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### McDonald's Franchising Opportunity

**Our Vision for Greatness** 

2023

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#### To be a McDonald's franchisee is to be part of something truly special.

It's about tapping into the power of a great brand. Known everywhere, with deep roots and enduring cultural relevance. What 60+ million people choose each day for the food they love.

In everything we do, McDonald's takes a Systemwide view – the "three-legged stool" of franchisees, suppliers and employees. **Being a McDonald's franchisee is being part of a network whose sole focus is to help you succeed** in delivering delicious, feel-good moments for each customer, in each restaurant, every single day.

It's a relationship that has created tremendous economic opportunity and growth for thousands of small business owners worldwide.

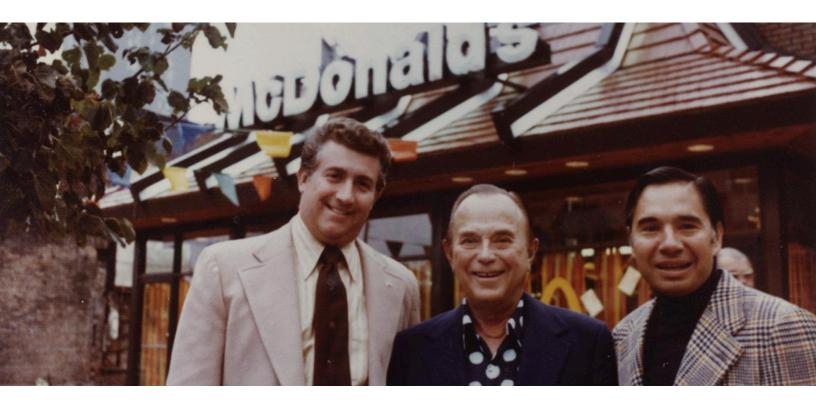
It's often hard – but it's fun, good work that comes with so many benefits and rewards.

To honor and uphold what it means to be a McDonald's franchisee means always looking forward and building upon the proud tradition and leadership that has created thousands of success stories ... and will undoubtedly create thousands more.

### We are committed to offering the world's greatest franchising opportunity for today – and for generations to come.

We want to attract and retain the best restaurant operators – individuals with a growth mindset and commitment to excellence. Individuals, who, when backed by a powerful brand and a network of resources, suppliers and support, are excited and well-equipped to create success and prosperity for themselves and their communities.





#### "Ketchup in their Veins"

From the earliest days of McDonald's history, Ray Kroc had a singular goal: to deliver a consistent, high-quality customer experience in every single McDonald's restaurant.

Delicious food, fast service, well-run restaurants: he was laser-focused on what it would take to grow and even created a very special moniker – QSC&V. Quality. Service. Cleanliness. And Value.

But Ray wasn't simply looking for franchisees: he was looking for a commitment. A commitment to meet high standards, day-in and day-out. Ambition, drive, a refusal to settle.

#### Leaders with "ketchup in their veins" – embracing both parts of the role: owner and operator.

Teamwork, at every level – in the restaurants ... and up to the franchisor-franchisee relationship. Everyone playing their role, constantly striving for perfection, working together. It is this combination that would propel McDonald's to **a level of success no brand had ever achieved**. A combination that enabled thousands of individuals to build their own businesses – as part of the McDonald's System – and prosper.

In time, McDonald's came to define franchising excellence. Being a McDonald's owner/operator – part of the "McFamily" – was something special, coveted. It wasn't easy to obtain a McDonald's franchise, and that was fine. Only the best need apply.

#### "No Such Thing as Standing Still"

Today, the Golden Arches set the gold

**standard for franchising** – from the value of franchise ownership to the talent and dedication of those who own and operate each restaurant.

Yet, nothing is certain. The world is constantly evolving and moving faster. Customer tastes are changing. Their expectations are always getting higher. And there are more choices than ever before.

At the company's first all-franchisee gathering, when McDonald's was just ten years old, Ray Kroc challenged the audience:

"There is no such thing as standing still: we are always either going forward or going backward. When a growing thing ripens and ceases to grow, in that moment, it starts to rot.

Therefore, it is to our advantage – all of us – to make certain that our McDonald's System remains green and growing." To continue to be the world's greatest franchising opportunity, we are always going forward.

As was the case for those who came before us – who built McDonald's into the global leader it is today – we will earn our success, rather than expecting or assuming it.

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-Ray Kroc



#### Reflecting the Communities We Serve

This franchising model was built upon another strong core belief: **our franchisees should reflect the diverse and vibrant communities we serve.** 

To build the greatest franchising model in the world, Ray Kroc tapped into the power of local restaurant ownership to create lasting prosperity. This belief has served us well – it's a source of pride for our System. Every franchisee runs a local business backed by a global brand.

Today, we continue to honor this commitment further as we focus on **accelerating representation across our global franchisee base and recruiting new, diverse franchisees to join us under the Arches.** 

When we do that, we make real and relevant what it means to be "green and growing." We bring new experiences into the McDonald's franchising community. We live our values, in partnership with those who represent the McDonald's brand in the thousands of communities around the world where we operate.



#### Expecting Excellence

How do we ensure that McDonald's creates outstanding opportunity for our owner/operators? By continually defining and demonstrating excellence in franchising – every aspect of it.

**Excellence** in how we run our restaurants. How we lead, support and recognize our restaurant teams.

**Excellence** in the new franchisees we welcome into our McFamily. How we continue to attract the best operators, both from outside our System and rising within it, and position them to succeed.

**Excellence** in how we support our franchisees. How we work together: the policies, procedures, performance standards and support services that ensure every part of the McDonald's franchising experience leads the industry.

It's no small task, but it's worth it. We always hold each other to a high standard.

When you expect excellence, you get it. And that opens the door – wide – for franchisees to grow and thrive.



#### Aiming Higher on Execution

While many factors contribute to the success of McDonald's franchisees, one quality stands above all: execution in restaurants. McDonald's has defined what it means to execute with excellence for customers in communities around the world.

Yet there is no static definition for outstanding execution: the world around us is constantly changing. What passed for outstanding execution in the past may not cut it today. Customers increasingly have more choices, better choices and faster choices. As Ray said, **"we are always** *either going forward or going backward.*"

We must keep elevating our standards for execution across the entire System – franchisor and franchisee alike, and how each of us does our job.

#### Strong Franchisor, Strong Brand

McDonald's plays a critical role in creating that ideal environment for franchisees to execute in and succeed.

It's a role encompassing many responsibilities. At the top of the list: protecting and growing the McDonald's brand.

As franchisor, McDonald's provides every franchisee access to the world's greatest restaurant brand. One that is relentlessly focused on **innovation**, developing new **industry-leading ideas** to share and scale. One that is **spotting trends** – early – and finding the best ways to bring those to life within the McDonald's System.

Franchisees should expect McDonald's to keep the brand powerful, relevant and always moving forward in areas like the customer experience, menu innovation, branding and advertising.



#### Grow Together

First said by Ray Kroc, it remains no less true today: *"None of us is as good as all of us."* 

That principle – taking a Systemwide view – is even more relevant today.

Franchisees, Suppliers, the Company: each makes a unique contribution to our success.

Each brings its own opportunities, challenges. Individual franchisees will have different needs, priorities, views – and we listen closely.

Different perspectives, a Systemwide view: That's how we set up the System for long-term success. It's how we best support every member of our McFamily – by thinking and acting for the System.

#### Winning Formula

We know our winning formula. We know it will help create the ideal environment for franchisees to succeed.

When we expand our "green and growing" franchisee community – with the right mix of McDonald's roots, outside experience, diversity and drive...

when we **deliver an unequaled customer experience**, backed by a world-leading brand that is the envy of our competitors...

when we **continuously raise the bar** – working together with clarity and consistency and holding ourselves to high standards...

when we do that, we earn our success.

We perform. Better yet – we outperform.

We grow. Together.



## Join Us on the Journey

The McDonald's franchising opportunity we enjoy today is the result of commitment, smart decisions and hard work – across decades – by those who came before us.

#### This is our vision. This is our journey.

For committed, growth-minded leaders who are forever restless, aiming higher:

We want you on the journey with us.

