



Corporate Governance Framework 2024

McDonald's Restaurants Limited



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McDonald's

McDonald's Corporation Inc. ("**McDonald's Corporation**") first opened its doors in Des Plaines, Illinois in 1955. Although a global business today, McDonald's has humble roots and has evolved, based on its philosophy of being consistent in all that it does, providing great service and quality food.

Ray Kroc, the founder of McDonald's, believed in "business for yourself, but not by yourself". He was a strong advocate of working equally and fairly with local franchisees and suppliers. This deep-rooted commitment to relationships continues to underpin our business ethos.

By 1965, with 700 restaurants, McDonald's Corporation went public with the company's first offering on the New York Stock Exchange. The legendary "Golden Arches" brand reached the UK's shores in 1974, with McDonald's Restaurants Limited (the "**Company**") opening its first restaurant in Woolwich, South-East London. And in 1986, our first franchised restaurant opened in Hayes, Middlesex.

McDonald's Corporation together with its subsidiaries including the Company, are referred to herein as "**McDonald's**" and together with its franchisees and suppliers, are referred to herein as the "**McDonald's System**".

The Corporate Governance Framework for McDonald's Restaurants Limited ("Governance Framework") is underpinned by our global and local brand purpose, mission, and core values.

The Governance Framework summarises our approach to how we operate and make decisions, sets out our objectives and achievements and how we work together with our customers, employees, franchisees, suppliers, and the wider McDonald's stakeholders to fulfil our brand purpose and mission.

Our Governance Framework is evolving as we as a business respond to the ever changing economic and environmental landscape, and the complex challenges that demand us to produce innovative solutions and collective action whilst maintaining our focus on our growth and core values.

Our Approach

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. It is the entire McFamily that makes McDonald's what it is today.

Across our business, we strive to lift up the communities we're in. We do it through our purpose, to feed and foster communities. We do it through our growth pillars, which focus on integral areas of our business. We do it through our leadership, with a team that will move our brand forward.

In 2020, McDonald's Corporation announced its growth strategy, Accelerating the Arches. This approach encompasses all aspects of the McDonald's business, a leading global omni-channel restaurant brand. Accelerating the Arches represents our ambition as a business and looks to continue to build on the momentum that has been a feature of our recent growth. Accelerating the Arches looks to deliver across 5 critical areas: purpose, mission, values, growth pillars and McDonald's foundation of running great restaurants.

Our Purpose: To feed and foster communities.

Our Mission: Making delicious feel-good moments easy for everyone.

Core values: Define who we are and how we run our business.



Accelerating the Arches

Strategic Plan

Our Purpose
Feed and foster
communities

Our Mission
Making delicious feel-good
moments easy for everyone

Our Values

Serve:

We put our
customers and
people first

Inclusion:

We open
our doors to
everyone

Integrity:

We do
the right
thing

Community:

We are
good
neighbors

Family:

We get
better
together

Our Growth Pillars



**Maximize
our Marketing**

- Brand
- Affordability



**Commit
to the Core**

- Burger
- Chicken
- Coffee



**Double Down
on the 4Ds**

- Delivery
- Digital
- Drive Thru
- Development

Our Platforms

Consumer: One of the world's largest consumer platforms to fuel engagement

Restaurant: Easiest and most efficient restaurant operating platform

Company: Modern company platform that unlocks speed and innovation

Our Values

To achieve our mission of making delicious feel-good moments easy for everyone, our actions as individuals and as a McDonald's System must reflect our values and must be embedded into our day-to-day behaviours and ethical decision-making. Our values are:



Serve

We put our customers and employees first. Our customers are the reason for our existence. We demonstrate our appreciation by providing them with quality food and superior service, in a clean, welcoming environment, at great value.



Inclusion

We open our doors to everyone. We provide opportunity, nurture talent, develop leaders and reward achievement. We believe that a team of well-trained individuals with diverse backgrounds and experiences, working together in an environment that fosters respect and drives high levels of engagement, is essential to our continued success.



Family

We get better together. The McDonald's business model, depicted by the "three-legged stool" of:

- owner/operators;
- suppliers; and
- Company employees

is our foundation, and the balance of interests amongst these three groups is key.



Integrity

We do the right thing. Sound ethics is good business. At McDonald's we hold ourselves, and conduct our business, to high standards of fairness, honesty, and integrity. We are individually accountable and collectively responsible.



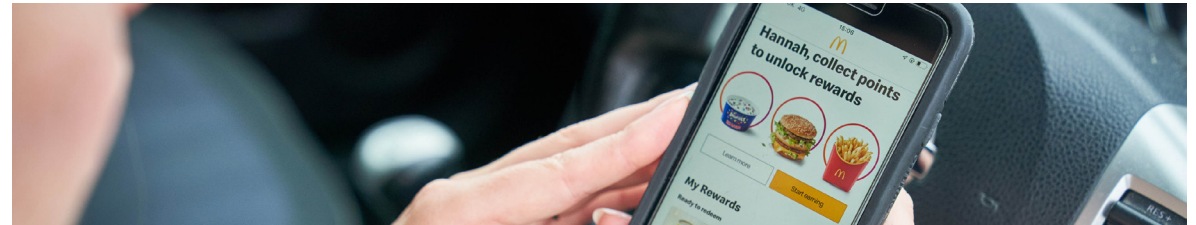
Community

We are good neighbours. We take seriously the responsibilities that come with being a leader. We help our customers build better communities, support charitable organisations such as Ronald McDonald House Charities, and leverage our size, scope, and resources to help make the world and local communities a better place.



Growth Pillars

As the consumer landscape shifts, we are using our competitive advantages to further strengthen our brand. Under direction and guidance from McDonald's Corporation, the Company will:



• Maximise Marketing

- Brand
- Affordability

As customers' expectations are constantly shifting, McDonald's can build equity in our brand and trust by clearly articulating what we stand to do in the world: feed and foster communities.

Through investment, actions, and communications we will deliver on our purpose and mission and ignite our brand as a growth driver by taking a global, unified approach to building trust; creating a stronger connection to our customers to drive advocacy and continuing to offer great value and everyday affordability available to everyone.



• Commit to the Core

- Burger
- Chicken
- Coffee

Our customers love our iconic food, and our core customer favourites make up a significant proportion of our sales. With expected growth in lunch and dinner occasions, we will focus on our 2 largest categories: beef and chicken. We will leverage our familiar favourites and create new ones to make our menu even more craveable. At the same time, we will use coffee to boost morning visits and build a foundation for future growth.



Double Down on the 4Ds

Consumers are increasingly choosing off-premises dining and we are adapting the McDonald's experience to meet their needs by doubling down on Digital, Delivery, Drive-Thru and Restaurant Development. Our vision is to position McDonald's as the leading omni-channel restaurant in all our markets. We will make our customers' experiences faster and easier through all the ways they order and receive our delicious food.

Digital: We are building on our digital foundation by enhancing our digital platform to provide more personal, more convenient, and better experiences for our customers. Customers have access to MyMcDonald's and MyMcDonald's Rewards, a unified suite of compelling offerings that provides our customers multiple, complementary reasons to engage with us digitally, whether through mobile ordering, payments, delivery, rewards, or deals.

Delivery: We aim to be the global leader in food delivery. We come from a strong starting point and continue to garner momentum in delivery. We have prioritised key actions to continue growth, including having integrated delivery into our Global Mobile App.

Drive Thru: We will continue define the future of drive thru, an area where we already have a significant advantage as 70% of our UK restaurants have a drive thru, with drive-thru locations in 1,034 restaurants in the UK. We plan to extend this leadership further by continuing to make the customer experience even faster, testing new concepts and technology and having nearly all new UK restaurants fully drive-thru enabled.

Restaurant Development: We will accelerate the pace of our restaurant openings to fully capture the increased demand we have driven over the past few years. We see opportunity for further growth and to explore new formats that show up under brand McDonald's.

McDonald's approach is underpinned by a relentless focus on running great restaurants, including improving speed of service to address customer needs. McDonald's growth pillars build on our strong foundations and this approach will build on our inherent strengths by harnessing our competitive advantages and investing in innovations that will ensure we can meet the moment today and have long-term success.



How we are organised

McDonald's has a matrixed management structure, by which we mean that the McDonald's group is organised by its global businesses and global support functions as well as by a segment and country oversight model, with locally incorporated subsidiaries complemented by branches in certain territories. The structure is also influenced by the local regulatory requirements in which the entities are incorporated. Each subsidiary has a board and management structure appropriate for its activities and complexity with the tone and direction set by McDonald's Corporation, the Global Chief Executive Officer, the local entity boards, and local leadership. This structure helps to address international, systematic challenges in a consistent and effective way, but also ensures each market adapts to the local environment in which they operate. Please refer to the section below headed 'How we are governed' for more detail on our management structure.

Since 1 January 2019, McDonald's Corporation has operated under an organisational structure with the following global business segments which reflects how McDonald's Corporation management reviews and evaluates operating performance:

- U.S. – McDonald's Corporation's largest market. The segment is 95% franchised as of 31 December 2024.
- International Operated Markets – comprised of markets or countries in which McDonald's Corporation operates and franchises restaurants, including Australia, Canada, France, Germany, Italy, Poland, Spain, and the UK. The segment is 89% franchised as of 31 December 2024.

McDonald's franchised restaurants are owned and operated under one of the following structures: conventional franchise; developmental license; or affiliate. The optimal ownership structure for an individual restaurant, trading area or market (country) is based on a variety of factors, including the availability of individuals with the entrepreneurial experience and financial resources, as well as the local legal and regulatory environment in critical areas such as property ownership and franchising.

The business relationship between McDonald's and its independent franchisees, is supported by adhering to standards and policies and is of fundamental importance to overall performance and to protecting the McDonald's brand.

Directly operating McDonald's restaurants contributes significantly to our ability to function as a credible franchisor. One of the strengths of the franchising model is that the expertise from operating McDonald's-owned restaurants allows us to improve the operations and success of all restaurants while innovations from franchisees can be assessed and, when viable, efficiently implemented across relevant restaurants. Having McDonald's-owned and operated restaurants provides our personnel with a venue for restaurant operations training experience. In addition, in our McDonald's-owned and operated restaurants, and in collaboration with franchisees, we can further develop and refine operating standards, marketing concepts and product strategies that will ultimately benefit McDonald's restaurants.





Our revenues consist of sales by McDonald's-operated restaurants and fees from restaurants operated by franchisees. Fees vary by type of site, amount of McDonald's investment, if any, and local business conditions. These fees, along with occupancy and operating rights, are stipulated in franchise/license agreements that generally have 20- year terms.

Franchisees are also responsible for reinvesting capital in their businesses over time. In addition, to accelerate implementation of certain initiatives, McDonald's may co-invest with franchisees to fund improvements to their restaurants or their operating systems. These investments, developed in collaboration with franchisees, are designed to cater to consumer preferences, improve local business performance, and increase the value of our brand through the development of modernised, more attractive, and higher revenue generating restaurants.

Across the McDonald's System, McDonald's requires franchisees to meet rigorous standards and generally does not work with passive investors. The business relationship with franchisees is designed to facilitate consistency and high quality at all McDonald's restaurants.





UK

The Company is a private limited company incorporated in England and Wales with an ultimate US parent of McDonald's Corporation.

McDonald's believes franchising is paramount to delivering great-tasting food, locally relevant customer experiences and driving profitability. Franchising enables an individual to be their own employer and maintain control over all employment related matters, marketing and pricing decisions – in partnership with our national and local marketing co-operative, while also benefiting from the strength of McDonald's global brand, operating system and financial resources.

**2024**

In the UK 89% of the restaurants are owned and operated by 172 businessmen and 30 businesswomen. They come from all walks of life, each with their own unique backgrounds. What they share, however, is the ambition, drive, and the love for people necessary to become a McDonald's franchisee. The remaining restaurants are owned and run by the Company.

The UK market is 89% franchised.

In the UK, a considerable number of arrangements are conventional franchise arrangements, whereby the Company generally owns or secures a long-term lease on the land and building for the restaurant location and the franchisee pays for equipment, signs, seating, and décor.

The Company believes that ownership of real estate, combined with the co-investment by franchisees, enables us to achieve restaurant performance levels that are among the highest in the industry.

Franchisees operating under a conventional arrangement contribute to the Company's revenue, primarily through the payment of rent and royalties based upon a percent of sales, with specified minimum rent payments, along with initial fees paid upon the opening of a new restaurant or grant of a new franchise. McDonald's heavily franchised business model is designed to generate stable and predictable revenue, which is largely a function of franchisee sales, and resulting cash flow streams.

Our customers are at the heart of everything we do, and the Company and its franchisees have a proud track record in investing in our employees, our restaurants and our supply chain to ensure that we make a positive impact in the communities we serve.



On average 3.2 million customers served every day across the UK and Ireland.



How We Are Governed

McDonald's is committed to high standards of corporate governance. We have a comprehensive range of policies and systems in place to ensure that our restaurants and business are well-managed, with effective oversight and control.

The Company has adopted the Wates Corporate Governance Principles for Large Private Companies in the UK ("Wates") in combination with McDonald's Corporation's Corporate Governance and this Governance Framework, which the Company continues to operate under. In addition, the Company is also subject to reporting to McDonald's Corporation as part of the wider McDonald's System's requirements.

The Board

The Company's board of directors (the "**Board**") believes that good corporate governance is guided by ethical, truthful and dependable leadership and is committed to continually improving its governance policies to ensure the integrity of the Company for all stakeholders.

The Board is entrusted with the oversight of the Company's business affairs and assets. The Board is comprised of all local Senior Vice Presidents ("**SVPs**") and the UK Chief Executive Officer ("**UK CEO**").



Alistair Macrow – CEO

Alistair was appointed UK CEO for the Company in November 2021. Prior to this, Alistair held the role of Senior Vice President and Global Chief Marketing Officer for McDonald's Corporation where he took responsibility for the development and execution of bold marketing strategies to drive sustainable business growth for McDonald's across markets.

[More about Alistair Macrow](#)



Mark Kiernan – SVP, Chief Financial Officer

Mark was promoted to Senior Vice President, Chief Financial Officer in June 2022 and is responsible for the finance, business strategy & insights and legal functions. Since joining McDonald's in 2005, Mark has held a number of roles throughout the business including Finance Director.

[More about Mark Kiernan](#)



James Thorne – SVP, Chief People Officer

James was promoted to Senior Vice President, Chief People Officer in October 2023, and leads the People Team with over 15 years at McDonald's. Prior to this James served as Senior Director, HR Business Partner: International markets – Field & Corporate, where he has been instrumental in evolving our People Brand Standards for the Internationally Operated Markets segment.

[More about James Thorne](#)



Zoe Hamburger – SVP, Chief Restaurant Officer

Zoe was appointed to Senior Vice President, Chief Restaurant Officer in April 2024 and is responsible for restaurant and franchising operations. Prior to that, Zoe held roles in marketing and restaurant operations in the US since joining the business in 2014.

[More about Zoe Hamburger](#)



Benjamin Fox – SVP, Chief Marketing Officer

Ben was promoted to Vice President, Chief Marketing Officer in January 2025 and leads the Marketing team. Ben started his McDonald's career in 2012 and has held a number of roles in the business's Marketing function, most recently as Senior Director Marketing and Strategy, EMEA IDL, playing a key leadership role across brand, marketing, and business strategy for the 36 IDL markets in Europe, Middle East and Africa.

[More about Benjamin Fox](#)



The responsibility for good governance lies with the Board. The Board is collectively responsible for the long-term success of the UK business and achieves this through its oversight of the business and restaurants, generating value for McDonald's Corporation and its stakeholders as well as contributing to our wider communities.

In exercising its duty to promote the success of the Company, the Board is responsible for overseeing the management of McDonald's in the UK and, in so doing, may exercise its powers subject to any relevant laws, regulations and the Company's Articles of Association. The Board bears legal responsibility for the acts conducted on its behalf and enforces standards of accountability – all with a view to enable the Senior Leadership Team to execute their responsibilities fully and in the interests of McDonald's Corporation and its stakeholders.

Senior Leadership Team

The business of the Company is managed by Senior Leadership Team (the “SLT”) lead by the UK CEO and SVPs. The SLT is made up of all SVPs and selected senior leadership covering all core areas of responsibility for the UK business. The role of the SLT and SVPs are separate to the role of the directors on the Board, with a division of responsibilities between the running of the Board and SLT responsibility for their core functions within the UK business.

2024

- The SLT met 10 times during 2024.

Operation of the Board

Matters not specifically reserved for the Board have been delegated to the SLT for the day-to-day management of the business. The SLT also lead on the direction of the business (as determined by the Board from time to time), with the exception of the following reserved matters which require the approval of the Board:

- the establishment of effective procedures for monitoring and control of operations including internal procedures for audit, risk and compliance;
- reviewing the Company's accounting and financial reporting practices and reviewing the Company's financial and other controls;
- significant transactions or other material business decisions including any acquisition, disposal, investment, capital expenditure or realisation or creation of a new venture;
- execution of activities in line with the current global authorisation matrix set by McDonald's Corporation;
- Company-wide policies on strategy, corporate governance, and risk (both financial and non-financial management);
- matters that the Board is required by statute to do; and
- such other matters as the Board may from time to time determine.

In performing its oversight function, the Board is entitled to rely on the advice, reports and opinions of management, counsel, auditors, and outside experts.

The Board aims to meet formally twice a year. The Board receives a briefing of items on the agenda prior to the meeting, so that their comments and input can be taken into account at the meeting and in order to ensure that the Board focuses sufficient time on key areas whilst using the time together effectively.



2024

- The Board convened formally twice, in March and September 2024.
- The Board engaged regularly with its stakeholders along with the SLT across a range of channels on a variety of topics, including, but not limited to:
 - financial planning;
 - marketing planning including the Company's delivery channel – McDelivery®;
 - supply chain and distribution;
 - health and safety;
 - operation updates;
 - digital and IT updates;
 - employee updates including diversity, equity & inclusion;
 - franchising and joint venture updates;
 - property matters; and
 - regulatory and legal updates.

Director Appointments

All local SVPs are appointed to the Board. This ensures the Board is equipped with the appropriate balance of skills, experience, and knowledge of the Company to enable it to discharge its duties and responsibilities effectively. Input from McDonald's Corporation is also provided on the Board's appointments on an ad hoc basis.

A structured training programme exists for those appointed to the Board who are new to the McDonald's System and senior leadership, based on the individual's needs, skills, and experience. The Board also receives guidance from the Company Secretary on the Governance Framework and Wates, as well as training on their duties as directors of the Company.

All employees' base and bonus remuneration, including those on the Board and the SLT, is benchmarked regularly against the market to ensure this is consistent with the industry and no directors participate in deciding their own remuneration. The Board are not compensated for their services as directors.

2024/2025

- Zoe Hamburger transitioned from Field Vice President of the Bethesda Field Office in the US to SVP Chief Restaurant Officer and was appointed as a director of the Company in April 2024.
- Ben Fox transitioned from Senior Director Marketing and Strategy, EMEA IDL to SVP Chief Marketing Officer and was appointed as a director of the Company in January 2025.
- Michelle Graham-Claire transitioned from Chief Marketing Officer in the UK and Ireland to Chief Marketing Officer for our International Operated Markets in January 2025, she stepped down as a Director of the Company.
- Gareth Pearson transitioned from Chief Restaurant Officer in the UK and Ireland to VP Chief Restaurants Officer for our International Operated Markets in April 2024, he stepped down as a Director of the Company.

Joint Ventures

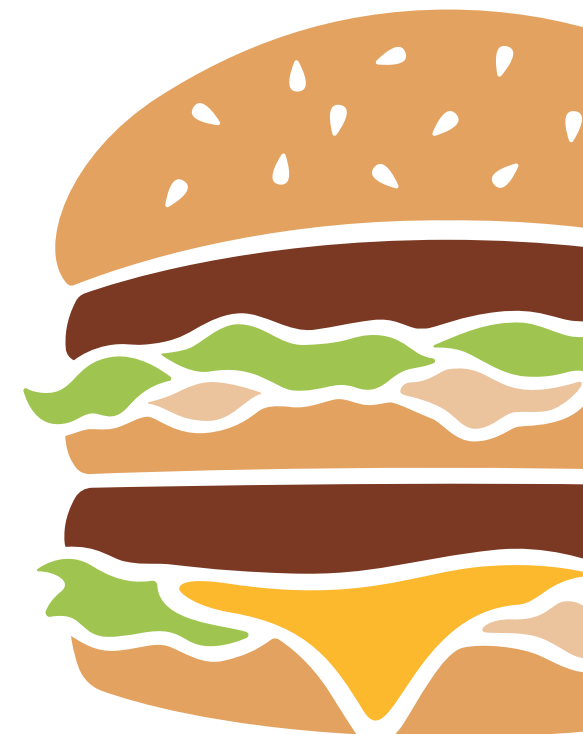
As at 31 December 2024, in addition to the conventional franchise arrangements, the Company operates one joint venture ("JV") with a franchisee. The JV operates separately to the franchised McDonald's restaurants in England.

The JV operates in much the same way as a conventional franchise arrangement however, the JV board consists of 2 directors nominated by McDonald's and 2 directors nominated by the franchisee.

The McDonald's nominated directors are members of the SLT and are provided with conflicts of interest training as well as directors' duties training taking into account their needs, skill, and experience, on an as required basis in order to mitigate any conflict.

2024

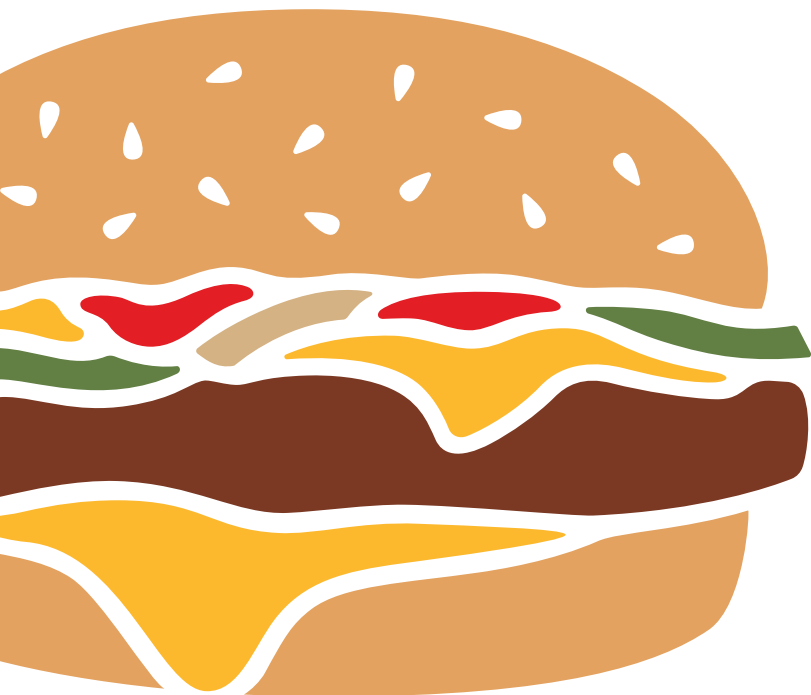
- The Company had 1 JV in the UK.
- All McDonald's nominated directors appointed in 2024 were provided with directors' duties and conflicts of interest training in 2024.





Key stakeholders

The success of the Company, for the benefit of all its stakeholders, is the driving factor behind all decisions made by the Board. Decision making processes are structured to enable directors to evaluate the merit of proposed business activities and the likely consequences of its decisions over the short, medium, and long-term. The Board carefully considers the impact of the business on the communities and environments in which the Company operates.






Stakeholders	Objectives	Engagement
McDonald's Corporation	To provide sustained profitable growth.	As an International Operated Market ("IOM"), the senior leadership including the Board, Executive and other functions of the Company actively and regularly engage with McDonald's Corporation.
JVs	To provide sustained profitable growth.	<p>The business relationship between McDonald's and its JV partner is important to the success of the Company and to protecting the McDonald's brand.</p> <p>The JV board includes directors nominated by McDonald's and directors nominated by the franchisee. The JV board convene as required and, in any event, formally at least twice a year.</p> <p>See section Franchisee and JV Engagement for more details on engagement with our JV partner.</p>
Franchisees	To provide sustained profitable growth.	<p>The business relationship between McDonald's and its franchisees is paramount to the overall successful performance of the Company and to protecting the McDonald's brand. The Company engages with its franchisees on all decisions that affect restaurants, ensuring that decisions are appropriately discussed before being implemented and are made for the long-term benefit of the wider McDonald's System.</p> <p>See section Franchisee and JV Engagement for more details on engagement with our franchisees.</p>
Employees	To provide opportunity, nurture talent, develop leaders and reward achievement.	<p>The Company's employees include those in our corporate offices as well as Company-owned and operated restaurant employees. Our employees are key to the Company's success, enabling us to drive long-term value creation and further our purpose and mission. Employees are at the cornerstone of our business and an essential part of the McDonald's System – which also comprises of our owner-operators, our suppliers, and the Company.</p> <p>See section Employee Engagement for more details on engagement with our employees.</p>
Suppliers	To work with our suppliers so that we can deliver for the customers and communities we serve.	<p>As part of the wider McDonald's System, the Company and its franchisees purchase food, packaging, equipment, and other goods from numerous independent suppliers.</p> <p>See section Supplier Engagement for more details on engagement with our suppliers.</p>











Customers	To provide quality food and a superior service in a clean and welcoming environment at great value.	<p>Our customers are at the heart of everything that we do. Our business strategy focuses on effective maintenance and strengthening customer appeal and capturing additional market share.</p> <p>See section Customer Engagement for more details on engagement with our customers.</p>
Communities and environment	To help our customers build communities, support charitable organisations, and leverage our size, scope, and resources to help make local communities and the environment a better place.	<p>As part of the wider McDonald's System, the Company prioritises progress across a range of environmental and community matters, and endeavours to improve our long-term sustainability and resiliency, which benefits McDonald's and the communities it serves.</p> <p>See section Sustainability and Community Engagement for more details on engagement with our communities and environment.</p> <p>McDonald's is also proud to support Ronald McDonald House Charities (RMHC) through fundraising efforts across our restaurants and direct financial contributions. RMHC is an independent charity that provides accommodation and support for families with seriously ill children in hospital.</p>

Principal decisions in 2024

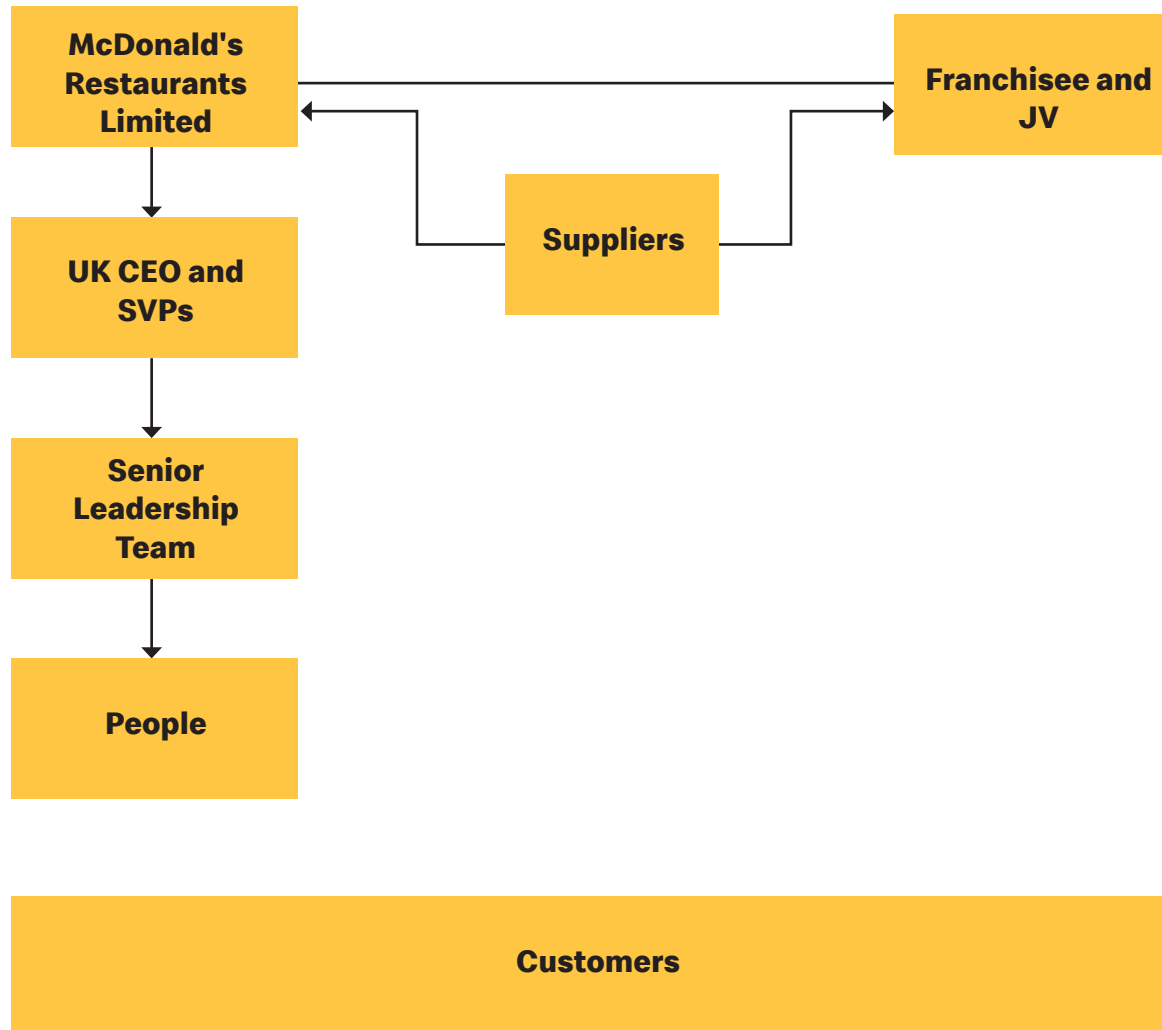
Below we outline a number of the principal decisions made by the Board in 2024. We define principal decisions as those decisions that are of a strategic nature and that are significant to any of our key stakeholder groups as indicated above.

Key stakeholders	Principal decisions	Impact on business	Considerations	Outcomes and Actions	McDonald's values
Employees Communities and environment	East Finchley office transformation	Investment leading to implementation of goals and actions under Plan for Change and overall strategic DEI plan.	<p>The principal decision is favourable for employees, communities and environment as this will:</p> <ul style="list-style-type: none"> • integrate UK market and global colleagues including the promotion of an inclusive working environment for all; and • support the net zero targets under Plan for Change. 	Office transformation	
All groups	Continued decisions relating to “Plan for Change” initiative	Implementing goals and actions under Plan for Change.	<p>The principal decision is favourable for all groups as this will:</p> <ul style="list-style-type: none"> • provide clarity for stakeholders; • strengthen the relationship with all stakeholders; • help our customers build better communities; and • leverage our size, scope, and resources to help make the world and local communities a better place. 	See Business Planning for more details on the “Plan for Change” initiative	
All groups	Continued decisions relating to environmental initiatives.	Implementing its overall strategic environmental plan.	<p>The principal decisions is favourable for all groups as this will:</p> <ul style="list-style-type: none"> • help our customers build better communities; • support charitable organisations; • leverage our size, scope, and resources to help make the world and local communities a better place; and • strengthen the relationship with all stakeholders. 	See the measures put in place under section Sustainability and Communities	

Employees	Continued decisions relating to its people, diversity, equity, and inclusion (“ DEI ”).	Implementing its overall strategic DEI plan including development of a Workplace Culture Action Plan and transition to McD Connect as the new digital employee engagement tool.	<p>The principal decision is favourable for employees as this will:</p> <ul style="list-style-type: none"> • promote equality; • generate conversations on topics of DEI in franchising; • promote an inclusive working environment for all; • ensure restaurant teams experience tangible improvements in workplace culture; and • enhance employees’ digital experience. 	<p>Deployment of McD Connect and development of a Workplace Culture Action Plan including roll out of various initiatives and protocols.</p> <p>See additional measures put in place under section Employees.</p>	   
Employees	Continued decisions relating to its people including modern slavery practices and the prevention of sexual harassment in the workplace and ensuring the workplace is safe, respectful and inclusive (“ SRI ”).	Enhance best practice training and reporting approaches across the business to ensure that the values are understood, lived and acted upon across the Company.	<p>The principal decision is favourable for employees as this will:</p> <ul style="list-style-type: none"> • strengthen its anti- slavery framework through awareness and engagement campaigns, actionable training and collaborative partnership; • promote equality; • prevent the risk of sexual harassment in the workplace; and • promote an inclusive and respectful working environment for all. 	<p>Continued engagement with the Equality and Human Rights Commission to deliver its commitments to strengthen approaches to prevent sexual harassment in the workplace.</p> <p>Continued assessment and enhancement of SRI initiatives and protocols such as such as SafeSpace+ training and the new Red Flag campaign designed by employees for employees to provide an easily recognisable way to call out unacceptable behaviours in the workplace.</p> <p>Collaborative partnership with leading anti-modern slavery charity, Unseen, to support the Company in developing and executing a strong anti-slavery strategy, in particular, to develop and implement actionable training and its escalation and remediation process for modern slavery and exploitation reports.</p> <p>See the additional measures put in place under section Employees.</p>	   



Matrix on how we are governed



How We Monitor Performance

In line with McDonald's Corporation's approach of analysing business trends, management will review results on a constant basis and consider a variety of non-GAAP performance and financial measures, including comparable sales and comparable guest count growth, sales growth, after-tax return on invested capital from continuing operations, free cash flow and free cash flow conversion rate, as described below.

McDonald's Corporation as the ultimate parent of the Company manages all key performance indicators ("KPIs") at a segment and geographical level. These KPIs are discussed within the financial statements of McDonald's Corporation, which can be found, once published, [here](#).

2024

- In 2024, global comparable sales decreased 0.1%.

McDonald's Restaurants Limited

In addition to the global comparable sales results, the Company had the following financial results in 2024:

- Company's turnover has decreased by £14 million to £1,822 million;
- Company's gross profit was £826 million;
- Company's operating profit amounted to £76 million;
- Company's profit for the year after taxation amounted to £79 million in comparison to a £35 million profit in 2023; and
- The Company paid dividends during the year of £83 million.



How We Manage And Monitor Risk

At McDonald's, we seek to maintain our high standards set by McDonald's Corporation whilst balancing the risks and are committed to conducting business ethically and in compliance with the letter and spirit of the law. By carefully aligning our risk appetite to the global strategy, we aim to deliver sustainable long-term shareholder returns for McDonald's Corporation, as well as franchisee profitability.

Further, we strive to foster safe, inclusive, and respectful workplaces wherever we do business whilst respecting the fundamental rights of McDonald's employees, which are: freedom from slavery and child labour; freedom to associate or not associate with any lawful group of their choice and to bargain collectively; equal opportunity for everyone; a safe and healthy workplace; and freedom from discrimination and harassment. In respect of those human rights of McDonald's employees, particularly vulnerable groups such as migrant labourers, indigenous peoples, women, or children, we are also guided by other international standards that elaborate on their rights.

Risk at segment and geographical level is managed and assessed by McDonald's Corporation, as the ultimate parent of the Company. Many risk factors span across all McDonald's markets including the UK and the key risk factors are discussed within the financial statements of McDonald's Corporation, found, once published, on the McDonald's Corporation website [here](#) within the investors section.

Understanding and managing risk

All of McDonald's activities involve the measurement, evaluation, acceptance and management of risk or combinations of risks.

The Board and the SLT, advised by McDonald's Corporation, promote, and support the maintenance of a strong risk management framework.

In the UK, all our employees are responsible for the management of risk, proportionate to the relevant role and level of experience, with the ultimate accountability residing with the Board. We have a strong risk culture, which is embedded through clear and consistent communication and appropriate training for all our employees, alongside corresponding risk, and compliance management tools. This risk framework underpins our strategic priorities, reinforced by the global brand values, helping us to identify current and future risks so that we may take decisions to prevent and limit risk while managing any material impact on our finances, reputation, or business model.

The Board and the SLT receive monthly reports from management on all areas of the business including business strategy and insights, operations, corporate relations, IT & digital, franchising and finance, which they take into account in their discussions and decision making. Additional non-financial disclosures detailing the policies pursued by McDonald's in relation to the workforce, the environment, social matters, human rights, anti-corruption and anti-bribery matters are also received by the Board and the SLT.

McDonald's UK&I Business Continuity & Crisis Management (BCCM) Programme ensures that prioritised operations can continue during disruptive incidents. This ongoing cycle of activities provides governance and oversight for identifying, evaluating, mitigating, monitoring, and reporting business risks.

The Programme, guided by principles, aligns with McDonald's overarching strategy, objectives, values, and operating environment.

Our continual and thorough engagement across McDonald's, franchisees and suppliers gives us a unique insight into all aspects of our business as well as the wider market, from a restaurant level all the way to market trends. This ensures we can quickly identify risks as well as opportunities for the wider McDonald's System.

Supply Chain

McDonald's aspires to protect the brand and live our values. One way we live our value of continuous improvement is to ensure fair and ethical workplace standards in every corner of our supply chain. We care as much about the people who make our products as we do about our customers.

The [Supplier Code of Conduct](#) (the "Code") applies to McDonald's suppliers globally. It sets out our expectations for suppliers on critical topics including human rights, workplace environment, business integrity and environmental management. We expect supplier self-managed excellence in these 4 areas through the implementation of their own management systems.

McDonald's launched the first Supplier Code of Conduct in 1993 and has evolved and strengthened it over time to reflect updated international human rights standards, consultations with external experts, a human rights gap analysis, and dialogue with suppliers.

McDonald's expects all suppliers to meet the standards and ensure that their facilities meet the standards, and promote the principles outlined in the Code. Fundamental to the Code is the expectation of ethical



employment practices by suppliers and their supply chain, including subcontractors and third-party labour agencies. The Code prohibits any form of slavery, forced, bonded, indentured or involuntary prison labour. Suppliers and third-party labour agencies are prohibited from retaining employees' government-issued identification, passports or work permits as a condition of employment.

The Code of Conduct is the cornerstone of the global Supplier Workplace Accountability ("**SWA**") programme, which is built on a model of continuous improvement and education and includes an online training platform where suppliers can access optional tools and resources that provide guidance on human rights issues.

This aims to help suppliers understand McDonald's expectations and verify compliance with our expectations, both in respect of our suppliers themselves and their supply chains, and work toward continuous improvement.

The SWA programme also includes on-site announced and unannounced audits conducted by third-party auditing firms to assess compliance with the Code.

McDonald's works with third-party auditing firms that have expert knowledge, local insight and an understanding of local languages and cultures.

In addition to our Code, McDonald's Supplier Workplace Standards and Guidance Document ("**SWSGD**") is shared with suppliers and provides detailed guidance on each aspect of the Code and how suppliers and their supply chains can meet our expectations.

We want to ensure that our sustainable sourcing programmes drive lasting, meaningful outcomes on critical issues for people, animals, the environment and our business. McDonald's approaches sustainable sourcing through the lens of the three "E"s — ethical practices, environmental sustainability and long-term economic viability — and we've identified 7 priority impact areas to support them. Although our long-term goal is to source all of our food and packaging sustainability, we

have focused on 6 priority products (beef, chicken (soy in feed), coffee, fibre/packaging, fish and seafood, and palm oil) that were identified through independent analysis by the World Wildlife Fund as the products that carry the greatest sustainability impacts and where we have the most potential to create positive change. Part of our sustainable sourcing for these 6 priority products requires our suppliers to purchase sustainably certified products where such certifications exist. As part of the certification process, several of the certification bodies audit for social compliance at the farm-level.

Respectful Workplace Environment

The Company understands the importance of providing a positive experience and making everyone feel valued, both in its offices and restaurants.

McDonald's focus on fostering safe, inclusive, and respectful workplaces starts at the beginning of each restaurant member's recruitment journey. McDonald's Corporation's Global People Brand Standards set the expectation for a culture of safety and inclusion at both Company-owned and franchised restaurants, worldwide. All McDonald's restaurants are assessed and held accountable in accordance with the McDonald's UK market's business evaluation processes, including via a framework of restaurant visits. These visits include reviews conducted by external third-party vendors to assess adherence to the McDonald's Corporation's Global People Brand Standards across both Company and franchised restaurants.

In its Responsible and Ethical Recruitment Principles, McDonald's Corporation publicly outlined its commitment to its five global standards that apply to migrant labour recruiting practices of both the Corporation and its franchisees. McDonald's Corporation is a member of the Leadership Group for Responsible Recruitment, which is a collaborative effort to drive positive change in how McDonald's Corporation recruits migrant workers, and is in the Human Rights Coalition of Consumer Goods Forum,

which is a coalition of the largest consumer goods brands working to end forced labour.

As part of its commitment to a respectful workplace environment, McDonald's Corporation recognises how important it is to provide channels for its employees to report human rights and similar concerns that may violate Company policies and standards. Employees can do so in many ways, including through an anonymous global reporting channel, the Business Integrity Line, which is staffed by a live operator from an independent company and is available 24 hours a day, 365 days a year, through the Company's People Services Online Portal or via a Live Chat service, or through the Company's online anonymous reporting form. In October 2024, the Company launched its new Red Flag campaign designed by employees for employees to provide an easily recognisable way to call out unacceptable behaviours in the workplace, signposting its existing reporting channels. As part of this campaign, the Company developed, tested and piloted a new generative AI chatbot solution offering an accessible and user-friendly method to raise a Red Flag and Speak Up, ahead of deployment for employees in early 2025.

All McDonald's restaurants are required to complete Preventing Sexual Harassment Risk Assessments four times a year and, in 2024, the Company also implemented these for all corporate teams on a twice-yearly basis. The Company has also introduced a Festive Risk Assessment for both restaurants and corporate teams to review sexual harassment risks ahead of festive events.

Also implemented in 2024, the Company developed a Workplace Culture Action Plan to ensure that restaurant teams experience tangible improvements in workplace culture while maintaining compliance with UK laws. As part of this action plan, in 2024, the Company also delivered new and updated employee policies, developed safe workplace interactive workshop training for delivery to all people leaders in early 2025 and mandatory annual SRIW e-learning modules.



All restaurants, both Company-owned and franchised, utilise and benefit from the global customer and people-led, data-driven operations consulting process. As part of this process, the Company and franchisees conduct regular reviews of people practices in all restaurants to evaluate and ensure they meet McDonald's People Brand Standards.

Human rights

The Company's commitment to human rights is set forth in its Human Rights Policy and is furthered by its Supplier Code of Conduct and its Standards of Business Conduct for its corporate employees. These employees are trained on and are required to annually certify their understanding of, and commitment to upholding, the Standards of Business Conduct.

Supply Chain

Human rights due diligence of the Company's supply chains is incorporated into its SWA programme referred to previously. McDonald's assesses the potential human rights risks in its supply chains, including modern slavery risks, using desk-based research, supply chain mapping, and stakeholder engagement. By identifying the most salient human rights issues within these supply chains, the Company aims to strengthen its risk management procedures, develop appropriate improvement plans, and increase awareness of these issues within its business.

Modern slavery risks are addressed specifically as part of the SWA programme audits, including a review of ethical recruitment practices to verify that workers are employed under voluntary conditions and have freedom of movement. This includes verification that workers are not charged illegal fees as a condition of employment; worker contracts are in local language and signed by the worker; and that suppliers do not retain workers' government-issued identification, passports, or work permits.

Restaurants

McDonald's Corporation's Global Brand Standards, which are designed to reinforce a culture of safety and inclusion in the workplace, prioritise action in 4 areas:

- Prevention of harassment, discrimination, and retaliation: procedures in place for reporting claims of harassment, as well as policy and training established to prevent harassment and discrimination;
- Prevention of workplace violence - procedures in place for incident reporting, as well as policy and training established to mitigate the risk of violence in the workplace;
- Restaurant employee feedback - at least one crew and manager survey completed each year in each restaurant, with an accompanying action plan; and
- Health and safety - annual health and safety audits with action plans to reinforce a culture of safety.

These standards were devised with input from across the McDonald's System, a cross-functional global team and reviews of global market practices.

Following a strategic deep-dive review and gap analysis of the processes and policies within its UK business through the lens of modern slavery, in 2024 the Company implemented a suite of measures to further strengthen its anti-slavery framework through awareness and engagement campaigns, actionable training and collaborative partnership. The Company now works with leading anti-modern slavery charity, Unseen, to support the Company in developing and executing a strong anti-slavery strategy, in particular, to develop and implement its escalation and remediation process for modern slavery and exploitation reports.

For further details on McDonald's approach to human rights please see [here](#) and for details related to responsible sourcing please see [here](#). For more information on how the Company takes responsibility to respect and promote human rights please see the Company's [Modern Slavery Statement](#) for the 2024 Financial Year.

Business Planning

Plan to Win

The Plan to Win ("PTW") process is how we collate, consolidate, and refine the Company's future business plans. There is a 3-year planning cycle and ideas are generated and developed through 4 Planning Teams (called "**P Teams**"). These P Teams are cross-functional teams made up of subject matter experts from the Company's departments, as well as 6 franchisee representatives. Each P Team also has an Executive sponsor and a representative from the Executive National Leadership Group, our franchisee leadership group, and holds a series of meetings throughout the year to continue the prioritisation of ideas and plan technological capabilities, food and product development and our environmental and sustainability commitments. Where relevant, additional research is conducted, and business cases developed to support decisions taken. The P Teams regularly report progress back at PTW meetings, at which members of the SLT and our franchisee community are present. development, where insight is shared and ideas debated. Across the 4 groups, a range of topics will be discussed on a regular basis including, among others, our culture and values and employer reputation.

Supplier Plan to Win

The Supplier Plan to Win framework, referenced in the section Supplier Engagement, is a unique tool which aligns the Company's and supplier strategies to deliver business benefit for the Company and its stakeholders. Food and paper suppliers submit a PTW document annually, setting out innovative projects that meet our business needs and supply chain priorities.

Phased Planning

The Company compiles its annual business plan using a phased approach. Phase 1 is a high-level 3-year strategic plan, and the Phase 2 plan is a strategy for the following year. Both plans are subject to approval by global leadership at McDonald's Corporation.

Plan for Change

In 2021, the Company launched its sustainability plan called “Plan for Change”. Our Plan for Change is a clear plan with ambitious goals and actions to help us lead positive change right across our business and beyond. It outlines the steps we are taking now and in the long-term. It includes clear time-bound commitments across every aspect of what we do.

McDonald's seeks the following outcomes through its Plan for Change:

1. We live out our global brand mission, purpose and values and make the greatest possible positive impact on communities and planet.
2. Customers find new reasons to trust and love us.
3. We drive resilience and value through sustainable innovation.
4. Key opinion formers understand we are serious about sustainability, tackling important societal changes, reducing risk and supporting brand trust.
5. Collaboration with McDonald's Corporation and other markets to tackle common challenges.
6. We create a blueprint for other markets to follow in developing their sustainability and impact plans to help raise up the whole McDonald's System.

We've set out our ambitions and goals in each of our focus areas - planet, people, restaurants, food and communities - to help guide our actions. These include:

- Aiming for net zero and protecting and restoring nature;
- Using quality, sustainably sourced ingredients and offering balanced options the whole family can enjoy;
- Served in restaurants that are net zero in operation and closing the loop on waste;
- Championing great people whatever their background by opening doors to skills, jobs and opportunities; and
- Serving our communities by making a difference to families and young people by supporting their wellbeing and opportunities to thrive.

We will measure and share our progress against our goals because we know how important it is for us to deliver and to be clear on how we are doing – as every change we make, adds up to a lot.

For further details on our Plan for Change, our commitments and our goals please see [here](#) and for more information on our global initiatives please visit [here](#).

Plan for Change was created following a rigorous process including a market-based materiality assessment, risk assessment, consumer insight and extensive internal and external engagement. We monitor market and regulatory trends on an annual basis to ensure our programme remains robust and relevant.





Our governance of Plan for Change

We are well underway with activation of Plan for Change and have set up a clear governance structure to guide activities towards achieving our goals. While ultimate accountability for Plan for Change sits with the Company's SLT, it is managed through our Impact Team who oversee progress and monitor for risks and opportunities.

We have defined owners for our Plan for Change pillars and goals, supported by cross-functional working groups and forums to guide implementation and to embed activity across the business.

Governance Body	Governance Body	Engagement Frequency
SLT	Accountable for effective implementation of Plan for Change and management of related resources, risks and opportunities.	Ongoing engagement and Executive sponsorship.
Plan for Change-related Forums	Govern and guide our Plan for Change and wider sustainability activities including external ESG reporting and climate governance.	Regular meetings and ongoing activity throughout the year depending on responsibilities of the forum.
Plan for Change Working Group	Led by our Impact Team to coordinate and support implementation of Plan for Change with identification and escalation of risks and opportunities.	Quarterly meetings with Goal specific meetings throughout the year.
Pillar and Goal Leads	Implementation of Plan for Change across the business and our supply chain.	Ongoing engagement and status updates.

Plan for Change 2024 highlights

Great Food

- In 2024, we rolled out a new approach to **menu signposting** to help customers **make more balanced choices** at kiosks and via our website.¹
- We **supported UK&I farmers** through our partnerships and Farm Forward programme to build resilient livelihoods and sustainable outcomes.²

Planet Positive

- During 2024, we embedded governance structures to address climate risks through our **Climate Governance Group** with regular senior leadership engagement and published our first Climate-related Financial Disclosure in the UK.
- In 2023, 99.1% of our priority commodities were sourced **supporting deforestation-free supply chains**.³

Great Restaurants

- During 2024, we built our ninth new restaurant based on our **Net Zero emissions blueprint**.⁴
- Our interior design schemes for restaurants include **furniture made with recycled or certified sources** which is designed to be recycled or reused at end of life. In 2024, all our new or refurbished restaurants used these schemes.

People Positive

- As part of our Makin' It programme, in 2024 we launched our **matching platform** for restaurants to connect with and support local youth services.
- Supported **over 3,000 apprentices** since 2018 and celebrated their achievements in 2024 through our first Apprenticeship Awards Ceremony.

Community Connection

- Through our partnership with FareShare, in 2024 we funded and enabled the redistribution of over **1.1 million meals** and connected our supply chain to donate a further 143,000 meals.⁵
- In 2024, we provided **9 million books** through Happy Readers and gave away over 500,000 World Book Day books.

Notes:

1. Our menu signposting has been rolled out to our website and kiosks.
2. Achieved our goal of benefiting over 23,000 British and Irish farmers through our Farm Forward programme and partnerships with the School of Sustainable Food and Farming, LEAF Education and The Royal Countryside Fund, delivering a range of support including guides and workshops to improve the economic and environmental resilience of farming families.
3. Supporting deforestation-free supply chains refers to the work on priority commodities in our supply chain that are either sourced sustainably from high priority regions and comply with McDonald's sustainable sourcing requirements or are sourced from low priority regions. Global priority commodities consist of beef, soy sourced for chicken feed, palm oil, coffee and primary customer fibre-based packaging.
4. Our Net Zero emissions restaurant blueprint is aligned with the UKGBC Net Zero Framework and our first Net Zero emissions framework restaurant was launched in 2021 at Market Drayton. Of the nine built, three have completed internal assessments for UKGBC's Net Zero Framework, with assessments ongoing for the remaining.
5. Through corporate funding and MyMcDonald's Rewards donated by customers, our partner FareShare redistributed the equivalent of over 1.1 million meals. We connected suppliers to donate a further 143,000 meals from 60 tonnes of surplus food in the UK.



How We Engage With all "Three Legs Of The Stool"

Our communications approach, set by McDonald's Corporation, the UK CEO, the Board, and the SLT, is driven by our guiding principles embedded in the McDonald's Values and Growth Pillars:

- dependable and committed to doing the right thing;
- open to different ideas and cultures; and
- connected to customers, franchisees, JV partner, suppliers, communities, regulators, and each other.

We aim to communicate with all parties in a way that meets their needs. We focus on open communication and fair disclosure, with emphasis on the integrity, timeliness and relevance of the information provided.

Our success comes from a commitment to relationships. A deep-rooted belief that we are at our very best when the brand, our franchisees and our suppliers work together to deliver for the customers and communities we serve.

We believe that the brand, franchisees, and suppliers all contribute to our success. We call this approach the 'three-legged stool'.

Diversity, Equity and Inclusion

McDonald's aspiration is that no matter where or when you interact with McDonald's — whether through the app, in a restaurant, by watching an advert, working in an office setting or as a crew member — DEI is as evident and familiar as the Golden Arches themselves. This means the full expression of diversity: the representation and inclusion of different genders, races, cultures, identities, sexual orientations, ages, religions, abilities, languages, experiences, and expressions. The Company aims to identify and eliminate barriers to fair treatment for underrepresented groups and to create equity in the workplace by providing fair treatment in access, opportunity, and advancement for all.

McDonald's seeks to ensure its aspiration spans across the business:

- **Corporate** - we seek to represent the diverse communities in which we operate by increasing the diversity of our leadership, including by setting targets to increase the representation of women and historically underrepresented groups in our leadership teams.
- **Employees** - we're blending technology and new recruiting techniques to achieve a more bias-aware and inclusive McDonald's, such as using artificial intelligence ("AI") tools to create gender-neutral, inclusive job descriptions; harnessing technology platforms to broaden the number of candidates we screen; strategically structuring interviews to ensure equity and fairness throughout the selection, interview and offer process; and embedding and encouraging the selection of diverse candidate slates and interviewer panels.
- **Franchisees** - the diversity of our franchisees is a source of pride and importance at McDonald's. Through our global efforts, we continue to attract, and develop, the next generation of more diverse franchisees. A key element of McDonald's franchisee recruitment strategy is to increase the number of franchisees from historically underrepresented groups with the aim of increasing ownership opportunities for new talent from all backgrounds, both in terms of the number of individual restaurants owned as well as the number of qualified franchisees overall. In addition, we aim to reduce upfront equity requirements for eligible franchisee candidates, and to leverage our network of banking partners to increase access to financing solutions that will reduce the barrier to entry for candidates.

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

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McDonald's upholds pay principles to ensure that good pay practices are understood, implemented consistently and executed across the McDonald's markets. These include:

- **Competitive** - pay opportunities are aligned with the external value of a job to optimally attract, engage, and motivate talent;
- **Non-discriminatory** - employees are compensated at a level commensurate with their role, responsibility, impact, location, experience, knowledge, skills, and performance, irrespective of gender, race, ethnicity or any other similar protected personal characteristics;
- **Performance-based-pay** is focused on motivating high performance, recognising achievement, and reinforcing behaviours that align with our culture;
- **Understandable** - pay programmes are communicated regularly and transparently with compelling clarity; and
- **Compliant** - we comply with all applicable legal and regulatory requirements and standards.

It is acknowledged that working toward equal pay is not a one-time project; it requires ongoing focus and effort. Following our pay principles combined with annual pay gap assessments helps to close identified gaps and continues to advance our strategy.

Further details in relation to the Company's gender pay reporting can be found [here](#).

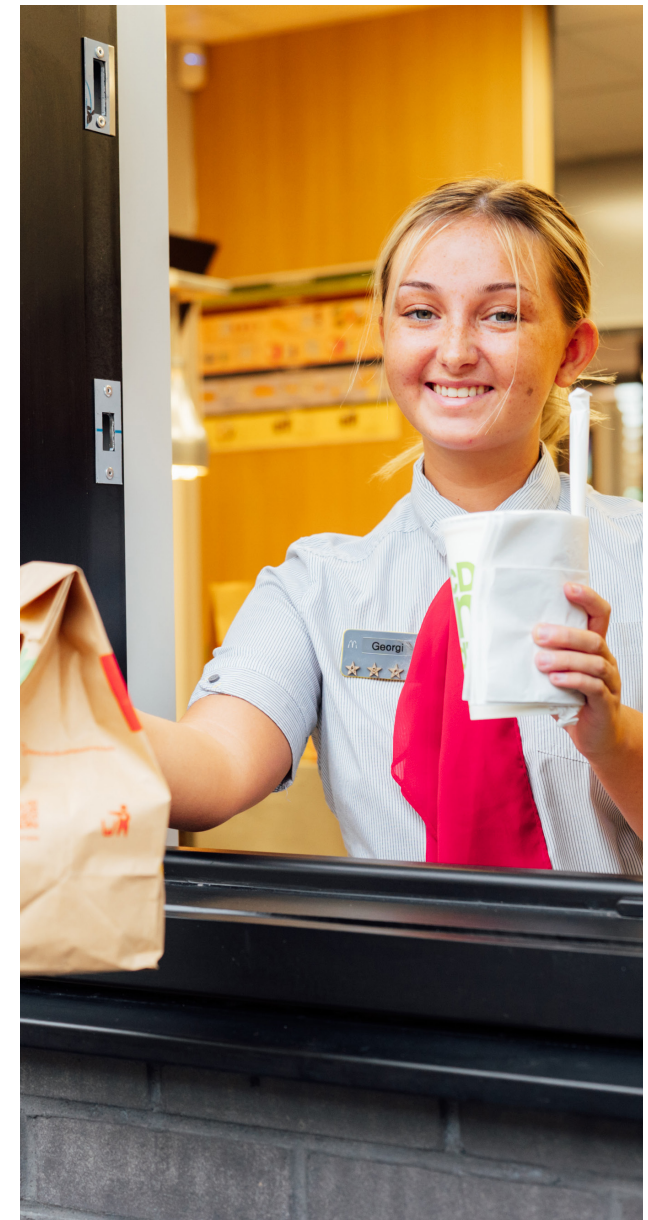
Employee Engagement

Our employees are key to our success. Whether they work in our Company-owned and operated restaurants or in head office, we wouldn't be able to run great our restaurants without them. That is why we work hard to create jobs and opportunities for all our employees, regardless of gender, age or life stage and for those who want career progression or simply a way to earn a wage and pay the bills.

We strive to create positive working environments where our values are not just words but are put into practice, promoting positive and productive behaviour every day. We invest time and resources communicating with our employees, designing programmes to educate and encourage the highest standards of conduct. This reflects our vision to run great restaurants, renowned for our food, employees and results.

Understanding how our employees feel about McDonald's is vital. It helps us ensure that we are giving them the right support to achieve their potential and to serve our customers well. We have open door policies all year round, but this is also done through a number of specific forums with results filtered back to the Board. We have an internal communications platform 'Workplace' for McDonald's employees, Franchisees and their employees.

These procedures ensure that the Board and the SLT engage regularly with both our office staff and our restaurant crew on a host of areas, including programmes relating to pay and benefits, and are updated regularly on how everyone feels about working at McDonald's.



Employee Surveys

Employee engagement surveys are completed on a regular basis to gather feedback about their lived experiences while working at McDonald's. This feedback helps our restaurants and organisations continuously improve actions that support employee satisfaction.

Some of the specific surveys we conduct include:

Love to Listen

For all restaurant teams, the Love to Listen surveys are completed quarterly, with all restaurant-based employees invited to participate. In 2024, we received over 384,000 responses, the highest number since the survey was introduced in 2018.

Sentiment is regularly received by asking core questions that align with McDonald's mission. Questions are constantly reviewed and in 2024, new questions were added to focus on our restaurant experience touchpoints, scheduling practices and guaranteed/banded hours contracts. The surveys allow for deep dive analysis to understand current trends.

Among non-restaurant operations and office employees, feedback was sought twice in 2024 through a UK-specific market survey, as well as through participation in the annual Global Pulse Survey.

Leavers Survey

McDonald's continues to seek feedback from employees who leave the business through our Leavers Survey. This has enabled restaurant leadership teams to gain valuable insights from nearly 3,000 individuals providing sentiment regarding their employment experiences whilst in employment.

This has been extremely valuable in enhancing McDonald's people proposition in creating a positive working environment. By analysing this feedback, we can address organisational shortcomings and implement strategic improvements that resonate with our workforce, ultimately fostering a better employee experience to driving overall business success.

Love to Listen Meet Ups

Following engagement surveys, there is additional resource available to our restaurant teams such as Love to Listen Meet ups, designed as a forum to assess how well our desired culture is being implemented.

These meet-ups provide an additional layer of face-to-face engagement to seek and understand sentiment within employees working environments while addressing business challenges. They are interactive and inclusive and allow for restaurant employees to feed into solutions and action plans.

These are also utilised in our office environment to gather in-the-moment feedback.

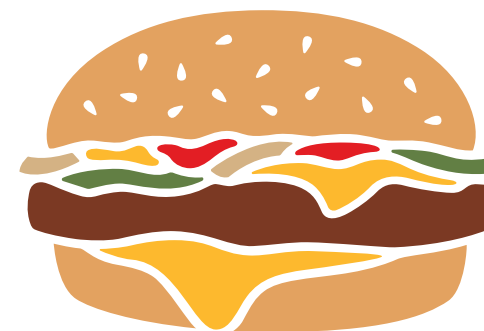
Newsbites

We share a Newsbites issue every week to Workplace, which highlights feel-good stories from the business.

Newsbites delivers recognition stories and key people-focused moments across the business including stories from raising money for RMHC, to helping customers in times of need and supporting fellow crew members.

During our 50th anniversary year, we took the opportunity to use this channel to share special recognition to employees who went above and beyond with our '50 in 50' feature.

In 2024 we shared 50 issues, recognising around 100 restaurants and approximately 200 individuals with a reach of 61,000 employees.





Workplace

Throughout 2024, we have continued to utilise Workplace by Meta as our digital employee engagement tool. The platform has been extensively adopted by both our restaurant and corporate teams, with a sign-up rate of 93% coupled with an active user's score of 84%. Workplace transformed our communication with both restaurant and corporate employees by introducing two-way engagement through a social feed and establishing several tailored communities.

The platform has empowered us to directly communicate with our teams, sharing news, exclusive content, prizes and giveaways to reward and recognise their fantastic work. It also allows us to capture employee sentiment through live polls and surveys. Additionally, a Knowledge Library is readily available, containing essential employee information. At franchisee, restaurant, and company levels, teams can manage their own groups, tailor posts to their unique needs, and pull content directly from central feeds, creating a truly connected experience.

Last year, we utilised Workplace to communicate our Red Flag campaign, which was designed to ensure that our employees feel comfortable and empowered to report any instances of inappropriate behaviour. Red Flag is a crucial component of our Culture Action Plan, supporting our ambition to make our restaurants safe, respectful and inclusive.

With Meta deciding to discontinue Workplace, we are moving to a new platform, McD Connect powered by Blink.

McD Connect

McD Connect offers most of the existing Workplace functionalities along with several additional features to enhance our employees' digital experience. The new features include the option to share stories, offering functionality similar to platforms such as Instagram and Snapchat for a more modern and engaging user experience. Additionally, there is a dedicated section for Franchisee-level policy documentation and the ability to mark specific content as "Mandatory Reads," to help ensure that employees review critical information.

One of the key advantages of McD Connect is our ability to migrate existing Workplace content prior to deployment. This ensures that a substantial portion of our Knowledge Library and group-level content will be readily accessible to our end users on the new platform.

The Wrap

The Wrap is a monthly internal content series, available for all McDonald's employees to watch via Workplace. We designed The Wrap to connect and celebrate our people, our food, our restaurants and local communities. Episodes are launched monthly and highlight some of the biggest launches, initiatives, exclusive content and what's to come in the following weeks and months.

Restaurant employees are the stars of the show, The Wrap is hosted and presented by restaurant employees, for restaurant employees. We hosted a training day to equip the presenters with the necessary skills to bring each episode to life. BBC Radio One Presenter and Journalist Katie Thistleton ran the training.

2024 - Workplace

We attained 254,000 unique views and a 23 second average watch time across 11 pieces of content.

UK Intranet

The Company's intranet is also a useful point of reference for everyone in the business.

This is also a reference point for our Employee Assistance Programme, to ensure that our employees get access to any additional support they may need.





MYSTUFF 2.0 (Our HR System)

MYSTUFF2.0 is our employee system which gives employees a mobile friendly platform to manage their own data, manage holidays and time off as well as view their wage slips. Each user has a unique ID (single sign on) to access the vast range of McDonald's tools all in one place. These include learning and development, scheduling.

Town Halls

Our town halls are a monthly business update, presented by the UK CEO and SLT. Each town hall has a different theme and will give staff the opportunity to hear from other departments about their upcoming plans and initiatives. We also announce our monthly service awards and the holiday awards at these meetings.

2024

We held 10 town halls across the year. These meetings happen in our East Finchley office and can be joined virtually by office employees based at our regional offices.

Regular Email Communications

We keep our employees updated regularly via email, which are tailored to their role within our business. These include:

Operations Update

The Operations Update is a 'to do list' for the week, focusing on operations excellence in order of priority, providing timely information to help restaurants focus on quality service and cleanliness. The update provides a system where relevant information is packaged together in one email for all restaurant management staff, improving the effectiveness of communication. At a minimum, these updates are shared on a weekly basis every Monday and depending on the needs of the business Operations Update Extras are issued as and when required.

2024

We issued 89 Operations Updates.

Heads Up

This is normally a monthly communication providing a 'Heads Up' on projects and business priorities for our operations teams - up to 3 months in advance.

Giving our operations and franchisee consultants plenty of notice to plan in time in their diaries to best support their restaurant teams. Heads Up is sent on the second Monday of every month.

2024

We issued 12 Heads Up issues in 2024.

Office Update

The Office Update is a weekly email newsletter providing relevant office and business information and events. It is issued to all our office-based employees in the UK or tailored to specific regional offices.

2024

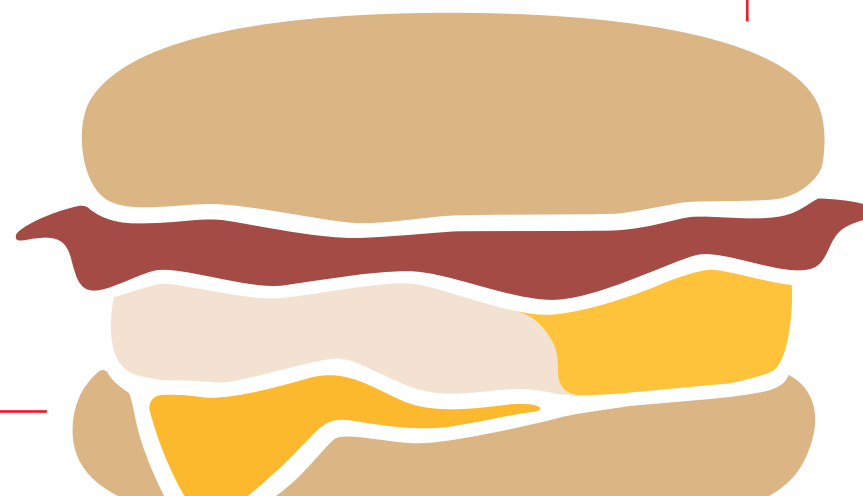
We issued 50 Office Updates.

CEO Update

Effective communication to the Company's employees, franchisees and JV partner on business updates and leadership engagement continues to be a priority for the Company. Regular emails 'Leadership Lens' from the UK CEO and messages from other SLT members were implemented, recapping significant updates as a source of engagement, and keeping all abreast of the business developments in accordance with strategy decisions.

2024

We issued 19 updates from the UK CEO.





Workplace Culture

In line with our values, we believe that all employees should work in a friendly, supportive and professional environment where everyone is treated with respect. Everyone has the right to work in an environment that is free from unlawful discrimination, harassment, victimisation and bullying.

Throughout 2024, we celebrated various cultural days and events, each underscoring the significance of diversity and inclusion within our organisation. We are proud to have further developed our DE&I calendar, making it more comprehensive and inclusive than ever before. In 2024, we took a significant step by actively seeking and incorporating feedback from our restaurant teams. By directly including this input on the dates and events that hold special significance to them and their teams, we are ensuring that our calendar truly reflects the diverse and rich cultural fabric of our organisation. This collaborative approach not only highlights our commitment to inclusivity but also empowers our employees to share and celebrate their unique traditions and milestones and in doing so we have been able to celebrate and raise awareness around a wide variety of cultural, religious and spiritual events. By recognising and honouring these important dates, we can foster a more connected and supportive workplace where everyone feels valued and respected.

2024

In June 2024, we launched our internal focus on Workplace Culture with a pioneering Culture Event. This was followed by six regional People Engagement Sessions across the UK, attended by over 1,000 people leaders. We developed a Workplace Culture Action Plan, which aims to ensure that our restaurant teams experience tangible improvements while maintaining compliance with UK law.

Actions delivered to date include, but are not limited to:

- **Red Flag:** A new campaign designed by employees for employees, providing an easily recognisable way to call out unacceptable behaviours in the workplace.
- **Red Flag Chat:** A generative AI chatbot solution offering an accessible and user-friendly method to raise a Red Flag and Speak Up.
- **Suite of new and updated policies:** Including the Close Relationships at Work Policy, Young Workers Policy, Preventing Sexual Harassment Policy and Modern Slavery Policy.
- **New Safeguarding Lead role:** established to enhance our People agenda. This role will collaborate with our partners, Durham University and Power the Fight, to explore contextual safeguarding within McDonald's and the quick service industry.

Education delivered to date includes, but is not limited to:

- **SafeSpace+ Training:** An essential, one-day face-to-face workshop for all leaders, including Restaurant Managers, People Leaders, Supervisors, Consultants, Directors, and Franchisees. The content includes interactive sessions covering topics such as Modern Slavery, Workers Protection, Implementing New Policies, Contextual Safeguarding, and Handling Serious and Sensitive Cases.
- **SRIW e-learning:** The Company has developed seven new Safe, Respectful and Inclusive Workplace e-learning modules which must be completed within the first 14 days of an individual's employment with McDonald's and annually thereafter.

Prior to completing any SRIW e-learning, all new employees are required to attend a welcome meeting as part of their onboarding. The Welcome Meeting content is centrally maintained by the Company and includes key topics such as Diversity, Equity and Inclusion. They are also shown how to access and review the Anti-Bullying and Harassment Policy and the Diversity and Inclusivity Policy.

This supports building awareness on acceptable workplace behaviours, Speak Up channels and Safe, Respectful and Inclusive working environments.



Inclusion

In 2024, we proudly strengthened our commitment to inclusion through education, awareness, and celebrations. Over 500 restaurant leaders took part in our Creating Belonging workshops, and we launched our first ever DE&I Educational series featuring expert speakers and best practices from across the business. Throughout the year, we recognised many key dates from our inclusion calendar such as LGBTQ+ History Month, Neurodiversity Celebration Week, Autism Acceptance Month, and Mental Health Awareness Week, while also honouring the cultural and religious observances that are important to our people, including Ramadan, Diwali, Eid, and Passover to further foster belonging, understanding and respect across our teams.

We expanded our inclusion impact through launching initiatives such as the Ethnic Future Leaders programme and engaging in the DE&I Maturity Curve to help shape our 2025 strategy. Our internal Pride and Black History Month celebrations, Corporate Self-ID campaign, and events such as International Men's Day and World Alzheimer's Day created space for open dialogue and greater understanding via our "Let's Talk About" sessions and very proudly as we capped off the year, we were delighted to receive the Best DE&I Collaboration award from WiHTL, recognising our continued leadership and commitment to an inclusive workplace culture.

Restaurant to Corporate Bridge Programme

Our Restaurant to Corporate Bridge Programme offers a number of hourly paid restaurant employees the opportunity to undertake a year-long placement within one of our corporate teams. The programme aims to promote diversity and inclusion by removing barriers to entry, offering employees the chance to explore different career paths and supporting their career development.

Our 2024 cohort spanned 11 different teams in both our UK and Global offices. We completed recruitment of our 2025 cohort which will include 12 placements across 6 UK departments.





Franchisee and JV Engagement

While McDonald's is a global brand, our franchise model means we are also a collection of small businesses, focusing on what is important to each local community. Of our UK restaurants, 89% are run by franchisees. Our franchisees are the owners of their businesses, many of whom live and work in the areas where their restaurants are located. They are our eyes and ears in the localities in which they operate, and share with us insights provided by their employees, their customers, and the communities they serve.

We engage with our franchisees and JV partner on all decisions that affect restaurants, ensuring that decisions are appropriately debated before being implemented and are made for the long-term benefit of the wider system.

The Board has the responsibility, through core functions, to engage with local franchisees and JV partner in initiatives and programmes. This local community presence is foundational to our brand and is crucial to our ability to both identify and respond quickly to risks for the business as well as proactively look for opportunities that will continue to drive the business forward.

We engage with our franchisees and JV partner in the following ways:

Executive National Leadership Group Meetings ("Exec NLG")

The Exec NLG is our franchisee leadership group. The SLT and Exec NLG together host meetings throughout the year to discuss the strategic direction of the business. Ad hoc meetings are scheduled to discuss any urgent day to day business and customer impact.

2024

The SLT and the Exec NLG held 5 meetings in 2024. The overarching purpose of the full day meetings was to discuss the strategic direction of the business. Additional meetings were also called to discuss the impact the external events were having on our day-to-day business operations and financial outlook.

Franchisee Live Calls

These calls are held with members of the SLT and provide 'instant feedback' sessions both from and for our franchisees and JV partner. They are used to cover business critical updates, or external factors and pressures to the business.

2024

3 Franchisee Live Calls were held, covering:

- Plan to Win meeting cascades;
- Business implications of external impacts on our day-to-day business operations and costs outlook;
- Updates to SRI policy and related initiatives.

Franchisee and JV Engagement Sessions

Franchisee and JV insight and input is gathered via our engagement sessions. All franchisees and JV partners are invited to sessions held across the UK. The sessions are led by the Business Strategy & Insight function, and enable franchisees and JVs partners to contribute to McDonald's business plans. They are a critical opportunity to generate new ideas, where our Franchisees can make suggestions and have an influence in the planning process. Outputs are considered and prioritised strategically based on key business and customer growth opportunities.

2024

- The business held 3 engagement sessions across the year, located in Scotland, North of England and South of England to ensure attendance opportunities for all.
- In total across all sessions, there were 137 attendees.



Roadshows

Our SLT travel across the country visiting franchisees and engaging with other key areas of the business. These roadshows are an important opportunity for the SLT to spend a few days providing business updates, hosting Q&A sessions, and hear key feedback from franchisees.

2024

- The SLT hosted 3 Roadshows of 3 days each, at the start, middle and end of the year. In total, these saw a collective attendance of 514.
- The events were well received, with lots of feedback and interesting discussion points and areas of focus raised on each occasion.

Plan to Win ("PTW")

The Exec NLG meetings are complemented by the PTW process (further details can be found in the section Business Planning).

Where relevant, additional research is conducted, and business cases developed to support decisions taken. The teams regularly report progress back at PTW meetings, at which members of the Executive and our franchisee community are present.

Through this process we continually generate, evaluate, and refine our business strategy and develop our plan for the upcoming year. The finance team evaluates this strategy to determine the overall affordability of the plan which is then presented to global leadership for approval.

2024

- There were 3 PTW meetings in 2024.

Consultants

Each of our franchisees and JV partner have access to the support of a consultant. Our consultants have on average twenty years of experience within the McDonald's System, the majority of whom have worked in operations for much of their career.

Consultants have an astute understanding of all commercial and operational aspects of the business including driving profitable sales, developing employee strategies as well as having a rounded understanding of the wider business landscape. They are therefore well-equipped to support and consult our franchisees and JV partner on both the day-to-day challenges their restaurants and organisations face, as well as their longer-term strategic investment decisions.

2024

In 2021, Operations Performance And Customer Excellence ("PACE") was introduced, a Global operations improvement and consulting platform, to greater support the Company's culture of operations and QSC excellence and to close the gap more quickly between top and bottom performing restaurants. PACE continues to be enhanced and embedded further.

Additionally, the robust approach to addressing SRI challenges has further enhanced the responsibilities of consultants, including the addition of Putting People First Visits. A Putting People First Visit is an audit of a restaurant's People practices. These visits are handled by PwC, an independent auditor. The practices that are assessed include:

- Ensuring employees who are under 18 are not working longer hours than legally allowed.
- Confirming schedules are being released to employees on time.
- Verifying shift leaders have completed the First Aid and Health and Safety course.
- Confirming there a detailed development and succession plan in place.
- Verifying the Business Manager has completed a Leading Great Restaurants course.
- Ensuring the restaurant has a completed People Strategy.

Finally, with the roll-out of Best Burger in 2024, consultants attended a number of training sessions to prepare themselves to support the deployment in restaurants.

Finance Committee

The primary objective of the Finance Committee is to seek balance, fairness, and flexibility to allow both franchisees as well as McDonald's to innovate, develop and grow their businesses.

The franchisees on the Finance Committee engage with the Company on a quarterly basis to represent the view of the Franchisee community and communicate and consult appropriately with the Company on any UK business plans.

2024

- The Finance Committee continued to hold a high number of meetings to address the challenges faced throughout the year and to discuss the best course of action for our business.

Regular Email Communications

Franchisee News is predominantly a weekly publication, whose content is focused on providing timely updates relevant to the franchisee community. It is issued to all franchisees, JV partner and our head office employees.

This publication was created to streamline the flow of information from the Centre, ensuring important updates to our franchisees and JV partner are contained and shared through one communication channel. The information shared across this medium originates primarily from the Centre. All departments feed in to share details that include upcoming events, new initiatives, meeting notes, guidance documents and project updates.

Third party organisations do from time to time communicate with franchisees and JV partner via this channel.

2024

- We issued weekly Franchisee News emails to our Franchising community throughout the year.

Workplace

Our Workplace portal houses a knowledge library of support documents and information for all our employees and Franchisees. There is a separate closed group specifically for the Franchisee Community. It is designed to ensure that our franchisees and their staff, as well as corporate MRL employees involved in our franchise strategy, can raise questions, support and celebrate one another. Included on the site are updates from the wider Franchising business, team events, and business Q&As.

Updates from the UK CEO

2024

Effective communication to the Company's employees, franchisees and JV partner on business updates and leadership engagement continues to be a priority for the Company.





Supplier Engagement

The strength of the strength of our long-standing partnerships with suppliers is crucial to the success of McDonald's. From the farmers producing the quality food that goes into our menu, to the businesses producing the materials used to build our restaurants, our collaborative approach to working with suppliers remains a source of strength for the McDonald's System.

We are proud supporters of British and Irish agriculture, working with over 23,000 British and Irish farmers who supply quality produce for our menu. This produce is supplied into our restaurants by a system of over 100 suppliers, with whom we work to create a sustainable, circular, and equitable supply chain that benefit people and our planet.

We have long-term partnerships with many of our suppliers, some extending over 40 years. These long-term relationships encourage collaboration and enable suppliers to make decisions for the long-term good of the McDonald's system. We work collaboratively to align on strategic goals, share information and resources, and deliver against key priorities.





The Company undertakes a variety of engagement approaches with its suppliers:

Food Safety & Quality Forum ("FSQF")

FSQF is a forum where quality representatives from the main suppliers meet to share best practice and design policies to be incorporated into our quality systems manual. Areas for focus are determined each year, with suppliers working to find new strategies and technology to improve these areas. Outputs are shared through supplier updates throughout the year.

2024

- The FSQF met with a quarterly frequency in 2024. The forum will resume from Q1 2025.

Supply Chain Committee

The Supply Chain Committee is governed by charter and exists to support delivery of a world leading supply chain that powers sustainable growth and competitive advantage for the McDonald's system. The franchisees on the Supply Chain Committee continue to engage with the Company a minimum of 7 times per year, with at least 4 of these being in person, representing the view of the franchisee community to communicate, advise and consult appropriately with the Company on its business plans.

2024

- The Supply Chain Committee continued to meet with an increased frequency throughout 2024, leveraging the forum to tackle key challenges such as cost mitigation, people strategy and digital innovation.

Supplier Plan To Win

Supplier Plan to Win is our process for joint business planning with suppliers. Its purpose is to align supplier strategies and priorities with the strategic direction of McDonald's. Suppliers submit a Supplier Plan to Win document annually, setting out customer led, scalable projects that meet our business needs and supply chain priorities.

2024

- Supplier Plan to Win in 2024 prioritised discussion on several key focus areas for long term success: Assured supply resiliency, innovation and value, quality, maximisation of digital, and sustainability.
- Supplier Plan to Win meetings were held with an increased frequency of 11 times in 2024.

Supplier Live Calls

Supply Chain continues to hold regular Supplier Live Calls with the McDonald's UK supply base on a quarterly basis. The purpose of these calls is to provide regular updates to our suppliers on the strategic direction of the business and its priorities, relevant updates on trading and operational performance, as well as cover any topical areas of priority and/or impact.

2024

- A call was held four times last year and joined by an average of 100-120 suppliers.
- Topics discussed included long term strategic priorities, Supplier Plan to Win and promotional performance.



Supplier Conference

McDonald's hold an annual Supply Chain Conference for all food and paper suppliers. The purpose of the event is to share the strategic direction of the Company and supply chain priorities, as well as to recognise suppliers and individuals at the Supply Chain Awards Ceremony.

2024

- The Supply Chain Conference was held in-person in January 2024 and was attended by over 300 delegates from across all three legs of the stool.

Supplier Net Zero Advisory Group

The Net Zero Advisory Group is a forum where sustainability representatives from the main suppliers meet to share best practice and drive progress against our net zero roadmap. Areas for focus are determined each year, with suppliers working to find new strategies and technology to improve these areas. Outputs are shared through supplier updates throughout the year.

2024

- The Net Zero Advisory Group met on a quarterly basis in 2024.

Supplier Top to Tops

Supplier Top to Tops are a forum for strategic discussion between McDonald's and senior executives from strategic supplier partners within the supply chain. Led by members of the SLT team, open discussion and transparency is encouraged to understand challenges and opportunities facing our system now & in the future.

The purpose of the Supplier Top to Tops is to deepen and strengthen our supplier relationship at a senior level by providing a forum for thought partnership as well as strategic discussions about priorities, opportunities and risk.

2024

- Our Supplier Top to Tops were held 7 times with a total of 14 suppliers during 2024.

SAVES

SAVES is a Supplier led council comprising of senior representatives from our leading Suppliers and the McDonald's Supply Chain Leadership Team. The primary objective of SAVES is to ensure alignment between McDonald's and suppliers on delivery of a world class supply chain that drives sustainable, competitive advantage for the McDonald's System.

The SAVES group aims to leverage collective knowledge, scale, and talent within the Supplier community to grow our businesses, with a focus on innovation, through partnership and project delivery.

2024

- SAVES met on a quarterly basis, to discuss long term strategic priorities, projects, and to manage the impact to supply from high levels of inflation from external events.



Customer Engagement

Our customers are at the heart of everything we do. We acknowledge the importance of keeping our customers engaged with our business and we do this in many ways:

McChat

We use this to assess new menu ideas which also help shape some of the decision making and engagements that we have with our franchisees.

Our website

To provide clear and concise information to our customers, we regularly keep our website updated with the latest news including offers, letters from our UK CEO and menu changes. Our website also contains sections that highlight the Company's work with local communities, our efforts to become more sustainable as well as an 'About' section on our food showing where our ingredients are sourced from.

2024

We had over 19 million unique visitors to our website.

The My McDonald's App

Similar to our website, the MyMcDonald's App provides our customers with the latest information on menu changes and offers, as well as the work that we do within the community. The MyMcDonald's App also sends push notifications to customers who wish to receive these on their mobile phones letting them know of deals in their local area.

2024

Over 5 million new app registrations in 2024.

The press and our newsroom

The [McDonald's UK Newsroom](#) is updated regularly to ensure both the media and the general public are aware of the latest announcements made by the business. The press office is also the best way for media to get in touch for interview and comment requests, or to ask for more information about a story they are looking to write.

Social Media

We deliver targeted, relevant social content and positive interactions that reflect the role that we play in our customers' lives to drive positive sentiment, engagement and affinity. Our aim is to make sure that every interaction, from content to customer service, leaves people a little happier than they were before.

2024



On Facebook we had **2,404,671 followers**



On Tiktok we had **228,781 followers**



On Instagram we had **338,285 followers**



On YouTube we had **87,210 subscribers**

Newsletters

We engage with our customers who have signed up to receive our newsletter through emails and mobile push notifications and we use these communications to help keep customers up to date with Company news, marketing campaigns, product launches and offers.

Customer Quest

Customer Quest is a customer closeness programme that feeds into our planning team leaders. These include the Executive National Leadership Group, 4 new franchisees and the SLT, each of whom have the opportunity to talk with, listen to and see research from customers and our employees to help shape considerations for our planning. Keeping abreast of how customers are feeling and how their lives are evolving is central to the Customer Quest objective.

2024

There was one 2-day dedicated Customer Quest session in the year.



Thank you