy Meal Toy Innovation

We’re working with our supplier to test toy materials and packaging, leading to innovations that will help reduce virgin fossil fuel-based plastic in Happy Meal toys. In 2024, we approved the following materials for use in Happy Meal toys in certain markets:

- Viscose stuffing made from wood pulp.
- Fabric and stuffing made from recycled plastic.
- Bagasse molded fiber, which is made from sugarcane processing.
- Plastics made from biomass (plants or waste).
- Recycled paper materials.

In 2024, McDonald’s Happy Meal partnered with Crocs™ to design mini-Crocs keychains to be sold as the Happy Meal toy in certain markets. These keychains were made from polypropylene sourced using the mass balance approach, contributing to the sourcing of renewable bio-circular feedstocks. Use of this type of material supports progress toward our goal of transitioning to more sustainable materials in Happy Meal toys, including reducing the use of virgin fossil fuel-based plastic.

Innovating Our Packaging

As well as tracking against our goals, throughout 2024, we continued finding practical ways to help streamline the materials used in guest packaging and to reduce packaging use and waste, where possible. We also continued working to navigate complex and evolving packaging legislation, such as extended producer responsibility regulations, the EU Regulation on Deforestation-free Products (EUDR), the EU Packaging and Packaging Waste Regulation (PPWR) and other locally applicable legislation.

We have continued working with suppliers to drive locally relevant packaging innovations.

For example, in 2024:

- **The U.K. and Ireland** market introduced plastic cups sourced from 100% recycled material.
- **The North America** market introduced fiber-based McFlurry cups with flaps, which enabled the phase-out of plastic McFlurry lids.
- **The Korea** market launched sundae cups and lids sourced from 100% recycled material.
- **Six European markets** introduced molded fiber sundae packaging.

McDonald’s will continue finding ways to innovate our packaging, as well as opportunities for end-of-life management to help keep waste out of nature and encourage a circular economy.

Challenges and Dependencies

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 each geography.

This variability can also impact McDonald’s ability to achieve its goals. Changes in circumstances and standards, the complexity of McDonald’s value chain, and the lack of scalable technology may lead to adjustments to, or the discontinuation of, certain initiatives. While we will continue to pursue investments in packaging reduction, waste reduction and circularity, this area is subject to a dynamic and emerging regulatory landscape and variable market conditions. The Company is dependent upon solutions that may not be cost effective at scale, or may not meet the Company’s standards or customer expectations. These types of challenges may cause the Company to reevaluate its approach to packaging, toys and waste, and may impact its ability to meet its current goals.



Turning Food Waste Into Biopolymer Trays in Turkey

Learn how McDonald’s Developmental Licensee in Turkey is cutting plastic use and food waste through innovative upcycling in our [Progress Summary](#).



Nature, Forests & Water

We take a holistic approach to helping protect natural resources, the communities that rely on them and the future of our business.

Our Strategy in Brief

We seek to safeguard nature and water while building resilience for our business and the producers who support it. We're taking action to help protect biodiversity and respect human rights. Our targets for **Climate Action** consider estimated emissions from deforestation. We aim to help drive industry action at scale through nature-positive partnerships. Water is essential to our System, from operating restaurants to growing the ingredients in our food. We aim for water to be used responsibly in McDonald's restaurants and within our supply chain.

 For more information, see our [Nature, Forests & Water](#) web page.

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).

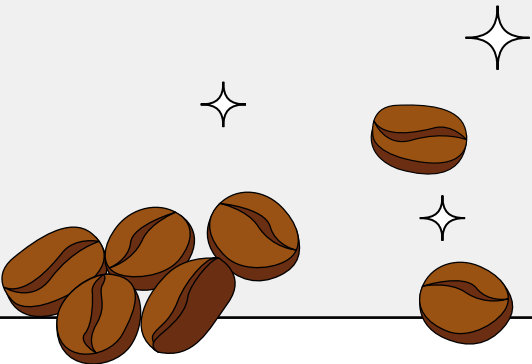
Status: In Progress

Progress

The Company continues to drive resiliency-focused transformation of production systems in its supply chain through its work toward eliminating deforestation and addressing conversion for the below primary commodities and origins.

Percentage of Commodities Sourced in 2024 Supporting Deforestation-Free Supply Chains

- **Beef: 77%** of beef sourced from high-priority origins in Argentina, Australia, Brazil and Paraguay per the McDonald's Deforestation-Free Beef Procurement Policy was verified to be deforestation-free through geo-monitoring. High-priority origins represented 10% of our global beef volumes in 2024. Details can be found in our [Deforestation-Free Beef Procurement Policy](#).¹⁰ See more on [page 16](#).
- **Soy (for chicken feed) 100%:** The Company supports the resilient transformation of soy-producing regions by investing in landscape-level solutions and initiatives covering 100% estimated soy volumes in feed for chicken produced outside of the U.S. and Canada.¹¹
- **Palm oil 100%:** The Company requires 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.¹²
- **Coffee 96.6%:** The Company requires coffee sourced for McDonald's restaurants from Honduras, Indonesia and Vietnam to be [Rainforest Alliance Certified™](#) and for ground and whole bean coffee from other countries to be sourced from Rainforest Alliance, Fairtrade International certified or from a McCafé® Sustainability Improvement Platform (SIP) program.¹³
- **Fiber-based primary guest packaging 98.99%:** The Company requires that fiber for primary guest packaging at McDonald's restaurants be sourced from [Forest Stewardship Council® \(FSC®\)](#) chain of custody certification or the [Programme for the Endorsement of Forest Certification \(PEFC\)](#) for deforestation.¹⁴





Our Performance

Our Progress on Supporting Resilient Transformation in Supply Chains for Primary Commodities

Beef

We have detailed requirements to help support forest-positive beef sourcing from high-priority origins in Argentina, Australia, Brazil and Paraguay under the McDonald's Deforestation-Free Beef Procurement Policy. We work with external partners and suppliers

to monitor adherence to our policy. To increase transparency, we have refined and improved our reporting methodology this year.

Soy for Chicken Feed

In 2024, we completed a global mapping project with our chicken suppliers to better understand the origins and ecosystem risks of soy used in chicken feed. This informed updates to our strategy and aligned with guidance from Proforest and the Consumer Goods Forum's Forest Positive Coalition.

In the U.S. – a key sourcing region – we worked with suppliers to analyze sourcing sheds and identify potential conversion risks. McDonald's has moved from purchasing Book and Claim soy credits to cover estimated soy used in chicken feed to supporting resilience-focused transformation in soy-producing regions. This includes investing in landscape-level solutions and initiatives covering 100% of estimated soy volumes in feed for chicken produced outside the U.S. and Canada.

As an additional example of progress, the McDonald's UK & Ireland market maps and reports on this embedded soy footprint annually. It then utilizes this information to support tailored supplier engagement on avoiding conversion. Additionally, McDonald's UK & Ireland is among the founding signatories of the UK Soy Manifesto.

Palm Oil

We require that palm oil sourced for McDonald's restaurants or as ingredients in McDonald's products be covered by Roundtable on Sustainable Palm Oil (RSPO) certification or credits.

Our volumes of physical RSPO-certified palm oil increased from 13% in 2016 to 67.9% in 2024, with the remaining 32.1% covered by RSPO Book and Claim credits.

We're committed to advancing sustainable palm oil production and supporting NDPE (No Deforestation, No Peat, No Exploitation) through collaboration with stakeholders and suppliers.



Working to help protect forests was one of the first sustainability initiatives McDonald's ever embarked upon, in the early 1980s. This work is integral to our value of integrity – doing the right thing for people and the planet. Forests and wetlands safeguard most of the world's accessible freshwater,¹⁵ and we're rooted in the truth that ecosystem resilience is critical to producer, community and business resilience. This legacy is in your hands at your local McDonald's, every day."

**Hillary Fenrich, Manager,
Global Nature & Water Strategy**

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





Nature

Landscape Solutions and Initiatives

The Paraguayan Gran Chaco, a beef sourcing region considered high priority for McDonald’s, was the focus of a 2024 partnership with Hendata SRL and the Federation for the Self-Determination of Indigenous Peoples (FAPI). We worked to demarcate five Indigenous communities, as supported by the Association of Indigenous Cooperation Services (ASCIM), covering 30,961 hectares. This work ensured Free and Prior Informed Consent (FPIC) from the Indigenous communities, brought together public and

private actors, and protected community land rights as recognized by the national government.

 Read more in our [Commitment on Forests and Natural Ecosystems](#).

Nature-Positive Partnerships

We believe that, in partnership with others, our resilience efforts around the world can have a wider positive impact. We also believe that working with leading experts on nature is essential to helping scale positive action, and so in line with our Commitment on

Forests and Natural Ecosystems, we are collaborating with Proforest, WWF, World Resources Institute (WRI) and industry groups. We are also engaging with suppliers to help ensure that they understand the commitment and their role in adhering to the sustainable sourcing policies that underscore it.

For example, we:

- Co-lead the Beef Working Group in the Consumer Goods Forum’s Forest Positive Coalition and co-chair the Human Rights Coalition, advancing sustainable supply chains and linking environmental and human rights issues.
- Are a founding member of the Global Roundtable for Sustainable Beef, shaping 2030 goals and promoting nature-positive production and transparency on nature-related topics.
- Are active in global initiatives, including the AFi and Land Use Change Initiative, and we support Brazil’s Voluntary Monitoring Protocol for cattle suppliers in the Cerrado.

 Read about this in more detail in our [Consumer Goods Forum’s Forest Positive Coalition 2024 Reporting](#).

Water

We need safe, readily available water to run McDonald’s restaurants and serve the drinks our customers love. 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.

In 2025, we completed a [water risk assessment](#) of our value chain across select suppliers and franchised restaurants, in addition to Company-owned and operated restaurants, to identify water stress.

The value chain water risk assessment and supplier engagement will help inform the Company’s water-related resilience strategies. The Company will continue to work in partnership with key stakeholders such as Franchisees and suppliers, as well as strategic and technical experts at WRI and WWF, to support Company resilience as related to water stewardship.

 To learn more about water stewardship efforts, see our [Nature, Forests & Water](#) web page.

Estimated Total Water Withdrawn for Company-Owned and Operated Restaurants

	(m ³)
2024	7,332 thousand

Estimates are based primarily on U.S. data.^{16,17}



A member of the Pozo Amarillo Indigenous community (of the Enlhet people) located in the Teniente Primero Manuel Irala Fernández district of Paraguay, signing forms as part of the FPIC process.



Food Quality & Sourcing

We're working toward creating a secure, more sustainable future for food by advancing safety and quality, helping to improve animal health and welfare in our supply chain and making balanced, quality meals more accessible to families across the world.

Improving animal health and welfare in our supply chain is also central to our sustainability strategy. Through more sustainable ingredient sourcing, we are providing quality food and varied menu choices to help support the well-being of future generations.

In this section

- 19 Responsible Sourcing**
- 21 Food Safety**
- 23 Nutrition & Marketing Practices**
- 25 Animal Health & Welfare and Responsible Antibiotic Use**



Responsible Sourcing

We aim to use our scale and influence to help positively impact the animals and people connected to our supply chain, and our planet. We believe we can have the greatest impact when sourcing our priority commodities: beef, soy for chicken feed, fiber, palm oil, fish and coffee.

Our Strategy in Brief

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 and offices. We also seek to enhance the potential positive impacts of the Company's supply chain.

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



Promoting Sustainable Coffee Sourcing

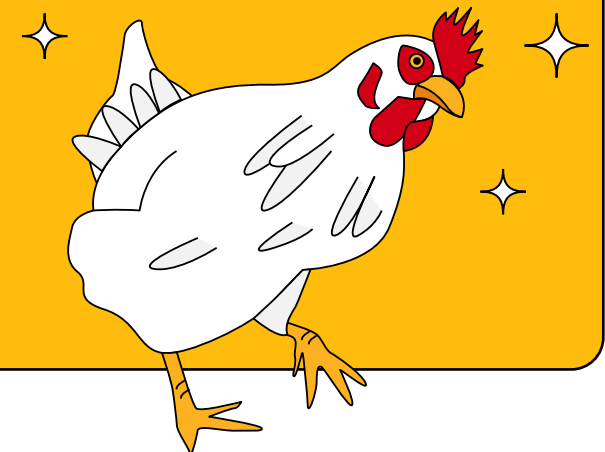
We want customers to walk into any McDonald's restaurant globally and enjoy an affordable, quality cup of coffee that benefits farming communities, supports a deforestation-free supply chain and is more sustainably sourced.¹

Learn how we're sourcing coffee from farms that comply with the McCafé Sustainability Improvement Platform in our **Progress Summary**.

Our Performance

In 2024, we continued advancing efforts to responsibly source our priority commodities, achieving the following:

- **77% of beef** sourced from high-priority origins in Argentina, Australia, Brazil and Paraguay, per the McDonald's Deforestation-Free Beef Procurement Policy was verified to be deforestation-free through geo-monitoring. High-priority origins represented 10% of our global beef volumes in 2024. Details can be found in the **Deforestation-Free Beef Procurement Policy**.² See more on **page 16**.
- **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.³
- **96.6% of our ground and whole bean coffee** was sustainably sourced.¹
- **98.99% of our primary fiber-based guest packaging** globally was sourced from recycled or certified sources.⁴
- **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.⁵
- **94% 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 Sustainability Fisheries Standard by the Sustainable Fisheries Partnership.⁶





Supporting and Advancing Regenerative Agriculture



McDonald's is supporting the adoption of regenerative agriculture principles via projects that aim to increase soil health and biodiversity, optimize water availability, improve climate outcomes and drive food system resiliency. Participating in several multi-year regenerative projects provides us with valuable insight and learnings that will 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.

Supplier Engagement

The dedication and insights of our supplier community are critical to advancing regenerative principles. 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 2024, we engaged our top global beef and chicken suppliers to benchmark their progress on climate actions, including how they may be leveraging regenerative agriculture as a strategy for mitigation and adaptation.

While we continue to accelerate and amplify System efforts, many of our suppliers have been identifying, scoping and conducting interventions that support climate change mitigation and adaptation.

For example, as part of a five-year pilot initiative with Cargill, the Walmart Foundation and WWF, since 2020, we have invested \$1.6 million to support ranchers in the Northern Great Plains through the Ranch Systems and Viability Planning (RSVP) network.

Through RSVP, ranchers have access to a comprehensive support system designed to help them develop sustainable grazing management plans with assistance from on-the-ground technical experts. They can also access ecological monitoring, educational scholarships to attend grazing and soil health workshops, a grazing management cost-share program that helps them improve grazing infrastructure on their ranches and a peer-to-peer learning network.

Additionally, McDonald's is proud to be a founding partner of the Sustainable Markets Initiative's **Routes to Regen** project, a pioneering cross-sector collaboration designed to accelerate the adoption of regenerative agriculture. Through this initiative, we are helping U.K. farmers access tailored financial, technical and peer-to-peer support to reduce transition risk and scale regenerative grazing practices.

These efforts are just a few examples that reflect our commitment to building resilient supply chains and supporting farmers in delivering low-carbon, nature-positive food.

Helping Keep Soils Healthy

In collaboration with Cargill, The Nature Conservancy and Target, we are supporting row crop farmers in Nebraska to implement regenerative agriculture practices with the aim to be more sustainable and improve the resilience of the land. This five-year initiative is expected to impact 100,000 acres of land used for corn production.

Additionally, scientific evidence informs us that regenerative agriculture practices can improve soil health, which in turn improves the nutrient density of the crops. In 2025, we are working with suppliers and partners to evaluate the potential regenerative agriculture has to improve the nutrient density in our foods across our supply chain.



Supporting and Advancing Regenerative Agriculture

Learn more about how we're partnering across regions to promote responsible, regenerative farming techniques in our [Progress Summary](#).

100,000

acres of land used for corn production expected to be impacted by our regenerative agriculture initiative



Serving 70 million customers across more than 100 countries every day demands a world-class global supply chain. McDonald's scale presents a unique opportunity to foster positive outcomes within the ecosystems where our exceptional food is sourced and produced. It's a privilege to have the opportunity to help address the industry's most pressing challenges and ensure we continue to serve the quality, best tasting food customers expect from our brand."

Warren Anderson, Global Chief Supply Chain Officer





Food Safety

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

Our Strategy in Brief

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

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 deploy processes to anticipate and manage potential food safety-related risks.

Our actions help build long-term brand trust by focusing on strengthening our **Food Safety culture** and being proactive about food safety risk management and digital transformation.

We work to continuously improve our standards and policies based on current science and industry best practices. We are monitoring and identifying innovations and technology to help strengthen our systems and drive simplification where possible.

-  Read more about our [Food Safety strategy](#) and the strict standards we maintain when [Engaging With Our Supply Chain](#) on our website.





Our Performance

Advancing Food Safety Risk Management

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

In 2024, McDonald's focused on the advancement of food safety risk management through enhanced digitally enabled internal programs and continued external engagements. Our approach aims to drive applicability, assessments and actionable food safety outcomes for stakeholders.

Enhancing Digital Systems

As part of our Digital Food Safety (DFS) initiative, we have optimized internal digital platforms to monitor and measure adherence to our food safety standards and improve data quality. During 2024, 98% of restaurants deployed the DFS checklist management system and 40% deployed the DFS remote temperature system.

We also developed a plan to pilot a Global Restaurant Audit Checklist and new centralized tools to simplify processes, accelerate decision-making and enable visibility of food safety risks and management practices across our restaurants.

Building on Our Food Safety Culture

We believe running great restaurants and serving safe food is the basis for building strong brand trust.

In 2024, we continued to implement our global food safety culture action plan based on the findings of our 2022 food safety culture assessment. We launched our global food safety learning platform to assess and detect knowledge gaps, allowing teams to prepare corrective action plans.

Each year, we celebrate Food Safety Week globally with our suppliers, using it as an opportunity to share key stakeholder messages and best practices on different food safety topics.

Examples of the Company's Commitment to Food Safety

- 724 producers were certified to McDonald's Global Good Agriculture Program (GLOBALG.A.P.) standards.
- 200+ distribution centers completed third-party food safety and quality audits in 2024, all of which were found to be operating consistently with the McDonald's Distributor Quality Management Process (DQMP) audit standard.
- Nearly 60,000 food safety audits were conducted at McDonald's restaurants in 2024.

Engaging With the Company's Supply Chain

McDonald's expects its food suppliers to complete and meet Supplier Quality Management System (SQMS) standards and, in the case of higher-risk foods, an additional Good Manufacturing Practices (GMP) audit. When we identify specific gaps between our suppliers and GMP standards, we follow up with training or calibration sessions.

In 2024, the Company facilitated third-party food safety audits of suppliers to help verify that they were following our food safety and quality standards. Over 90% of audited suppliers were found to be meeting McDonald's audit standards for SQMS. We continue to be forward-looking regarding our food safety standards. We work with industry partners, academia and regulatory authorities around the world to anticipate science- and risk-based intelligence to evolve our standards in a fast-changing environment. We have progressively matured our standards, each time benchmarking against the Global Food Safety Initiative to ensure ongoing relevance.





Nutrition & Marketing Practices

We help feed millions of people every day, with a focus on offering families the choices they love.

Our Strategy in Brief

We believe parents are looking for menu choices they can feel good about when it comes to feeding their children. That's why, in accordance with our values, we've been making balanced meals more accessible to families across the world by offering options that contribute to recommended food groups, such as fruits, vegetables and low-fat dairy.

In 2018, we set five goals to evolve our Happy Meal over a five-year period. We published an independent Global Happy Meal Goals report, in which we announced our significant progress on those goals across 20 major markets from 2018–2022.

We will continue tracking performance across our 20 major markets using four core measures:

- 1 Offer balanced meals.
- 2 Maintain simplified ingredients.
- 3 Be transparent with Happy Meal nutrition information.
- 4 Market responsibly.

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

 Read more about our [Nutrition & Marketing Practices](#) on our website.



Incorporating Quality Ingredients

Learn more about the quality, local ingredients that go into making our food in our [Progress Summary](#).



Our Performance

1. Offer Balanced Meals

We 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.

In 2024, an average of 64% of Happy Meal bundle offerings met the Nutrition Criteria across the 20 in-scope markets.^{7,8,9} These criteria mean meals 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.

Since 2022, one market has been exempt from fulfilling this goal, and one market received an extension until the end of 2025.

2. Maintain Simplified Ingredients

We are proud to have removed 100% of artificial flavors, added colors from artificial sources, and – where feasible¹⁰ – artificial preservatives from our Happy Meal offerings in 2022. Even more, we've sustained this achievement through 2024 across all 20 in-scope markets. Looking ahead, we're dedicated to upholding these standards and ensuring that any new Happy Meal offerings also meet this standard.

3. Be Transparent With Nutrition Information

As of Q2 2025, 100% of Happy Meal nutrition information was available for all markets with websites and mobile apps. Since 2022, two markets have been granted an exemption from publishing one or two nutrients due to local legislative requirements. All other nutrient information was published.

4. Market Responsibly

All Happy Meal Bundles advertised to children¹¹ must meet McDonald's Global Happy Meal Nutrition Criteria along with applicable local/regional advertising pledges.

In 2024, 100% of Happy Meal Bundles shown in advertisements on third-party media met our Global 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 the Company directed to children.



Our long-standing commitment to our Happy Meal goals has resulted in significant nutritional changes since 2018. We continually evolve our nutrition and marketing strategies with customer needs and global best practices."

Jenny Walton, Director, Global Sustainability, Food & Nutrition

Since 2018, we have reduced the following in Happy Meal Bundle Offerings:

calories by

9%

saturated fat by

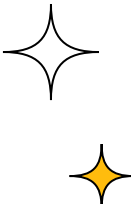
22%

sodium by

16%

and added sugar by

33%





Animal Health & Welfare and Responsible Antibiotic Use

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

Our Strategy in Brief

We believe we have a responsibility to help improve the health and welfare of animals in our supply chain, and we work with our global network of suppliers, as well as subject matter experts and academia, to actively encourage industry and cross-sector collaboration on this topic. Using an approach that considers everything from Key Welfare Indicators (KWIs) to humane slaughter, we aim to leverage scale to help drive positive outcomes. And, through our commitment to responsible antibiotic use, we are collaboratively doing our part to help preserve the effectiveness of antibiotics for future generations, in compliance with applicable regulations.



Read our [Animal Health & Welfare and Responsible Antibiotic Use](#) strategies in detail on our website.

Goal

Progress

Pork Housing Goal (U.S.): We're working with pork suppliers to phase out the use of gestation stalls (small, enclosed pens) for housing pregnant sows by the end of 2024.

Status: Achieved

Achieved as of the end of 2024. We've phased out the use of gestation stalls for confirmed pregnant sows in McDonald's U.S. pork supply.

[Explore our progress in more detail on page 26.](#)

Broiler Welfare Goal (Multiple Markets): We are committed to sourcing chickens raised with improved welfare outcomes. To achieve this, we have outlined eight specific commitments for our in-scope markets, which are expected to be fully implemented by the end of 2024.¹²

Status: Achieved

As of the end of 2024, we have achieved our eight Broiler Welfare Commitments across in-scope markets. [Explore our progress in more detail on page 27.](#)

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 (HPCIA) to human medicine from all chicken served in in-scope markets by the end of 2027.¹³

Status: In Progress

Across in-scope markets, HPCIA use has been eliminated in Australia, Brazil, Canada, Europe, Japan, South Korea and the U.S., with China expected to comply before the end of 2027. [Explore our progress in more detail on page 26.](#)

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: In Progress

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).¹⁴ We continue to grow our partnerships to increase data availability, access and collection to help us better understand antibiotic use and identify opportunities for improvement. [Explore our progress in more detail on page 26.](#)



We aim to source beef and dairy, chicken, eggs and pork from suppliers who share the Company’s values. Our expectations, including with respect 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 the purpose of growth promotion or the habitual use of antibiotics for disease prevention.¹⁵

Our Performance

Phasing Out the Use of Gestation Stalls

As of the end of 2024, this goal was achieved. We’ve phased out the use of gestation stalls for confirmed pregnant sows in McDonald’s U.S. pork supply.

This achievement underscores our journey to maximize the duration that confirmed pregnant sows are housed in group environments. Our commitment is guided by the industry and American Association of Swine Veterinarians (AASV)-endorsed definition for group housing for pregnant sows.

Sourcing Cage-Free Eggs

Across the globe, we have worked to source cage-free eggs in various markets:

- As of the end of 2023, McDonald’s USA **achieved its goal** to source 100% cage-free eggs in the U.S. – two years ahead of schedule. In 2024, McDonald’s USA continued to source 100% cage-free eggs for items served on its breakfast menus.
- In 2024, McDonald’s Canada reached its goal of sourcing 100% Canadian cage-free eggs¹⁶ for McMuffin®, McGriddles® and Bagel sandwiches, ahead of their 2025 target year.
- Additional examples of markets that continued to source 100% cage-free egg supply chains in 2024 include Australia, France and Germany.
- Our Developmental Licensee Arcos Dorados has set a commitment to source 100% cage-free fresh eggs by 2025.

Responsible Antibiotic Use

Collaborating With Beef Supply Chain Partners for Responsible Antibiotic Use

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).

We continue to collaborate with suppliers to collect antibiotic use data through independent third parties. For example, McDonald’s was a founding member of a consortium across our supply chain to develop a closed-loop, real-time data system, called One Health Beef, that can help collect information on antibiotic use.

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 to utilize the knowledge gained to make appropriate adjustments to our project over time.



Beef Industry Evolution

Learn more about our One Health Beef project and how it’s facilitating the collection and discussion of information regarding cattle health and antibiotic use in our [Progress Summary](#).

Advocating for Responsible Antibiotic Use in Chicken

We strive to contribute to antibiotic effectiveness and reduce overdependence by working closely with supply chain producers and other experts in the field. 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 almost 13 billion birds. Producer data collection is managed by our third-party provider, the Food Animal Initiative (FAI).

Across our in-scope markets as of 2024, HPCIA use has been eliminated from all chicken served in Australia, Brazil, Canada, Europe, Japan, South Korea and the U.S., with China expected to comply before the end of 2027.

Sourcing Chickens Raised With Improved Welfare Outcomes

In 2017, we established eight Broiler Welfare Commitments that support our wider global goal to source chickens raised with improved welfare outcomes. As of 2024 – the target year – we are proud to have achieved all eight commitments. See [page 27](#) for more details.

The commitments apply to chickens raised for sale at McDonald’s restaurants in Australia, Canada, France, Germany, Italy, Ireland, the Netherlands, Poland, South Korea, Spain, Switzerland, the U.K. and the U.S. These markets collectively represent over 59% of our global chicken supply as of the end of 2024. We have instituted third-party auditing processes, tools and protocols, such as requiring enrichments to allow expression of natural behaviors. For suppliers to remain on our Approved Supplier List, we require slaughterhouse animal welfare audits.



Progress Against Our Commitments

Learn more about the actions we’ve taken to advance progress against our Broiler Welfare Commitments in our [Progress Summary](#).





Progress on Our Eight Commitments to Broiler Welfare

2024 Commitment	Status	Progress as of the End of 2024
1. Establishing the McDonald’s Chicken Sustainability Advisory Council (CSAC)	Achieved	The CSAC, which was launched in 2018, provides key insights and knowledge to continue driving our animal welfare standards forward. It brings together 15 researchers, academics, welfare experts, NGOs and suppliers. Organizations with members on the CSAC include FAI Farms and WWF, as well as leading academics and researchers such as Dr. Temple Grandin and Dr. Harry Blokhuis. This council – and working groups derived from it – convenes regularly and continues to provide expertise, insight and directional guidance for our broiler welfare and sustainability efforts.
2. Measuring key farm-level welfare outcomes	Achieved	In 2019, the CSAC helped define 15 globally aligned farm- and process-level KWIs to measure performance toward our welfare outcomes commitment and inform progress on our goal. In 2022, we set targets through our KWI approach, no support supplier ranking in performance peer groups that informed time-bound improvement goals. In 2023 and 2024, we continued to rank suppliers to inform time-bound improvement goals. The insights gained from our first four years of data collection were shared with suppliers, with a focus on Systemwide continuous improvement. As of the end of 2024, we have gathered data on more than 9 billion birds for the KWI database.
3. Developing state-of-the-art welfare measurement technology	Achieved	McDonald’s has invested nearly \$2 million (which enabled an additional \$2.6 million in matching funds) into our Sensing, Monitoring, Analysis, Reporting Technology (SMART) Broiler initiative to automate gathering animal health and welfare indicators. Three research projects have now completed Phase 2 of development, which provided researchers with access to funds and facilities that allow them to continue developing technology that objectively and effectively monitors broiler welfare and behavior.

2024 Commitment	Status	Progress as of the End of 2024
4. Providing enrichments to support natural behavior	Achieved	During 2024, we worked with the CSAC to update and reintroduce our enrichment and lighting guidelines as the Enrichment and Lighting Standard. The Standard is a requirement for all in-scope markets, and it covered more than 2.5 billion birds in 2024. We implemented the Standard with supply chain partners, promoting natural behaviors such as pecking, perching and dust-bathing by providing appropriate enrichments and lighting conditions.
5. Running commercial trials to study the effects of certain production parameters on welfare outcomes	Achieved	We achieved this commitment in 2022, conducting commercial trials to study the impact of production parameters such as breed and stocking density on welfare, behavior, environmental and economic outcomes. The results indicate that changing these parameters could have significant impacts on environmental factors such as emissions and land use change.
6. Controlled Atmospheric Stunning (CAS) in the U.S. and Canada	Achieved	McDonald’s was one of the first retailers to implement a CAS system in a U.S. broiler supply chain. As of the end of 2024, 100% of our dedicated processing facilities have been converted in the U.S. and Canada.
7. Implementing third-party on-farm auditing	Achieved	Having conducted test audits in 2023, during 2024, we did pilot audits across in-scope suppliers. In 2024, our auditing protocol and auditor training materials were revised and improved, and distributed to suppliers for use.
8. Complete an assessment to measure the feasibility of extending these commitments to additional global markets where McDonald’s operates	Achieved	As of 2024, we completed an assessment to measure the feasibility of extending these commitments to additional global markets where McDonald’s operates.



Jobs, Inclusion & Empowerment

We're helping build bright, safe and inclusive futures by nurturing skills, uplifting communities and respecting human rights, empowering the people and the communities we serve.

Empowering the communities we serve is fundamental to building the change we want to see. We are also committed to helping our Restaurant Staff achieve their goals and, with our Franchisees, have awarded over \$230 million in tuition assistance through Archways to Opportunity®. Using our global influence, we aim to positively impact all who engage with our business.

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Human Rights

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

Our Strategy in Brief

McDonald’s has developed an approach that focuses on issues relevant to its business, embeds key activities to address those issues within McDonald’s corporate functions and market operations, and provides flexibility to respond to emerging human rights-related trends and business priorities.

We conduct our activities in a way that respects the dignity of each person. To maintain relevant policies and practices, we work to identify and understand the human rights issues that are most important to our business. As we continue to evolve our human rights approach, we’re committed to employee and stakeholder engagement to inform our own policy and influence change elsewhere. We support

Company-owned restaurants and Company offices with human rights-related implementation guidance, and we provide optional guidance to Franchisees and suppliers, including a suite of policies, tools and training, to reinforce a culture of integrity and respect.

Human Rights Focus Areas

McDonald’s conducted due diligence (including assessments) to identify its human rights focus areas, listed in alphabetical order:

- 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 & Safety
- Working Conditions
- Workplace Security



Respecting human rights is core to our purpose of feeding and fostering communities and creating delicious, feel-good moments for everyone. I’m inspired by how McDonald’s and our partners bring this to life every day – from our supply chain to our restaurants – and proud that it helps our customers feel good about every meal.”

Jessica Rivas, Director, Human Rights





Our Performance

Having updated our **Human Rights Policy** in 2024, we developed an eLearning module – available in 13 languages – alongside mandatory training for all Corporate Staff to ensure our refreshed expectations were clearly understood. Moving forward, we will work to make optional resources and materials available for our business partners to use to drive further awareness of our updated policy.

Similarly, to enhance supply chain awareness of our updated **Supplier Code of Conduct**, we hosted four training sessions for suppliers, markets and audit firms in 2024. More than 3,000 people joined the sessions live, with recordings made available for on-demand viewing.

3,000+

people joined supply training sessions live



Child Labor: Employment of Minors

Across our supply chain, we are focused on a smooth transition for our suppliers to Sedex SMETA audits. At the industry level, we are maintaining our engagement with the AIM-Progress working group on child labor, supporting the development of open-source tools to increase the prevention of child labor in supply chains.

McDonald's Supplier Code 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.

In 2024, our Code was updated to strengthen our expectations on how suppliers can safeguard young workers. Additionally, we supported higher-risk suppliers to navigate underage and forced labor risks by partnering with AIM-Progress to deliver optional training.

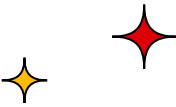
In the U.K. and Ireland, our new Young Workers' Policy provides support for young workers – those under 18 years old – and helps to make sure they know what is expected of them and to ensure they feel safe, respected and valued.

Our U.S. market has developed a McDonald's Operating Company (McOpCo) Child Labor Policy to ensure the rights of minor employees are respected.

Effective Remedy: Encouraging Customers to Speak Up

In addition to encouraging speaking up internally, McDonald's restaurant employees are trained to create a safe, respectful environment for anyone visiting a restaurant, including our customers. McDonald's promotes customer-facing surveys encouraging customers to speak up through its global customer satisfaction survey platform used in more than 100 markets. Some restaurants have also deployed their own customer feedback mechanisms, and McDonald's makes customer-facing contact information available at restaurant, national and global levels. These mechanisms provide an avenue for customers to raise complaints about discrimination or harassment if experienced at a McDonald's restaurant.

During 2024, various markets launched campaigns designed to support customers in speaking up against gender-based violence. For example, McDonald's Italy hosted the "Non sei sola, lasciati aiutare" (You are not alone, let us help you) campaign to promote helplines through stickers in women's bathrooms in over 760 McDonald's restaurants across Italy. Each sticker prominently featured 1522, Italy's national anti-violence and stalking number.





**Discrimination and Harassment:
Safe and Respectful Workplaces**

The purpose of McDonald’s Global People Brand Standards is to promote safe, respectful and inclusive workplaces that help protect the physical and psychological safety of all restaurant employees. The standards apply across all McDonald’s restaurants (whether Company-owned and operated or franchised). We believe having a safe place to work is a human right, and we have built a strategy with this in mind, taking steps to foster environments that prioritize the safety of Corporate Staff, employees in our Company-owned and operated restaurants, and our customers, while also providing support to our Franchisees in fostering similar environments for their employees. The Company is committed to respecting the health and safety of

people, a concept that is incorporated into Company policies, Codes of Conduct and guiding principles.

In October 2024, McDonald’s UK & Ireland (UK&I) launched a new campaign, designed by crew for crew to ensure that everyone feels confident speaking up and to enhance access to Speak Up channels. A chat platform was also created to simplify the reporting process and support the 24/7 business of restaurants. The AI-powered platform is easy to use and available in multiple languages and helps ensure all the necessary information is submitted.

 Read more about our global approach to [Promoting Safe, Respectful and Inclusive Workplaces](#) through the implementation of our People Brand Standards across all McDonald’s restaurants on our website.

Forced Labor: Responsible Recruitment

McDonald’s is committed to preventing forced labor and upholding responsible and ethical recruitment standards. In 2024, we integrated Employer Pays Principle-related questions into McDonald’s Putting People First Restaurant Visits. In markets with significant reliance on migrant workers, third-party Responsible Recruitment Visits assessed adherence to our Responsible and Ethical Recruitment Principles. Findings shaped best practice guidance for business partners and informed McDonald’s global Responsible Recruitment accountability measures.

Stakeholder Engagement

To assess and prioritize human rights impacts, we conduct assessments, monitor media and third-party reporting and participate in internal and external stakeholder engagement.

Our partnership highlights include:

- Co-chairs of the [Consumer Goods Forum’s Human Rights Coalition](#), which strives to make human rights due diligence the industry norm in operations and supply chains.
- Member of the [Leadership Group for Responsible Recruitment](#), a collaborative effort to drive positive change in how migrant workers are recruited.

- Member of [AIM-Progress](#), a business initiative focused on responsible sourcing. In 2024, we joined a working group dedicated to preventing illegal child labor and supported the development of a free eLearning course on combatting child and forced labor in U.S. manufacturing.
- In 2024, we supported the development of the “Converged Human Rights and Environmental Due Diligence (HREDD) Assessment Tool” as members of the Consumer Goods Forum and AIM-Progress with the Fair Labor Association and Proforest to help businesses address potential human rights and environmental risks throughout operations and supply chains.

McDonald’s also establishes relationships locally to further stakeholder engagement on human rights topics. For example, in 2024, McDonald’s Germany joined the Fairwork Pledge to encourage platform companies to have fair practices for their employees.

 Learn more about our approach to stakeholder engagement on our [Human Rights](#) web page.





Inclusion

For 70 years, we have opened our doors to everyone. Our commitment is to always put people first – and to our belief in creating access to opportunity for everyone we serve, whether it’s our customers, employees, Franchisees or suppliers.

Inclusion is fundamental to our business, and it’s why and how we operate successfully in more than 100 markets worldwide.

We believe that creating an environment where people can share different perspectives and feel valued helps them perform at their best, drives innovation and contributes to our business success. We are at our best when our local teams are shaped by and connect with the communities where they operate.

Our Inclusion Ambition

Our success is a direct reflection of the incredible work our entire System has done to become the world’s community restaurant.

Following our Golden Rule of treating everyone with dignity, fairness and respect, always, we align our efforts to meet current business needs by focusing on our people, Franchisees and suppliers.

Our core values enable us to operate successfully and grow our business. The work includes recruiting and investing in restaurant team members from all communities in which we operate, creating more opportunities for entrepreneurs to become Franchisees, strengthening our dynamic and innovative supply chain, and equipping our people with the tools to lead with respect and develop the best talent to drive future growth.

McDonald’s welcomes everyone. Living our core value of Inclusion means we remain focused on:

- Building an employee, Registered Applicant and supplier pipeline that reflects all backgrounds and experiences.
- Maintaining pay equity to retain the best and brightest talent.

- Embracing a culture of Inclusion, including for restaurant and crew, to help ensure everyone feels welcomed and supported.
- Supporting operator and employee affinity groups.
- Tracking and publicly disclosing the demographic makeup of our employee population by gender globally and employees in the U.S. who self-identify as members of Underrepresented Groups (URGs).¹

In 2024, McDonald’s completed a comprehensive review of Inclusion across our System, reaffirming the core principles that guide our approach:

- 1 Our System thrives when we are shaped by the communities in which we operate.
- 2 Our early and full adoption of Inclusion gives us a competitive advantage.
- 3 Individuals perform their best when they feel they belong.
- 4 Our priority is responsible business – acting lawfully and being responsive to the business environment.

As we announced at the beginning of 2025, we identified a couple of practices to be modified during the year, primarily, retiring aspirational representation goals and instead keeping our focus on continuing to

embed inclusive actions and behaviors that grow our business into our everyday process and operations. Also, having met our U.S. Systemwide aspirational diverse-owned supplier spend goals ahead of time, we are focused on adopting more integrated discussions with suppliers about Inclusion as it relates to driving a resilient System. Please note that the data presented in this report corresponds to 2024 and pre-dates the announcement mentioned above.

 To see more of our strategy in detail, visit [Our Commitment to Inclusion](#) web page.

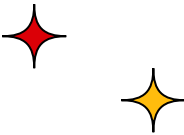
Publishing Our Performance

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 diverse-owned media, production companies and content creators.



Championing Para Sports

Learn how McDonald’s Germany is increasing visibility for individuals with disabilities in partnership with the National Paralympic Committee in our [Progress Summary](#).





Our Performance

Our People

Promoting Inclusive People Practices

We aim to create an environment where everyone feels valued and empowered to share their unique perspectives. We are taking steps to develop strong, mindful leaders who are able to help our talent excel in their careers and support our business growth.

Expanding Access to Opportunity

McDonald's prioritizes creating opportunities for everyone through inclusive recruitment, hiring and promotion practices. In the U.S., the Company focuses on partnerships with a broad range of career fairs and workshops to attract top talent. We utilize tools to support fair interview processes, while also promoting internal communication for open roles at the Director level and below. Succession planning is emphasized to enhance candidate pools for future positions. Our corporate officers are expected to put in place talent development strategies to support this effort.



Supporting Career Development

Learn how McDonald's has supported employees to advance their career pathways toward franchise ownership in our [Progress Summary](#).

Gender Representation in Company-Owned and Operated Restaurants: Global²

Manager



Shift Manager and Crew



All Restaurant Staff



Gender Representation in Company-Owned and Operated Restaurants: U.S.³

Manager



Shift Manager and Crew



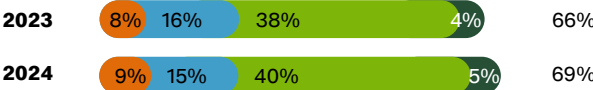
All Restaurant Staff



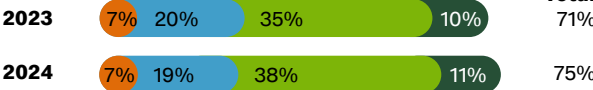
● Women

Representation of Underrepresented Groups in Company-Owned and Operated Restaurants: U.S.⁴

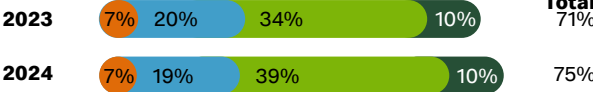
Manager



Shift Manager and Crew



All Restaurant Staff



● Asian ● Black ● Hispanic ● Other



Inclusion is foundational to McDonald's past – and it's essential to our future. Every day, together with our Franchisees and supported by our global supply chain, we open our doors to everyone, serving 70 million customers, empowering 2 million employees and supporting more than 40,000 communities. Whether it's hiring locally, creating pathways for more entrepreneurs to become Franchisees or growing an innovative supply chain, Inclusion fuels our growth. We're proud of the progress we've made, and we recognize that the journey is ongoing. We remain committed to evolving, investing and leading with transparency – sharing both our achievements and our challenges – as we work to create lasting, meaningful impact."

Suheily Natal Davis, Global Inclusion Officer





Promoting Inclusive Recruitment, Hiring and Promotion Processes

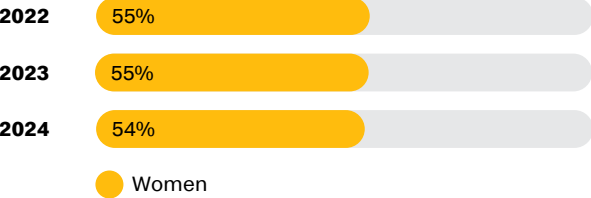
We believe transparency in tracking and publicly disclosing demographic data is crucial for accountability and helps us understand and better support our workforce. This data reflects the Company’s ongoing efforts to expand equal access to opportunities and adapt to changes in the workforce marketplace. Collecting this information allows us to identify areas for improvement in our hiring and promotion practices.

Gender Representation – Corporate Staff: Global²

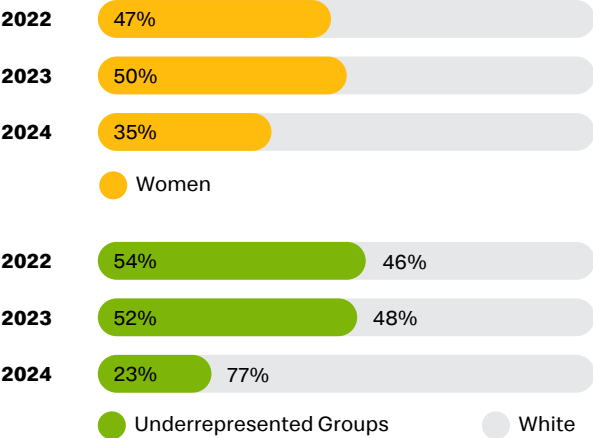
Senior Director and Above



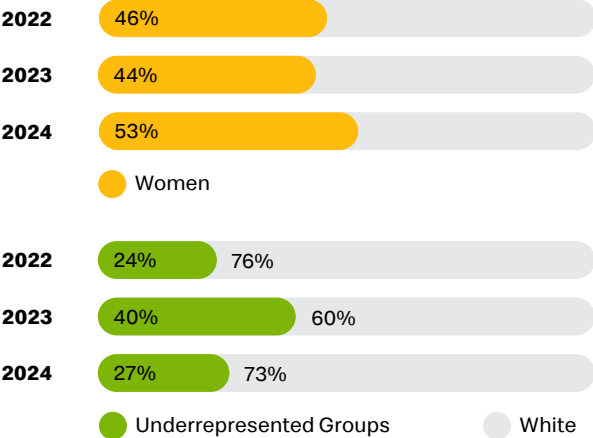
All Corporate Staff



All External U.S.-Based Senior Director and Above Hiring⁵

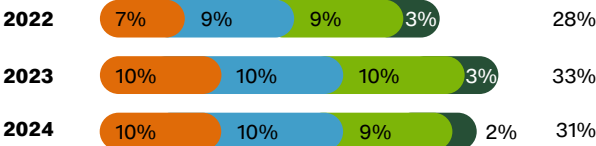


All U.S.-Based Senior Director and Above Promotions⁵

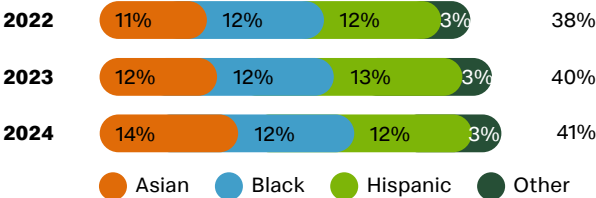


Representation of Underrepresented Groups – Corporate Staff: U.S.⁶

Senior Director and Above



All Corporate Staff



Fostering Inclusive Leadership Through Learning and Development

We are committed to enhancing Inclusion at all levels of the Company. Since 2022, we’ve offered an Inclusive Leadership course for employees in Director-level positions and above, helping them foster engagement, build team connections and provide mentorship. Inclusive leadership principles are woven into our leadership training programs and supported by various online and employee-led learning resources.

Equal Pay for Equal Work

We believe in compensating people fairly, 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.

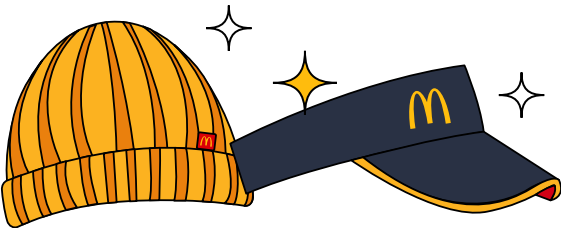
The 2024 pay equity analysis showed that women globally in Company-owned and operated markets were paid 99.93 cents on the dollar in base pay on average of what men were paid for similar work, and there was no base pay gap disfavoring URGs in the U.S. The Company intends to continue addressing any identified pay gaps in future analyses.⁷

See our [Talent & Benefits](#) web page for more detail on our compensation philosophy, including the Global Pay Principles in place across our owned markets to help ensure that good pay practices are understood, implemented and executed across McDonald’s.

Fostering Inclusion Through Employee Business Networks

Our Employee Business Networks (EBNs) are employee-led, volunteer, business-focused groups for all employees. EBNs foster relationships, provide information on career strategies and help grow our business. They provide members, which include allies, with opportunities to network, learn from one another and develop their careers together. EBNs provide a source of mentors, role models and opportunities for leadership skill-building. EBNs also provide important cultural insights that support the business.

 Read more about how our EBNs bring our Company values to life on our [EBN web page](#).

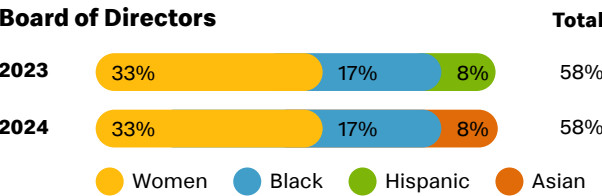




Board Diversity

Our Board is keenly focused on ensuring that 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 2024, more than half of our Board (58%) comprised Directors who are women or racially/ethnically diverse.



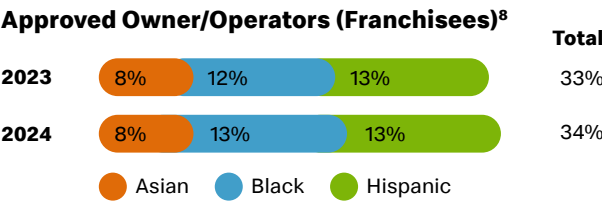
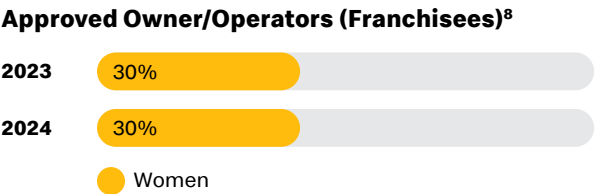
Our Franchisees

Building a Thriving Franchisee Pipeline

Our Franchisees are not just proud small business owners but also the local faces of our brand, fueling McDonald's growth and positively impacting our communities. We are intentional about increasing access to opportunities for Franchisees from all backgrounds and providing them with resources to help their restaurants thrive, including an entrepreneurial guide, a training program and coaching for Registered Applicants.

In our U.S. market, more than 2,000 Franchisees have access to five Franchisee association groups: the National Black McDonald's Operators Association, the

McDonald's Hispanic Owner-Operators Association, the Women Owners Network, the Asian McDonald's Operator Association and the McDonald's Owner Operator Pride Network. These groups serve to promote entrepreneurship and foster supportive connections between Franchisees.



Our Suppliers

Fueling Economic Impact and Innovation

We continue to expand and optimize our supplier pipeline, creating access to opportunities for a broad range of suppliers to compete for our business and build lasting relationships that help drive economic impact.

Across our U.S. System – including Franchisees – McDonald's spent approximately \$19.3 billion in 2024 with U.S. suppliers. As such, we believe we have a responsibility to foster collaboration with our suppliers and help drive access to opportunities in our business and beyond.



A Supplier Partnership Built on Inclusion

Learn about our partnership with Fair Oaks Food and how we've worked together to promote inclusive practices throughout the family-owned business in our [Progress Summary](#).



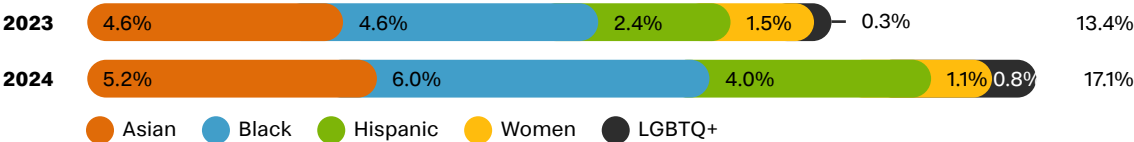
Our Global Supply Chain team aims to engage with all suppliers on Inclusion efforts during business reviews. We focus on driving Inclusive sourcing practices by sharing best practices and working with third-party certifying organizations to increase engagement with a broad range of suppliers, optimizing our pipeline.

% Spend Through U.S. System With Diverse-Owned Suppliers¹⁰



% U.S. Marketing Investment Spend¹¹

National Diverse-Owned Media, Production Companies and Content Creators





Talent & Benefits

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

Our Strategy in Brief

We believe providing a best-in-class employee experience – where people are given opportunities to learn and develop – is a business imperative. By looking after the people who work for the Company, we feel we can better equip and support them to deliver enhanced customer experiences.

We have designed and are deploying strategic human resources and talent management processes that help support our long-term business strategy.

Key to this strategy has been the development of an initiative to build the foundation for a seamless, personalized employee experience and to transition our talent processes to a digital format. This initiative will establish globally leveraged and locally relevant processes and simplify the Company's 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. Achieving these objectives will help create internal visibility into the full breadth of talent at the Company.



See our [Talent & Benefits strategy and programs in detail on our website](#).

We want to create a culture in which the Company's employees feel empowered to drive business impact and pursue their career aspirations. Through the Company's talent processes and supporting resources, we are evolving to help build high-performing and highly engaged teams.



Upskilling Around the Globe

Learn about some of the ways McDonald's is empowering employees to achieve their professional goals in our [Progress Summary](#).



Our Performance

Career Planning and Development Philosophy

Our Career Planning and Development Philosophy website for Corporate Staff details our commitment to helping our employees on their career journeys through a philosophy deeply rooted in the Company's purpose, mission and values.

The philosophy guides Company employees in how to develop their careers and details how the Company can build strong leadership pipelines. There are many ways we put it into action: We have created the Career Navigator guide for employees to use when exploring tools, services and offerings available to help their career journeys. Annual Career Conversations are opportunities for Company employees to discuss career and development plans with their People Manager and receive guidance on how to pursue them.

People Manager Connections

We are committed to the growth and development of our People Managers, recognizing the key role they can play in supporting and advancing their teams. That's why we launched the People Manager Connection series – education sessions designed to help People Managers explore key topics, understand what's expected of them and learn from one another.

In 2024, the sessions were delivered globally, with 67 sessions to approximately 7,900 People Managers participating.

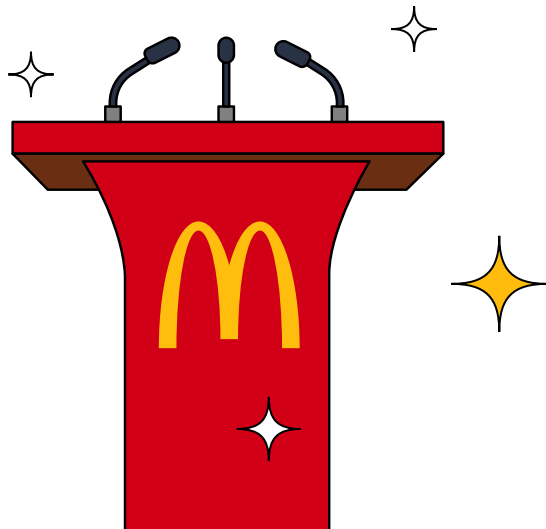
Learning and Development

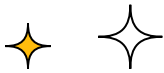
Learning and development is a competitive advantage to McDonald's and a true differentiator to the employee value proposition. We are committed to delivering world-class learning to attract, retain and grow our people and building a learning culture that increases learner engagement and productivity. Our strategy is grounded in three strategic growth pillars: Transform Experiences, Accelerate Capability and Modernize Delivery. In 2024:

- Activate, a Consulting Great Restaurants program, consists of a simulation, digital micro-learning (videos, PDFs, etc.), and facilitator-led sessions that reached 74 markets and were translated into 23 languages.
- Shift Simulation, which provides learners with real-world insight into how to run successful shifts, launched in 54 markets and was translated into 23 languages.

- We began transforming Crew Academy, which provides interactive experiences and is now live in 10 markets in 13 languages.
- We reimaged our Safe, Respectful and Inclusive Workplace training to focus on the behaviors needed to drive a place of work where everyone feels included, launching it in over 50 markets.
- Campus and Fred launched in three new markets. Campus is our system for recording formal learning, and Fred is a performance support resource that provides job aids and reference materials. We now have 75 markets using our learning systems.
- The Restaurant Development Onboarding Program was rolled out with a series of animated videos for new team members.
- The Empowering Development Leaders Program launched as a four-month journey building leadership capabilities to a cohort of over 40 participants from 40 countries.
- The Strategic Marketing Leadership program was launched to support marketing leaders with a common language to create and lead strategic plans.
- We finalized the design and activation plan for a new Global Technology program, Tech Academy. This includes foundational tech skills for People Managers and individual contributors. We piloted four workshops with 48 attendees.
- We introduced Future Forward, our International Leadership Development Program, in Milan with two cohorts of 30 participants.

The work we are doing in learning and development at McDonald's is being recognized through industry awards. In 2024, we won eight Brandon Hall Group Human Capital Management Excellence Awards™, which recognize best practices for initiatives in learning and development.





In addition, we were honored with the L&D Team of the Year Award among OnCon’s Top 100 L&D Teams. This prestigious award is based on a nomination and determined through peer and community voting, and our ambition and achievements to deliver world-class learning opportunities.

In 2025, we will continue to move our Learning Strategy forward and evolve our program offerings.

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 helps prepare them for the next level of responsibility, combining hands-on experience, networking and mentoring, and structured classes – both on-site and online.

In 2024, through HU, Corporate Staff completed 188,850 courses, while Restaurant Staff¹² completed more than 20 million courses, including restaurant and leadership curricula.

We also opened a new HU in Guatemala City, Guatemala, in 2024, bringing the number of HU locations to 10 across five continents.



Read more about our locations on the [Talent & Benefits](#) web page.

In 2025, we will continue toward our ambition to make Hamburger University a world-class brand, aligning with our purpose of building futures to drive lasting business impact and empowering growth to help Corporate and Restaurant Staff achieve their potential.

Archways to Opportunity

Archways to Opportunity offers eligible U.S.-based Restaurant Staff in participating restaurants financial support to help them achieve goals such as graduating from college, earning a high school diploma, learning English as a second language and gaining access to academic and career advising services. As of year-end 2024, the program had:

- Awarded over \$230 million in tuition assistance to nearly 69,000 Restaurant Staff.
- Supported over 2,000 graduates of the Career Online high school program.
- Supported more than 10,500 graduates of English Under the Arches program.

Compensation and Wages

Market Focus: Restaurant Staff Wages in the U.S.

During 2024, we began piloting a third-party wage advisory service with a group of U.S.-based Franchisees. The optional wage advisory service is a Company investment designed to provide U.S.-based Franchisees with resources and education to help them make third-party-supported wage and compensation decisions for their own businesses based on benchmarks of locally available data.

In 2024, we provided wage education and resources to U.S.-based Franchisees to support their efforts to adapt to the California Fast Food Council’s new rulings last year.

Annual Pay Equity Analysis

We conducted our global pay equity analysis to ensure that we maintain fair, compliant and equitable pay practices. We believe in compensating people fairly for the work that they do while considering the many factors that legitimately drive differences in pay, such as relevant market conditions, job level, experience, performance and location. We use this analysis to help identify and close any material pay gaps that are not explainable, as well as report on our progress to support pay equity.





Community Connection

We understand our business thrives when our communities thrive, so we seek to act both globally and locally, helping feed and support people when and where they need it most.

Whether it's helping advance employment opportunities for young people, stepping up in times of crisis or helping families whose children are sick or injured, we seek to make a positive difference in our communities around the world.

In this section

- 40 Community Impact & Philanthropy**
- 43 Ronald McDonald House Charities®**



Community Impact & Philanthropy

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



Our Strategy in Brief

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 Company’s 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 Charities.
- 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 on our website.](#)



Thanks to McDonald’s generosity, Hope Chicago has been able to provide access and support to debt-free postsecondary pathways for over 1,800 students and 200 parents from the South and West Sides of the city. McDonald’s commitment to organizations like Hope Chicago will continue to help increase the economic prosperity of Chicago and the people that make it great.”

Dr. Janice K. Jackson,
CEO Hope Chicago

Our Performance

Opportunity Employment

Having achieved our goal to reduce barriers to employment for 2 million young people in 2023, we continue assessing new ways to evolve and broaden our approach to opportunity employment. We know there are several populations that 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.).

Examples of the Company’s and Its Franchisees’ Opportunity Employment Impact Across the Globe

Youth: In 2024, McDonald’s UK&I launched Makin’ it, a nationwide initiative designed to create opportunities for young people and strengthen connections within our communities. In its first year, Makin’ it has already made such a meaningful impact on young people’s lives, connecting approximately 70 McDonald’s restaurants with youth services.



Refugees and displaced populations: McDonald's hires and trains refugees in multiple markets and is actively exploring ways to expand these initiatives. In Spain and the U.K., McDonald's partnered with Tent Partnership for Refugees on the Opening Doors program to help recruit, retain and advance refugee workers.

Senior citizens: McDonald's Korea partnered with the Seoul 50 Plus Foundation, a senior employment support organization under the Seoul Metropolitan Government. Together, we held recruitment events in cooperation with the foundation to provide information sessions for senior citizens interested in working in our restaurants. The sessions provided participants with information about the job and gave them a chance to ask questions and receive an interview for employment.



Thanks to McDonald's Chicago Community Impact Grants Program, our community center can serve Chicago's young people in multiple areas of life – with meal programs, identity-based youth groups, social and recreational events, case management and stable housing."

Center on Halsted, Chicago, IL

People with disabilities: The Australian Disability Network has successfully completed a two-year project to help employers in high-growth industries fill vacant roles with suitably skilled jobseekers with disabilities. Throughout the Employing 100 project, the four major employers – CSL Limited, Marriott International, McDonald's Australia and The Salvation Army – integrated a total of 240 skilled jobseekers with disabilities into their workforces, significantly surpassing the initial goal of 100 placements.

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 neighborhood organizations advancing youth opportunity. Since 2022, we have invested approximately \$8.5 million and, in 2024, the third year of the Program, we deepened our commitment to support 19 local organizations, helping ensure that they have the resources to support skills development in young people to ready them for a myriad of potential career pathways.

The Chicago Community Impact Grants Program will continue to benefit 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. For example, we:

- Supported the My Brother's Keeper Alliance and Girls Opportunity Alliance programs as part of our \$1 million commitment to the Obama Foundation. During 2024, our support included hosting the foundation's latest Future Series, which introduces students to a range of career paths.
- Making \$1 million commitment to Hope Chicago to advance its mission of providing access and support to pursue a postsecondary education debt-free for Hope Scholars and their parents.

Supporting Communities in Need Disaster Response

When disaster strikes, the McDonald's System comes together to support communities in need. In 2024, when Hurricanes Helene and Milton hit the southeastern U.S., McDonald's donated more than \$2 million in direct and in-kind aid, including \$1.5 million in financial support to the American Red Cross, Team Rubicon and World Central Kitchen. McDonald's also provided free hot meals through the McRig to those in impacted areas. Our supplier partners adjusted delivery schedules to ensure our restaurants were stocked as soon as they reopened.

Throughout 2024, Company employees donated via the Company'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 548 employees in 2024 following hurricanes or death.

Locally Driven Needs: The Company's 2024 Actions

We are dedicated to supporting communities in times of need and have taken several actions to advance this in 2024, 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.
- Pledging over \$250,000 to Institut Barcelona Esports in response to floods in Spain.
- Offering hardship and disaster relief for Company Restaurant Staff in the U.S.
- Partnering with local youth-serving nonprofit organizations and hosted career days at McDonald's headquarters, exposing high school students to career possibilities.





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 above or a Board member). In 2024, we matched nearly \$880,000 in employee donations and, since 2015, have matched nearly \$6.2 million through this offering.

Philanthropic Investments

Supporting Ronald McDonald House Charities

Included in our Community Impact & Philanthropy strategy is McDonald’s continued support for RMHC.

In 2024, we donated \$20 million to RMHC as part of our five-year, **\$100 million commitment**. The gift is helping RMHC through direct financial support that will be used for RMHC Chapter capacity building, initiative activation and resource development.

 Find out more on [page 43](#) or on our dedicated [RMHC web page](#).

Food and Supplies Donations

Throughout 2024, we made food and supply donations to help communities meet their basic needs.

Examples of Our Impact Across the Globe

Germany: McDonald’s Germany regularly holds an Open Freezer Donation drive in the Menu Management test kitchen. During this drive, excess products still within their expiration date are donated to RMHC.

The U.S.: McDonald’s U.S. restaurants donated over 1.1 million pounds of food to support local U.S. food banks and communities.

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 dedicate the month of September every year to celebrate and activate community service through our Global Volunteer Month. In 2024, Global Volunteer Month served as an opportunity for McDonald’s System employees to support meaningful causes. During the month, McDonald’s System employees participated in 340 events in 30 countries.

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.

1.1M
pounds of food donated by
McDonald’s U.S. restaurants
to support local food banks
and communities



Golden Neighbor Program
Learn about how McDonald’s aims to strengthen community connections through our Golden Neighbor Program in our [Progress Summary](#).





Ronald McDonald House Charities®

Ronald McDonald House Charities (RMHC®)¹ is a nonprofit 501(c)(3) organization whose purpose is to care for families when their child is ill or injured.

Our Strategy in Brief

Through a global Chapter network, RMHC envisions a world where every family has what they need to ensure the best health outcomes for their children.

What RMHC Does

Through three core global programs and hundreds of local programs, RMHC operates with the mission to provide essential services that help to remove barriers, strengthen families and promote healing when children need healthcare.

- **Ronald McDonald House programs:** More than just a place to sleep, each House is near a hospital and provides meals and a range of supportive resources to families when their child is hospitalized.

- **Ronald McDonald Family Room® programs:** Located within a hospital, this program offers families a place to recharge, rest and access food at no cost, all within a few steps of their child's bedside.
- **Ronald McDonald Care Mobile® programs:** In partnership with a clinical services provider, these mobile units provide medical, dental and healthcare resources to children and families in underserved communities.

In addition to the three core global programs, RMHC Chapters have developed hundreds of Ronald McDonald local programs that are tailored to help address unmet needs and make a measurable difference in the lives of families and children throughout their healthcare journeys.

The Company and RMHC Working in Partnership

Collective support from the Company and its Franchisees, suppliers and customers helps RMHC deliver on its mission. In 2024, the Company celebrated the 50th anniversary of the first Ronald McDonald House opening in Philadelphia.

For 50 years, McDonald's ongoing support of RMHC is consistent with its purpose to feed and foster communities, and the Company is proud to be more than a founding partner of RMHC – and to be its forever partner.



See our [RMHC strategy and programs](#) in detail on our website.



At Ronald McDonald House Charities, we believe that families are stronger when they are together and supported. For 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 Charities





Our Performance

As of the end of 2024, RMHC had over 255 Chapters in more than 60 countries and regions. Across all programs, in 2024, the charity helped save families an estimated \$678 million in food and lodging expenses.

2.8M

overnight stays for RMHC families worldwide – with support from McDonald’s and its Franchisees and customers

31,000

people from across the McDonald’s System volunteered their time to RMHC throughout the year

\$73M

raised through customer donations from the Round-Up for RMHC program globally

How McDonald’s Continued to Support RMHC in 2024

During 2024, McDonald’s Corporation continued to support RMHC with a donation of \$20 million as part of its five-year, \$100 million commitment to support families with children who are ill or injured when they need it most. In total, the Company, its Franchisees and McDonald’s customers donated more than \$230 million to RMHC in 2024, which represents 25% of the RMHC System’s total annual funding, helping the charity provide approximately 2.8 million overnight stays for RMHC families around the world.²

In some locations, McDonald’s restaurants donate a percentage of their sales of specific products to RMHC or run other special promotions in restaurants, like McHappy Day (when a portion of sales from a select day or time period supports local RMHC Chapters) to benefit the charity.

Purchase enabled donation activities took place in McDonald’s restaurants in more than 50 countries across the globe, raising more than \$50 million in 2024.

Additionally, local RMHC Chapters reported that over 31,000 people from across the McDonald’s System volunteered their time to RMHC throughout the year.

Helping Customers Give to RMHC

Round-Up for RMHC, Donation Boxes and other special promotions allow customers to join in giving back to RMHC.

The Company continued offering customers ways to support RMHC in 2024 with restaurants in 58 countries facilitating donations from customers through these channels.

One method, Round-Up for RMHC – providing customers with the opportunity to round up their purchase to the nearest whole number, with that additional amount being donated to RMHC – saw record levels of support from customers in 2024. More than 20 countries received customer donations through the Round-Up for RMHC, raising more than \$73 million.

In 2024, U.S. restaurants facilitated more customer donations than ever before, raising \$60 million² through Round-Up for RMHC.



How McDonald’s Supported RMHC in 2024

Learn about the many ways McDonald’s continued to support RMHC across our markets in our [Progress Summary](#).





Appendix

Endnotes

Our Planet

CLIMATE ACTION

- 1 Consistent with past reporting by the Company, these figures include the impact through 2024 of the Corporate-backed VPPA program in the U.S., recognizing that SBTi is currently assessing the effectiveness of Environmental Attribute Certificates (EACs) in corporate climate targets to inform its revisions to the net zero standard.
- 2 In 2024, we recalculated our Scope 3 baseline to include services emissions as part of Category 1: Purchased Goods and Services.
- 3 McDonald's SBTi-validated target in full:
 - McDonald's Corporation commits to reduce absolute Scope 1 and 2 GHG emissions 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 50.4% within the same timeframe.
 - McDonald's Corporation commits to reduce absolute Scope 3 FLAG GHG emissions 16% by 2030 from a 2018 base year. McDonald's Corporation also commits to maintain no deforestation across its primary deforestation-linked commodities.

PACKAGING, TOYS & WASTE

- 4 **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.
- 5 **Packaging. Scope:** Inclusive of all markets for our fiber-based packaging, plastic-based packaging and Happy Meal book and toy packaging. **Renewable sources** refers to material that is composed of biomass from a living source and that can be continually replenished. Renewable applies to plastics only, not fiber. **Source:** ISO 14021:2016 for plastic, ASTM 6866 or ISO 16620-2. **Fiber-based packaging** made from 100% recycled sources must be third-party verified, unless 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 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 packaging in food packaged off-site of McDonald's restaurants, tray liners, test items, and limited locally sourced items.

- 6 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 opportunities to work toward making any part of our packaging, including non-structural components, more sustainable.
- 7 **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.
- 8 **Markets with advanced infrastructure:** Mature waste and recycling infrastructure at a national level that has (1) 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 2024, that included 21 markets where McDonald's operates.
- 9 **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 is 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. 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 we anticipate that percentage will be 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 will result in an approximate 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 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.

NATURE, FOREST AND WATER

- 10 **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) to beef suppliers to the McDonald's System and all McDonald's restaurants owned and operated by the Company and its Franchisees that sell beef. In 2024, the McDonald's System sourced 90% of its beef from low-priority origins under the McDonald's Deforestation-Free Beef Procurement Policy. McDonald's requires all beef raw material sourced from high-priority origins to adhere to McDonald's Deforestation-Free Beef Procurement Policy 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 Brazil, Paraguay, Argentina and Australia. **Exclusions:** Grain-fed Australian beef and beef used as secondary ingredients in McDonald's products; for example, as flavoring in a sauce.
- 11 **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 the Company and its 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 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 resiliency-focused outcomes. 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 oil and chicken fed on soy from the United States and Canada. The United States and Canadian markets are exploring alternative regional approaches.
- 12 **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 the Company and its 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.

- 13 **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 the Company and its 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 these regions to be [Rainforest Alliance Certified](#). **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.
- 14 **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, napkins, salad bowls, Happy Meal cartons, drink carriers and cup carriers. Includes all suppliers of primary-based packaging to the McDonald's System and all McDonald's restaurants owned and operated by the Company and its Franchisees. In 2021, the primary fiber-based packaging scope was expanded to include plastic alternatives such as wood stirrers and cutlery, and paper straws and lids. This broadened scope has resulted in a slight decrease in percent compliance. All volumes of contingency items sourced from suppliers compliant with our standards but not integrated into our data reporting system were counted as non-compliant. 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 McDonald's restaurants; tray liners, straws and limited locally sourced items.

15 <https://doi.org/10.4060/cb6473en>.

16 As relevant for 2024 data, water withdrawn was estimated based on 605 U.S. locations that provided withdrawal data and extrapolated to the 2,045 Company-owned and operated restaurants worldwide.

17 Restaurants generally source water through municipal water systems.



Food Quality & Sourcing

RESPONSIBLE SOURCING

- 1 **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 the Company and its 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 these regions to be Rainforest Alliance Certified. **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.
- 2 **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) to beef suppliers to the McDonald’s System and all McDonald’s restaurants owned and operated by the Company and its Franchisees that sell beef. In 2024, the McDonald’s System sourced 90% of its beef from low-priority origins under the McDonald’s Deforestation-Free Beef Procurement Policy. McDonald’s requires all beef raw material sourced from high-priority origins to adhere to McDonald’s Deforestation-Free Beef Procurement Policy 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 Brazil, Paraguay, Argentina and Australia. **Exclusions:** Grain-fed Australian beef and beef used as secondary ingredients in McDonald’s products; for example, as flavoring in a sauce.
- 3 **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 the Company and its 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 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 resiliency-focused outcomes. 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 oil and chicken fed on soy from the United States and Canada. The United States and Canadian markets are exploring alternative regional approaches.

- 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, napkins, salad bowls, Happy Meal cartons, drink carriers and cup carriers. Includes all suppliers of primary-based packaging to the McDonald’s System and all McDonald’s restaurants owned and operated by the Company and its Franchisees. In 2021, the primary fiber-based packaging scope was expanded to include plastic alternatives such as wood stirrers and cutlery, and paper straws and lids. This broadened scope has resulted in a slight decrease in percent compliance. All volumes of contingency items sourced from suppliers compliant with our standards but not integrated into our data reporting system were counted as non-compliant. 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 McDonald’s restaurants; tray liners, straws and limited locally sourced items.
- 5 **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 the Company and its 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.
- 6 **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 seas, rivers and other natural bodies of water. **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. MSC Certification is optional to McDonald’s markets. Fisheries may also be independently certified as meeting the Marine Stewardship Council (MSC) Principles and Criteria for Sustainable Fishing where a certificate of conformity to an MSC Standard has been granted. **Source:** www.msc.org. McDonald’s may display the MSC certification logo in some of its markets where fisheries and restaurants are certified against the MSC Chain of Custody traceability standard. Scope: Includes all

wild-caught fish sourced for Filet-O-Fish sandwich portions served in McDonald’s restaurants. Filet-O-Fish sandwich portions represent over 97% of the total fish volumes used in the McDonald’s System (by weight). Includes all suppliers of wild-caught fish for Filet-O-Fish sandwich to the McDonald’s System and all McDonald’s restaurants owned and operated by the Company and its Franchisees that sell fish. **Exclusions:** Products that are not Filet-O-Fish sandwich containing wild-caught or farmed fish. We estimate that these products represent less than 3% of the total fish sourced by McDonald’s by weight and may include products such as tuna, prawns, shrimp, salmon and calamari; other breaded products; and locally sourced products. The Company has set an expectation that these products are sustainably sourced, although they are not included in this global performance measure given the local, and often promotional, nature of these items. Moving forward, we have plans in place to reduce sourcing from non-compliant fisheries and will increase our supply of fish sourced from compliant fisheries as new facility options become available.

NUTRITION & MARKETING PRACTICES

- 7 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.
- 10 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.
- 8 Averaged across the 20 major markets.
- 9 One market was granted an exemption from this goal due to use of a frying oil that meets local dietary customs. One market was granted an extension until the end of 2025 due to delays in technology to update their ordering channels (kiosk and mobile app).
- 11 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.

ANIMAL HEALTH & WELFARE AND RESPONSIBLE ANTIBIOTIC USE

- 12 **Broiler welfare:** These commitments apply to chickens raised for sale at McDonald’s restaurants in Australia, Canada, France, Germany, Italy, Ireland, the Netherlands, Poland, South Korea, Spain, Switzerland, the U.K. and the U.S. Russia has been removed from the scope of this goal based on our 2022 exit from this market.
- 13 **Chicken antibiotic use:** Markets covered by this goal include Brazil, Canada, Japan, South Korea, the U.S., Australia, China and Europe. 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, Switzerland, Sweden, the U.K. and Ukraine. As of December 2023, Belarus, Bosnia & Herzegovina and Kazakhstan have been removed from the scope of this goal based on our exit from those markets.
- 14 **Beef antibiotic use:** This goal 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 2024.
- 15 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.
- 16 The Canadian term for cage-free eggs is free-run eggs.



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 In the U.S., the term “Underrepresented Groups” generally means people who identify as Black, Indigenous, Asian or Pacific Islander, or otherwise as people of color, people of Hispanic or Latino/a/x descent, people with disabilities, people who identify as LGBTQ+, people from religious minorities, or people having a combination of these identities or attributes. For purposes of McDonald’s reporting, “Underrepresented Groups” is defined as people who identify as Black, Indigenous, Asian or Pacific Islander, people of Hispanic or Latino/a/x descent or people having a combination of these identities or attributes. The URG data presented in this report reflects U.S. employees who voluntarily disclosed race/ethnicity information.
- 2 **Representation of Women – Corporate Staff: Global; Senior Director and Above, and All Corporate Staff: 2023, 2024:** 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.
- 3 **Representation of Women – Company-Owned and Operated Restaurants:** Manager includes all salaried managers in the restaurant.
- 4 **Representation of Underrepresented Groups – 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, American Native or Hawaiian/Pacific Islander.

- 5 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. 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.
- 6 **Representation of Underrepresented Groups – 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, American Native or Hawaiian/Pacific Islander. This data was obtained from two different collection processes which was then reconciled and integrated. Due to rounding, some totals may not correspond with the sum of the separate figures.
- 7 **Underrepresented Groups Pay Equity Analysis Results (U.S.):** In the U.S., the term “Underrepresented Groups” generally means people who identify as Black, Indigenous, Asian or Pacific Islander, or otherwise as people of color, people of Hispanic or Latino/a/x descent, people with disabilities, people who identify as LGBTQ+, people from religious minorities, or people having a combination of these identities or attributes. For purposes of McDonald’s reporting, including with respect to this pay equity analysis, “Underrepresented Groups” is defined as people who identify as Black, Indigenous, Asian or Pacific Islander, people of Hispanic or Latino/a/x descent or people having a combination of these identities or attributes.

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

2024 The following countries are included in the analysis: the U.S., Canada, France, Germany, the U.K., Australia, New Zealand, Czech Republic, Slovakia, Ukraine, Poland, Austria, Belgium, Switzerland, Netherlands, Spain, Italy and Portugal. In addition to these countries, descriptive analysis without statistical modeling has been conducted over the employees in the following countries: Singapore, Hong Kong, UAE (Dubai) and Ireland. These countries have been excluded from the statistical modeling due to insufficient headcount. High-level U.S. roles (VP+) are excluded from the U.S. data set both for U.S. and Global results.

- 8 **Approved Owner/Operators (Franchisees):** Due to rounding, some totals may not correspond with the sum of the separate figures. As of June 2020, McDonald’s Registered Applicant process for new Franchisees includes voluntary self-identification, which has strengthened our data collection efforts. 2023 and 2024 Data were obtained through various means, including informal identification and voluntary self-disclosure, in addition to the Registered Applicant self-identification process. More information regarding the Registered Applicant process can be found in [Franchising FAQs](#).

- 9 **Marketing Investment Spend (National Diverse-Owned 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.

- 10 **% Spend Through U.S. System With Diverse-owned Suppliers:** U.S. systemwide spend is inclusive of spending by McDonald’s and its U.S. Franchisees. “Other” includes the following categories: Veteran-owned, Native American-owned, Disability-owned, LGBTQ+-owned, and other unidentified categories, including unidentified Minority (MBE)-owned. **2023, 2024:** 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). Our diverse-owned spend figures in the U.S. include both self-certified and formal industry-recognized certification and Tier 1 and Tier 2 spend. Tier 1 suppliers are those from whom McDonald’s buys directly. Tier 2 suppliers are those with whom our suppliers do business. Additionally, the gender diverse-owned supplier spend data excludes businesses that are at least 51% owned, managed and controlled by women from Underrepresented Groups, which are reflected in the racially/ethnically diverse-owned supplier spend data. 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. Due to rounding, some totals may not correspond with the sum of the separate figures.

- 11 **Marketing Investment Spend (National Diverse-Owned 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 AND BENEFITS

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

Community Connection

RONALD MCDONALD HOUSE CHARITIES®

- 1 Ronald McDonald House Charities and RMHC are trademarks of McDonald’s Corporation and its affiliates. RMHC 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 1 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 among their size, complexity or nature of business, this uniform approach means that the categories prescribed in the EEO-1 Component 1 reporting template do not fully reflect the McDonald’s business model. For example, the job categories on the Consolidated EEO-1 Component 1 can be wide-ranging and do not necessarily reflect how McDonald’s thinks about job categories.



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](#)

Our Reporting

In This Report

This report provides a review of the progress made and actions taken in 2024. Unless otherwise stated, the information and data in this report covers McDonald’s Corporation and its majority-owned subsidiaries worldwide during fiscal year 2024 (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 U.S. Securities and Exchange Commission (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.

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

The information in 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 our plans, strategies, prospects and expectations regarding our business and industry are forward-looking statements. They reflect our expectations, are not guarantees of performance and speak only as of the date the statements were made. Except as required by law, we do 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, Archways to Opportunity, Filet-O-Fish, McCafé, McNuggets, McFish, McFlurry, McBites, Big Mac, Ronald McDonald House Charities, RMHC, Ronald McDonald House, Ronald McDonald Family Room and Ronald McDonald Care Mobile.

Our Reporting Suite

-  **Progress Summary 2024–2025**
Examples of our actions and progress across the globe throughout 2024.
-  **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 full scope of our foundational strategies, policies and approaches.
-  **Climate Resiliency Summary**
Detailed insights into our climate targets, approach and progress toward net zero by 2050.
-  **SASB Index**
McDonald’s reports through the voluntary Sustainability Accounting Standards Board (SASB) framework within the Food & Beverage sector.