

# McDonald's 2022 Diversity Snapshot



The McDonald's Diversity Snapshot continues to be an important way for us to share the progress we are making on our diversity, equity and inclusion journey.

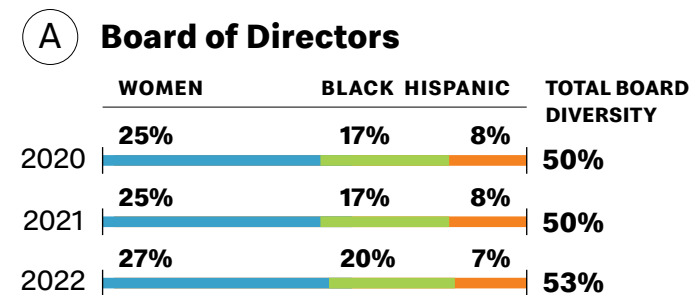
This third release of the Snapshot provides information on our employee, Board and Franchisee representation, and business diversity spend including our investment in diverse-owned media and production companies and content creators as of December 31, 2022.

We continue to evolve and enhance our data collection processes over time.

Read more about our [Diversity, Equity and Inclusion strategy](#) as well as further details about McDonald's strategy and definitions on the [Purpose & Impact page](#) of our corporate website.



## Board Diversity



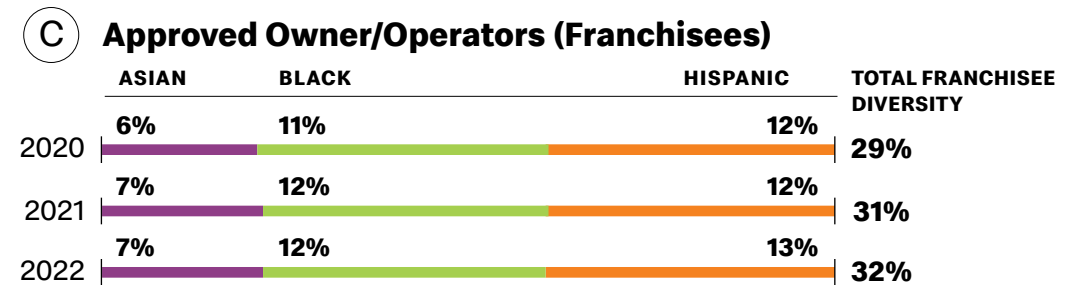
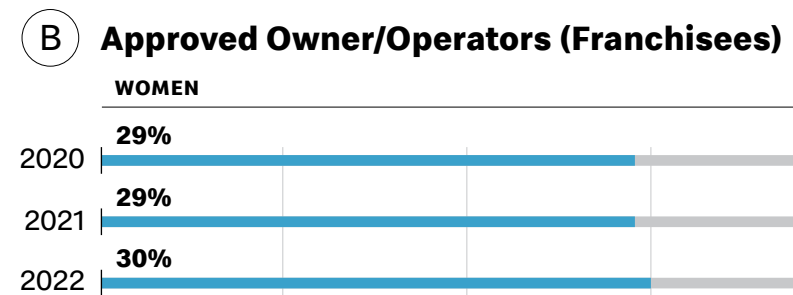
Our Board is comprised of a diverse, highly engaged group of Directors with a wide range of skills and experience, who each contribute to overall Board and Committee effectiveness. Each of our Directors is a dynamic leader whose experiences and perspectives are continually evolving as they navigate today's fast-paced, ever-changing business environment, both as a Director of McDonald's and in their other professional roles.

In 2022, we were pleased to add four new Directors – Kareem Daniel, Jennifer Taubert, Amy Weaver, and Anthony Capuano – each of whom brings a wealth of experience and fresh ideas, along with a deep understanding of business and broad perspectives.

We value the broad mix of skills, experiences, and perspectives that are represented on our Board and its Committees. More than half of our Board is comprised of Directors who are women or members of Underrepresented Groups.

All data is reported as of December 31 of the stated calendar year. Footnotes can be found [here](#).

## Franchisee Diversity (U.S. System)



In everything we do, McDonald's takes a System-wide 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 small business owners 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.

The people that make up our U.S. Franchisees are not just proud small business owners, but also the local faces of our brand. That's why it's important that the diversity of our Franchisees be reflective of the communities we serve. To help remove potential barriers to economic opportunities and help increase the number of new Franchisees from all backgrounds, including underrepresented groups, we took strategic steps to further support advancement of representation

among our Franchisee ranks. In 2021, we committed \$250 million in the U.S. over five years to provide alternatives to traditional financing, helping candidates who may face socio-economic barriers join the McDonald's System. We seek to reduce up-front equity requirements for eligible Franchisee candidates and also plan to leverage our network of banking partners to increase access to financing solutions that may help reduce the potential barriers to entry for candidates.

# Employee Diversity

## Representation of Women

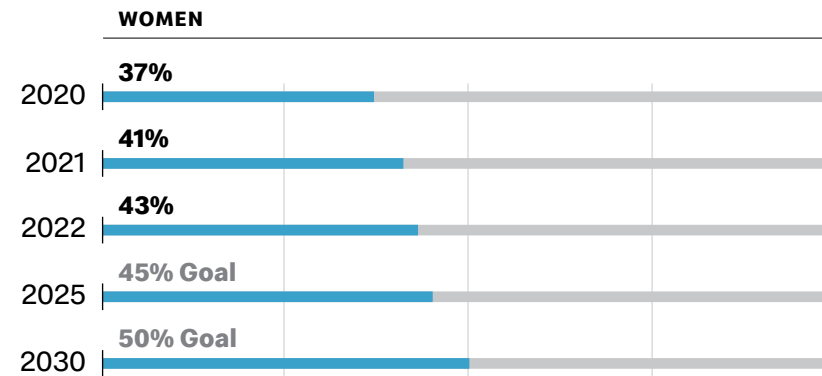
When launched in 2020, our Global Diversity, Equity and Inclusion strategy specifically addressed the opportunity of professional growth for women throughout all levels of the organization. Advancing women's careers is one of many drivers behind the introduction of our goal to increase representation of women globally in leadership roles (Senior Director and above) by the end of 2025.

Read more about our [Diversity, Equity and Inclusion strategy](#) as well as further details about McDonald's strategy and definitions on the [Purpose & Impact page](#) of our corporate website.



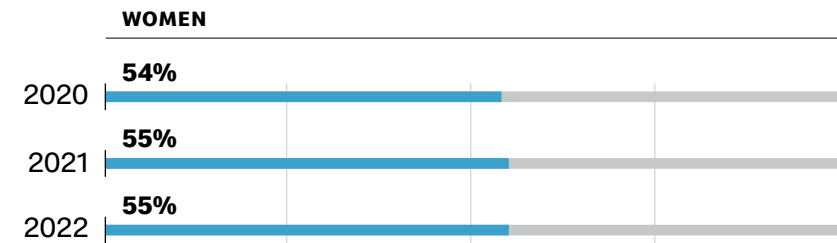
## Corporate Staff: Global

### D Senior Director and Above



For the second consecutive year, women's representation at the Senior Director and above levels increased. This workforce and leadership development work focused on career enhancement through talent strategies and was led by Global Diversity, Equity and Inclusion and Global Talent teams, and the Global Women's Leadership Network (GWLN), the organization's premier employee business resource group for women.

### E All Corporate Staff



All data is reported as of December 31 of the stated calendar year. Footnotes can be found [here](#).

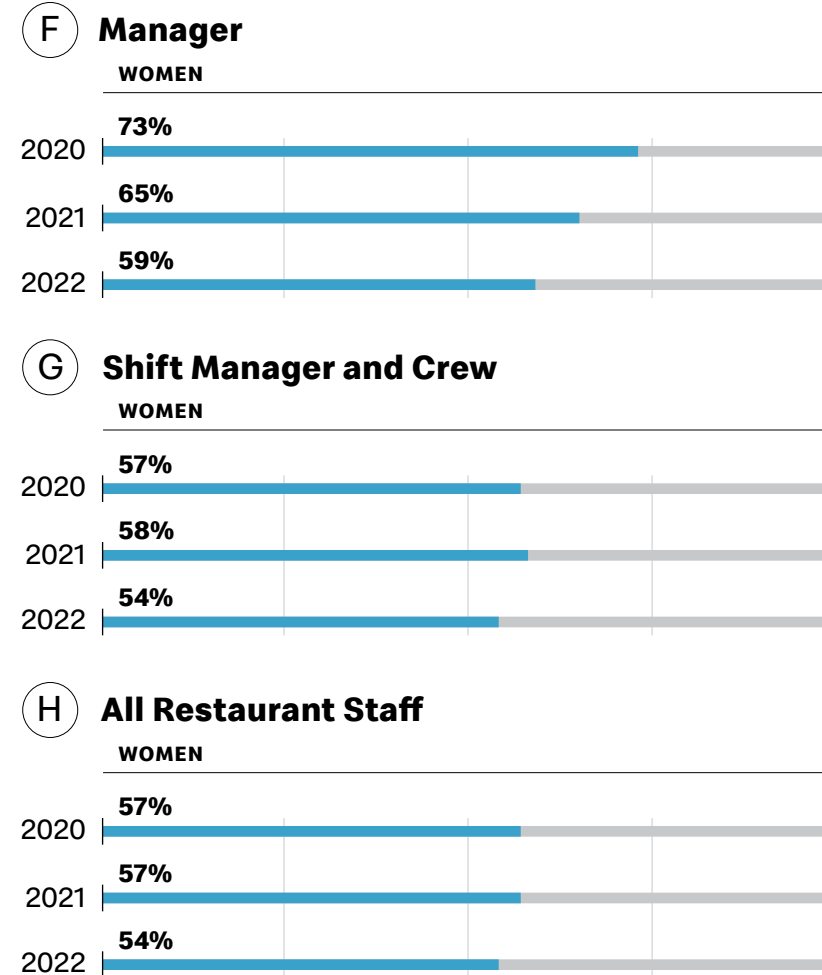
## Employee Diversity (continued)

The role we play in communities is both unique and unmatched. And at the heart of our service are the incredible restaurant teams – crew and managers – that are the driving force behind the Golden Arches.

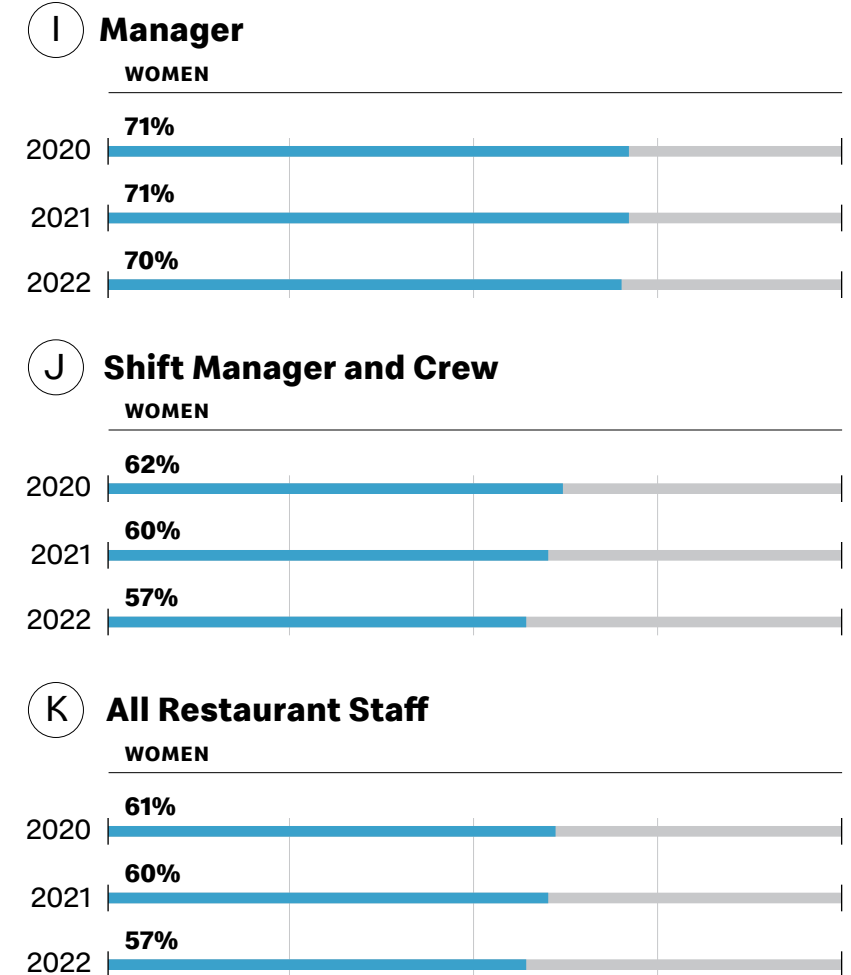
Their McDonald's experience is designed to build invaluable life skills, like ways to leverage the power of inclusion, that will last them a lifetime, creating leaders in all walks of life. That's why we value having gender representation at all levels of the organization, including our restaurant teams. Women play an essential role in our restaurants, serving in the majority of shift manager and crew positions and holding over half of the restaurant Manager roles globally.

Read more about our [Diversity, Equity and Inclusion strategy](#) as well as further details about McDonald's strategy and definitions on the [Purpose & Impact page](#) of our corporate website.

### Company-Owned Restaurants: Global



### Company-Owned Restaurants: U.S.



While we aim for continuous progress, we acknowledge that sustainable change is not a linear journey, and each year brings new factors that may cause fluctuations. Globally, our DEI strategy aspires to influence our global markets to localize strategies to help improve representation. For example, the Empowering the Female Leader (EFL) program in our United Kingdom & Ireland market was founded to provide bespoke development to talented female leaders in the restaurants and helps secure our future talent pipeline of female leaders not only in Operations, but also across the UK&I market, as Operations also serves as a talent feeder to the System.

All data is reported as of December 31 of the stated calendar year. Footnotes can be found [here](#).

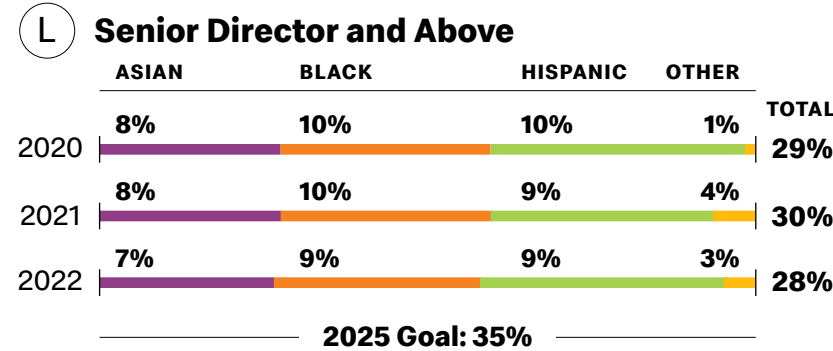
## Employee Diversity (continued)

### Representation of Underrepresented Groups

We believe in delivering fair, equitable opportunities for all under the Golden Arches, and continuously aim to identify opportunities in which we can accelerate a culture of inclusion and belonging. When we talk about equity in the workplace, we mean fair treatment in access, opportunity and advancement for all. We use a combination of cutting-edge technology with the latest strategic thinking to ensure we promote a bias-aware and inclusive workplace that enhances and supports a diverse talent pipeline.

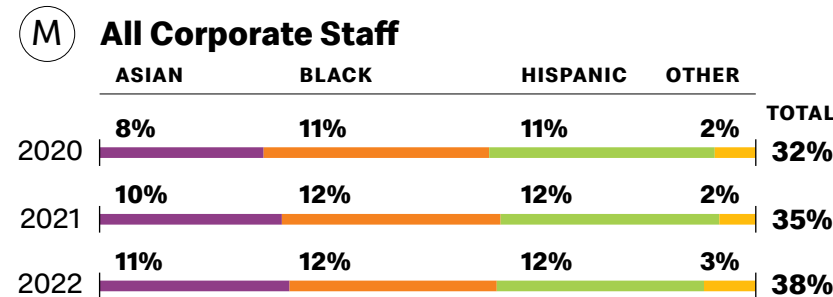
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### Corporate Staff: U.S.

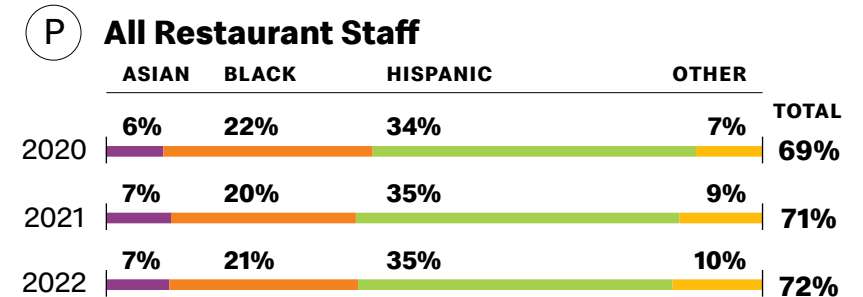
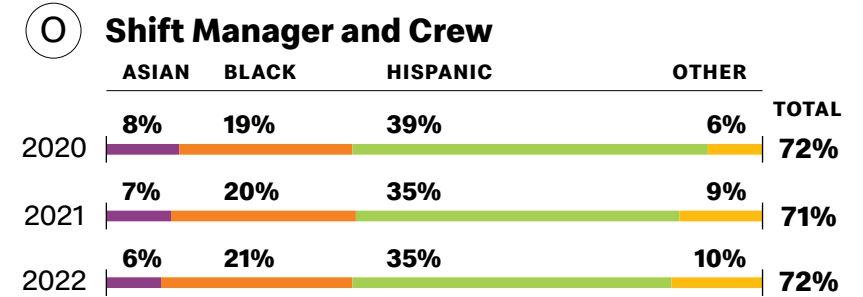
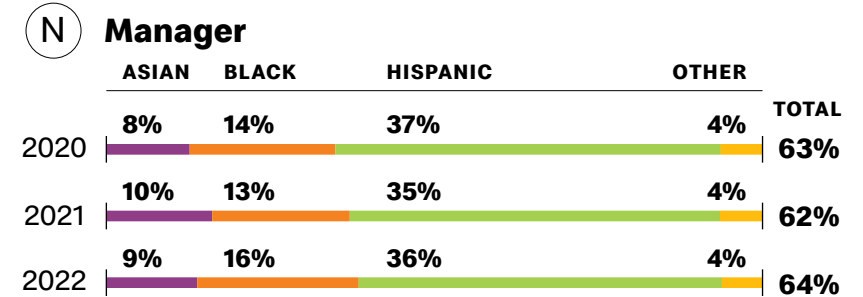


At the end of 2022, we experienced a decrease in leadership representation for our Underrepresented Groups. As we initiated planning for 2023, we took further action to evolve our DEI and talent strategies to strengthen our talent pipeline. We use artificial intelligence (AI) tools to create gender-neutral, inclusive job descriptions, driving our partnerships on campus with minority-serving institutions (MSIs) as well as solidifying a national and functional diverse recruitment strategy through diverse recruitment fairs and workshops. Additionally, we employ a variety of approaches to reduce the potential for bias in the recruitment process, and strategically structure interviews to support equity and fairness.

While we aim for continuous progress, we acknowledge that sustainable change is not a linear journey, and each year brings new factors that may cause fluctuations. We remain fully committed to taking steps in pursuit of our 2025 aspirational leadership representation goal, while remaining transparent about our progress.



### Company-Owned Restaurants: U.S.



All data is reported as of December 31 of the stated calendar year. Footnotes can be found here.

# Business Diversity

As of the end of 2022, our U.S. systemwide spend with diverse-owned suppliers and signatories of the Mutual Commitment to DEI (MCDEI) pledge was over \$14 billion. Considering this, we believe we have a responsibility and a unique opportunity to help drive change in our business and beyond.

Of the amount spent by McDonald's and its U.S. Franchisees throughout the U.S. supply chain in 2020, an industry-leading 24% was with diverse-owned suppliers – businesses 51% owned, managed and controlled by women and/or Black, Hispanic, Asian, Indigenous, Veteran, LGBTQ+ and/or people with disabilities. As of the end of 2022, our U.S. systemwide spend with diverse-owned suppliers was 25%, resulting in McDonald's reaching its diverse-owned supplier spend goal for the second year in a row. We will continue to focus on our engagement with diverse-owned suppliers.

We invite U.S.-based suppliers to share our dedication to inclusivity, demonstrating their shared focus by signing the MCDEI pledge.

By choosing to sign the MCDEI pledge, suppliers commit to implementing a DEI strategy in their business that includes:

- Training and/or education for employees to develop as better DEI practitioners and leaders.
- Efforts to increase representation in leadership and staff, as well as to increase use of diverse-owned businesses.
- Investing in innovation with new partnerships and programs designed to make a measurable difference.
- Putting accountability systems in place to monitor and measure progress and share best practices with others.

To provide ongoing support to suppliers that sign onto the MCDEI pledge, we offer access to resources and tools, including sharing of best practices. By the end of 2022, over 420 suppliers had signed the MCDEI pledge.

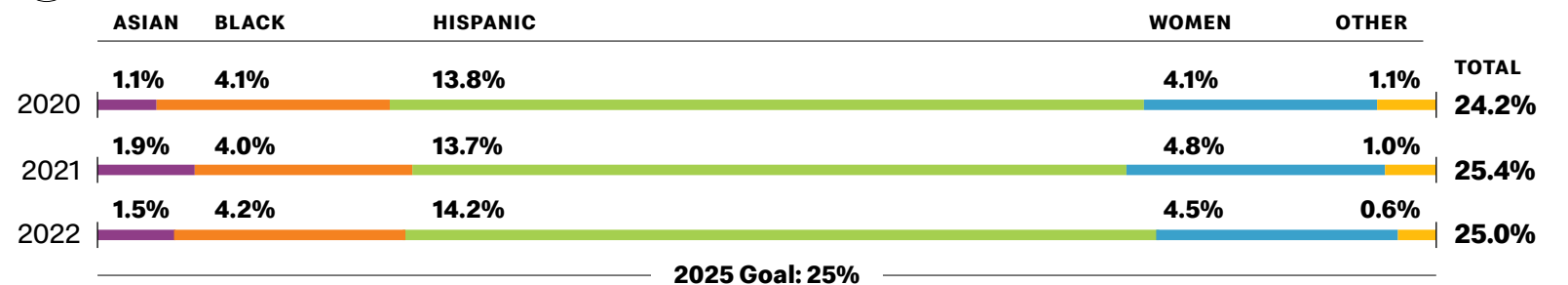
Read more about our [Diversity, Equity and Inclusion strategy](#) as well as further details about McDonald's strategy and definitions on the [Purpose & Impact page](#) of our corporate website.

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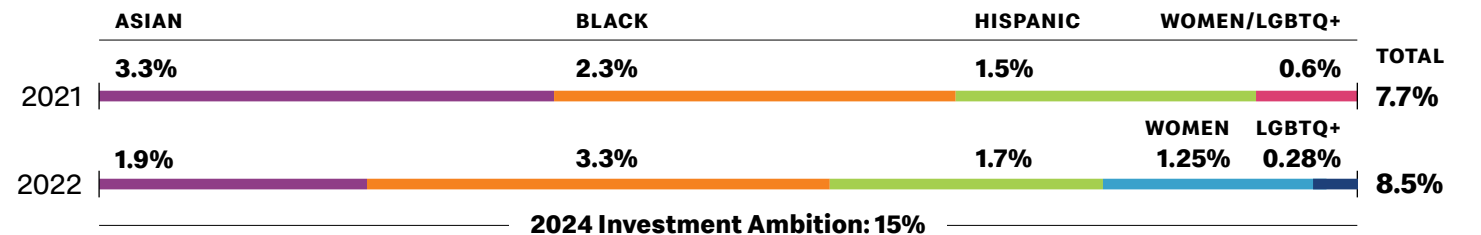


## 25 x 25 Goal

### Q % Spend Through U.S. System With Diverse-owned Suppliers



### R % U.S. Marketing Investment Spend (National Diverse-Owned Media, Production Companies and Content Creators)



Included in our business diversity spend is our investment in diverse-owned media and production companies and content creators. To drive our efforts forward, we set an original investment ambition to reach 10% investment with diverse-owned media and production companies and content creators by the end of 2024. In 2021, recognizing an opportunity to deliver even

greater impact, we increased our investment ambition from 10% to 15% by the end of 2024.

Since 2021, our U.S. Marketing team has been working to advance investments in, and business relationships with, diverse-owned production and media companies and content creators to enable deeper, more inclusive storytelling. Realizing

progress requires strong oversight, in 2021 we also established a Diverse Marketing Advisory Council. This group of subject matter experts provided insights for our inclusive marketing efforts in 2022, helping identify and suggest solutions for eliminating some of the biggest barriers to economic opportunity for diverse-owned media companies.

As of the end of 2022, McDonald's USA and its U.S. Franchisees increased investments with diverse-owned media and production companies and content creators to 8.5% – up from 7.7% in 2021. Throughout the year, we maintained key partnerships that allowed us to scale our work with media companies that have been proven to drive business results.

# Equal Pay for Equal Work

**When we talk about equity in the workplace, we mean fair treatment in access, opportunity and advancement for all. That includes helping to ensure that all employees, regardless of gender, race or other factors, receive equal pay for equal work.**

In furtherance of our aspirations in achieving pay equity, in 2019 we introduced Global Pay Principles to our owned markets to ensure that good pay practices are understood, consistently implemented and executed across McDonald's.

Our annual 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.

In 2021, the Company publicly communicated its ongoing commitment to equal pay, which is supported by an annual pay gap analysis that aims to ensure equitable pay practices are consistently implemented and executed across the Company. Through the 2021 pay gap analysis, we identified for the aggregated total of job categories that women globally in Company-owned and operated markets were paid on average \$.9985 for every \$1 paid to

men for comparable work. We then took steps to close the identified pay gap in 2022. We also identified that Underrepresented Groups in the U.S. were paid on average \$1.0063 for every \$1 paid to other groups for comparable work.

**Results of the 2022 pay gap analysis showed that women globally in Company-owned and operated markets were paid on average \$.9991 in base pay for every \$1 paid to men for similar work. Further, on an aggregate basis there was no base pay gap disfavoring Underrepresented Groups in the U.S. These results indicate we substantially attained equal pay, and in 2023, we closed the small gaps identified in line with our commitment to close pay gaps identified in annual equal pay analyses.**

Read more about our [Diversity, Equity and Inclusion strategy](#) as well as further details about McDonald's strategy and definitions on the [Purpose & Impact page](#) of our corporate website.

All data is reported as of December 31 of the stated calendar year. Footnotes can be found [here](#).

## 2022 Pay Gap Analysis

Women	Pay Gap*	Total Employees
Global, in aggregate	\$.9991	124,920
Staff	\$.9916	7,605
Restaurants	\$.9996**	117,315

Women	Pay Gap*	Total Employees
U.S., in aggregate	\$.9992**	50,190
U.S. Staff	\$.9967**	3,639
U.S. Restaurants	\$.9994**	46,551

Underrepresented Groups	Pay Gap*	Total Employees
U.S., in aggregate	\$1.12	50,190
U.S. Staff	\$1.26**	3,639
U.S. Restaurants	\$1.11	46,551

\* Pay gap refers to the amount earned on the dollar by women or Underrepresented Groups compared to men or non-minority peers for similar work.

\*\* Not Statistically significant

Our markets adhere to a set of global pay principles that outline a framework ensuring pay decisions are competitive, non-discriminatory, performance based, understandable, and locally compliant.

Our annual pay gap assessment helps ensure we are following our pay principles globally in our operated or owned markets, and identifying any gaps based on gender (globally) and race/ethnicity (U.S.) for review.

We continue to make advancements on our transparency journey with all our employees. This equal pay work is ongoing, and we continue to run pay gap analyses annually and close gaps as they are identified.

Footnotes can be [found here](#).

## EEO-1 Component 1 Data

In the U.S., the EEO-1 Component 1 report is a mandatory annual data collection that requires all private sector employers with 100 or more employees to submit demographic workforce data, including data by race/ethnicity, gender and job categories. While not required, in alignment with our journey of accountability and transparency, McDonald's has chosen to publicly share its Consolidated EEO-1 Component 1 Data. Though the EEO-1 Component 1 is designed to facilitate uniform reporting for U.S. employers regardless of differences among their size, complexity or nature of business, this uniform approach means that the categories prescribed in the EEO-1 Component 1 reporting template do not fully reflect the McDonald's business model.

For example, the job categories on the Consolidated EEO-1 Component 1 can be wide ranging and do not necessarily reflect how McDonald's thinks about job categories. Please refer to the information provided in the McDonald's 2022 Diversity Snapshot for employee workforce data that better reflects our business model.

Read more about our [Diversity, Equity and Inclusion strategy](#) as well as further details about McDonald's strategy and definitions on the [Purpose & Impact page](#) of our corporate website.

**[EEO-1 Component 1 Data 2019](#)**

**[EEO-1 Component 1 Data 2020](#)**

**[EEO-1 Component 1 Data 2021](#)**

*All data is reported as of December 31 of the stated calendar year.  
Footnotes can be found [here](#).*



# Snapshot Footnotes

**This Diversity Snapshot has been prepared for a broad range of stakeholders, including, but not limited to, our employees, Franchisees, customers, suppliers and investors, as well as nonprofit organizations and other third parties. All data is reported as of December 31 of the stated calendar year.**

The inclusion of information in this Diversity Snapshot is not an indication that such information is material in the context of our financial statements, filings with the U.S. Securities and Exchange Commission (the "SEC") or other public statements. Further, the data contained in this Diversity Snapshot has not been audited or verified by any third party. While such data represents the best information available at the time of publishing this Diversity Snapshot, it is subject to certain limitations related to, among other things, the data collection processes in place at the time such data was collected. Our data collection processes continue to evolve and enhance over time. Some data in the report has been restated and is noted in the footnotes for the relevant data on a case-by-case basis.

This Diversity Snapshot also contains forward-looking statements and goals, which reflect management's aspirations regarding the future and speak only as of the time of publishing this Diversity Snapshot.

Forward-looking statements involve a number of risks and uncertainties. Factors that could cause actual results to differ materially from our goals are detailed in our filings with the SEC. We undertake no obligation to update such forward-looking statements, except as may otherwise be required by law.

All Company goals set forth in this Diversity Snapshot are aspirational in nature.

### Definition: Underrepresented Groups

In the U.S., the term "Underrepresented Groups" generally means people who identify as Black, Indigenous, Asian or Pacific Islander, or otherwise as people of color, people of Hispanic or Latino/a/x descent, people with disabilities, people who identify as LGBTQ+, people from religious minorities, or people having a combination of these identities or attributes. For purposes of McDonald's reporting, including with respect to Human Capital Metrics and Equal Pay, "Underrepresented Groups" is defined as people who identify as Black, Indigenous, Asian or Pacific Islander, people of Hispanic or Latino/a/x descent, or people having a combination of these identities or attributes.

## Board Diversity

### A Directors

2020, 2021

All female Directors who served on the Board between 2020 and 2022 identify as White or Caucasian.

2022

All female Directors who served on the Board between 2020 and 2022 identify as White or Caucasian. The percentages for 2022 are as of December 31, 2022. Due to rounding, some totals may not correspond with the sum of the separate figures.

Effective May 25, 2023, Robert Eckert and John Rogers, Jr. retired from the Company's Board of Directors.

## Franchisee Diversity (U.S. System)

### B C Approved Owner/Operators (Franchisees)

Due to rounding, some totals may not correspond with the sum of the separate figures.

2020, 2021, 2022

Data was obtained through various means, including affinity group membership, informal identification and voluntary self-disclosure. As of June 2020, McDonald's Registered Applicant process for new Franchisees includes voluntary self-identification, which has strengthened our data collection efforts. 2020 through 2022 data for existing Franchisees continues to reflect information obtained through affinity group membership, informal identification and voluntary self-disclosure, outside of the Registered Applicant process. More information regarding the Registered Applicant process can be found in [Franchising FAQs](#).



## Snapshot Footnotes (continued)

### Employee Diversity

The humanitarian crisis caused by the war in Ukraine and the precipitating unpredictable operating environment led us to determine that continuing operations in Russia was no longer tenable nor consistent with McDonald's core values. Due to the sale of our Russian business in May of 2022, Russia has been excluded from our 2022 performance reporting across ESG topics, including the 2022–2023 DEI report and Diversity Snapshot, unless otherwise stated.

### Representation of Women

#### Corporate Staff: Global

**(D)(E) Senior Director and Above, and All Corporate Staff**

2020, 2021

Data includes aggregate numbers from Australia, Austria, Belgium, Canada, Czech Republic, France, Germany, Italy, the Netherlands, Poland, Portugal, Russia, Slovakia, Spain, Switzerland, Ukraine, the U.K. and the U.S. Corporate employees who support our Development Licensees are also included. Data was obtained through various means, including informal identification and voluntary self-disclosure.

2022

Data includes aggregate numbers from Australia, Austria, Belgium, Canada, Czech Republic, France, Germany, Italy, the Netherlands, Poland, Portugal, Slovakia, Spain, Switzerland, Ukraine, the U.K. and the U.S. Corporate employees who support our Development Licensees are also included. Data was obtained through various means, including informal identification and voluntary self-disclosure.

### Representation of Women

#### Company-Owned Restaurants: Global

**(F)(G)(H) Manager, Shift Manager and Crew, and All Restaurant Staff**

2020, 2021

Data includes aggregate numbers from Australia, Canada, Germany, Italy, the Netherlands, Poland, Russia, Spain, Switzerland, Ukraine, the U.K. and the U.S. Data was obtained through various means, including informal identification and voluntary self-disclosure.

2022

Data includes aggregate numbers from Australia, Canada, Germany, Italy, the Netherlands, Poland, Spain, Switzerland, Ukraine, the U.K. and the U.S. Data was obtained through various means, including informal identification and voluntary self-disclosure.

2021, 2022

Manager includes General Managers and Assistant Managers.

#### Company-Owned Restaurants: U.S.

**(I) Manager**

2020

Includes General Managers, Assistant Managers and Department Managers.

2021, 2022

Includes General Managers and Assistant Managers only. In 2021, the management structure in Company-owned restaurants was reorganized, resulting in the elimination of the Department Manager position.

### Representation of Underrepresented Groups

#### Corporate Staff: U.S.

**(L)(M) Senior Director and Above, and All Corporate Staff**

- i. Data includes U.S. Paid employees only. All U.S. Paid employees working in other markets are excluded.
- ii. This data reflects U.S. employees who voluntarily disclosed race/ethnicity information.
- iii. Due to rounding, some totals may not correspond with the sum of the separate figures.

#### Company-Owned Restaurants: U.S.

**(N)(O)(P) Manager, Shift Manager and Crew, and All Restaurant Staff**

This data reflects U.S. employees who voluntarily disclosed race/ethnicity information.

**(N) Manager**

2020

Includes General Managers, Assistant Managers and Department Managers.

2021, 2022

Includes General Managers and Assistant Managers only. In 2021, the management structure in Company-owned restaurants was reorganized, resulting in the elimination of the Department Manager position.

### Business Diversity (U.S. System)

**(Q) % Spend Through U.S. System With Diverse-owned Suppliers**

U.S. systemwide spend is inclusive of spending by McDonald's and its U.S. Franchisees.

“Other” includes the following categories: Veteran-owned, Native American-owned, Disabled-owned, LGBTQ+-owned, and other unidentified categories, including unidentified Minority (MBE)-owned.

## Snapshot Footnotes (continued)

2020, 2021

- i. This figure includes supplier spending by all restaurants, whether operated by McDonald's or by Franchisees. Further, this figure is inclusive of U.S. Company-owned restaurant spend, Supply Chain, Restaurant Development, Marketing, Legal, Global Technology, Workplace Solutions, Global Impact, Finance, Global People and other corporate functions. This figure also includes purchases made by Franchisees for advertising, restaurant development, technology, food, distribution, packaging, equipment and uniforms. This scope excludes non-controllables (Taxes, Utilities, Rent, Aircraft Fuel, Airport Fees, Facility Leases, Donations, Bank Fees and Subscriptions).
- ii. Additionally, the gender diversity figure excludes women from Underrepresented Groups, who are reflected in the racial/ethnic demographic data.
- iii. 2020 and 2021 diversity spend in the U.S. includes both self-certified and formal industry recognized certification and Tier 1 and Tier 2 spend. Tier 1 suppliers are those from whom McDonald's buys directly. Tier 2 suppliers are those with whom our suppliers do business.
- iv. Diverse-owned suppliers refers to businesses that are 51% owned, managed and controlled by women and/or Black, Hispanic, Asian, Indigenous, Veteran, LGBTQ+ and disabled persons or people having a combination of these identities or attributes.

- v. 2020 % spend through U.S. System with diverse-owned suppliers restated following update of diversity classification of two suppliers and evolved data practices around Tier 2 spend reporting and accounting for Supply Chain managed spend for equipment and operating supplies.

2022

- i. This figure includes supplier spending by all restaurants, whether operated by McDonald's or by Franchisees. Further, this figure is inclusive of U.S. Company-owned restaurant spend, Supply Chain, Restaurant Development, Marketing, Legal, Global Technology, Workplace Solutions, Global Impact, Finance, Global People and other corporate functions. This figure also includes purchases made by Franchisees for advertising, restaurant development, technology, food, distribution, packaging, equipment and uniforms. This scope excludes non-controllables (Taxes, Utilities, Rent, Aircraft Fuel, Airport Fees, Facility Leases, Donations, Bank Fees and Subscriptions).
- ii. Additionally, the gender diversity figure excludes women from Underrepresented Groups, who are reflected in the racial/ethnic demographic data.
- iii. 2020 and 2021 diverse-owned spend in the U.S. includes both self-certified and formal industry recognized certification and Tier 1 and Tier 2 spend. Tier 1 suppliers are those from whom McDonald's

buys directly. Tier 2 suppliers are those with whom our suppliers do business.

- iv. Diverse-owned suppliers refers to businesses that are 51% owned, managed and controlled by women and/or Black, Hispanic, Asian, Indigenous, Veteran, LGBTQ+ and disabled persons or people having a combination of these identities or attributes.
- v. 2020 % spend through U.S. systemwide spend with diverse-owned suppliers restated following update of diversity classification of two suppliers and evolved data practices around Tier 2 spend reporting and accounting for Supply Chain managed spend for equipment and operating supplies.

### Media Investment

- (R) Marketing Investment Spend (National Diverse-Owned Media, Production Companies and Content Creators)**
  - i. Paid Media investment represents contracted dollars with suppliers.
  - ii. The classification of media, production companies and content creators as diverse-owned suppliers is determined by both self-certification and third-party certification.
  - iii. Due to rounding, some totals may not correspond with the sum of the separate figures.

### Equal Pay for Equal Work

#### **(S) 2022 Underrepresented Groups Pay Gap Analysis Results (U.S.)**

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

#### **(T) 2022 The following countries are included in the analysis:**

U.S.A, Canada, France, Germany, U.K., Australia, New Zealand, Czech Republic, Slovakia, Poland, Austria, Belgium, Switzerland, Netherlands, Spain, Italy, Portugal. In addition to these countries, descriptive analysis without statistical modeling has been conducted over the employees in the following countries: Singapore, Hong Kong, UAE (Dubai), Ireland. These countries have been excluded from the statistical modeling due to insufficient headcount.

**(U)**

Statistically insignificant in the U.S.

**(V)**

Non-white vs. White