



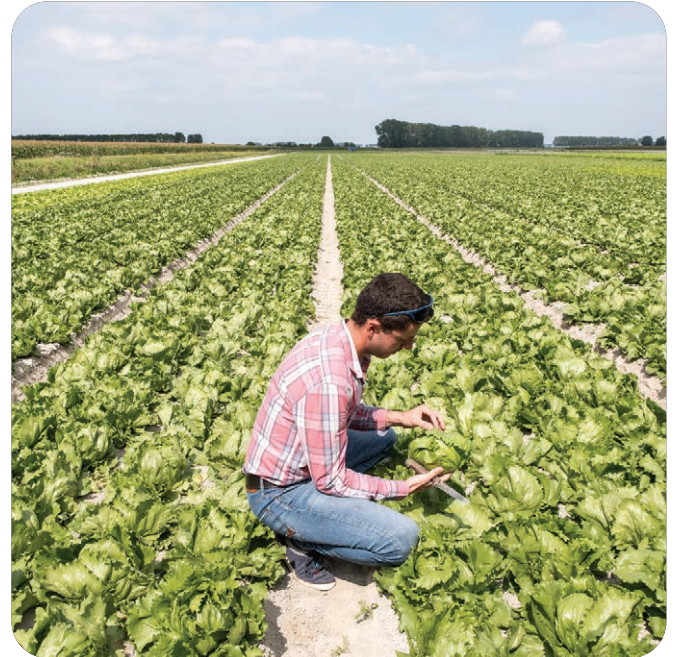
Dear Shareholders, Global McFamily Members, and Customers,

Thanks to our restless ambition, we are operating from a position of strength.

That's one of the things I love about McDonald's. We're always innovating and pushing for the highest standards. It's why we continue to lead the industry after almost 70 years.

This past year, we continued evolving as we worked to meet the heightened expectations of our customers, employees, and stakeholders. We're doing so much more than navigating a challenging operating environment, we're leading through it — as we always have.

I think it's fair to say that our secret sauce lies in a powerful combination: the tireless dedication



of the entire McDonald's System — over two million crew members, the industry's best franchisees, and our network of global suppliers — backed by a talented senior leadership team, dedicated Board of Directors and standout growth strategy, *Accelerating the Arches*.

One constant throughout my tenure as CEO has been our Chairman Rick Hernandez, who recently announced his retirement. Having joined the Board in 1996, Rick served for many years alongside one of our founders, Fred Turner. And like Fred, Rick truly carries “ketchup in his veins.”

Rick's support and guidance were critical to me as I assumed the CEO role unexpectedly, and then quickly had to navigate the Company through a global pandemic and geopolitical crises. I am grateful for his leadership.

Rick's unwavering commitment to the McDonald's System has been instrumental to the growth of our Brand. I look forward to carrying forward his devotion to McDonald's as I assume the role of Chairman following our Annual Shareholders' Meeting, working closely with Lead Independent Director Miles White. In today's dynamic and challenging landscape, the power of one company voice is essential to our three-legged stool's continued strength.



Creating Genuine, Lifelong Emotional Connections with our Brand

In 2023, we pushed ourselves even further in service to our customers and communities, and towards our goal of delivering enduring, profitable growth for our shareholders. As a result, global comparable sales grew by 9% and guest counts grew by 3% globally last year.

Underpinning our momentum was the evolution of our *Accelerating the Arches* strategy. The beauty and power of *Accelerating the Arches* is that it's designed to be evolutionary, and our M-C-D growth pillars have demonstrated how we can adjust to changing needs.

Our world-class, culturally relevant **Marketing** (“M”) and creative campaigns are keeping the brand front-of-mind and driving performance — from the viral Grimace shake to Raise Your Arches to our 1-in-8 campaign, and our McDonald's x Crocs collab supporting Ronald McDonald House Charities®.

We've continued to build affinity with our **Core** (“C”) menu classics, leaning into the power of iconic favorites to drive customer demand while simplifying operations. We continue to make our core menu even more enticing with initiatives like Best Burger that incorporate changes to cooking procedures for our iconic Hamburger, Cheeseburger and Big Mac®. The result is a hotter, juicier burger, and customers tell us that they can taste a big difference.

We also identified significant opportunities to drive future growth, like we're doing in the large burger category. We'll be testing this concept in three markets later this year. At the same time, we've made impressive strides towards developing a reputation for great chicken. Chicken now represents over \$25 billion in annual Systemwide sales — that's on par with our beef business — and we've established McCrispy® and McSpicy® as new global core menu items alongside McNuggets® and McChicken®.

Finally, we've added a fourth “D,” **Development**, as we continue to double down on **Digital, Delivery, and Drive-Thru**. Our 4 “Ds” take what customers love about McDonald's — from convenience to value to personal connections with our brand — and make them even better. Today, there are more than 40,000 restaurants across the globe, and over the past four years, we've added nearly \$30 billion in Systemwide sales to our business. By the end of 2027, we plan to expand the McDonald's footprint to 50,000 restaurants worldwide, fueling Systemwide sales growth with strong contributions to the bottom line.

Cementing our Position as one of the World's Leading Consumer Brands

McDonald's size and scale are unmatched competitive advantages. I believe the benefits they yield — paired with McDonald's innovative spirit — will only become more pronounced in 2024 and the years ahead. As we shared at our Investor Update at the end of 2023,





“We have even greater ambitions for our future.”

we have even greater ambitions for the future — ambitions that will cement McDonald’s as one of the world’s leading consumer brands.

We’re creating a *consumer platform* that reimagines the customer experience and fuels profitable customer engagement in a targeted and personalized way. Aggressive investments in digital and technology have enabled us to build one of the world’s largest loyalty programs. By the end of 2023, we were connecting with 150 million active loyalty users across 50 markets. Over the next four years, we plan to expand our reach with loyalty to 250 million active loyalty users.

We’re also introducing the easiest and most efficient *restaurant platform*. This is all about our commitment to being the best franchisor, and equipping franchisees to run great restaurants. We’re committed to equipping the 2 million+ employees in McDonald’s restaurants with

intuitive technology that reduces complexity and makes it easier to deliver the memorable experience our customers expect. Not only does cutting-edge technology make operations more efficient, stable, and reliable, it also instills a greater sense of pride and is key to providing the best experience for restaurant teams.

Finally, we are building a modern *company platform* with an emphasis on new capabilities that makes McDonald’s a better partner for franchisees and suppliers alike. We organized Company employees around a structure that’s fit for purpose as part of *Accelerating the Organization*. Greater efficiencies are unlocking faster speed-to-market and creating even more exciting career opportunities.

These platforms will create a step change to our sales and margin trajectory, slowly at first, but with increasing speed and impact.



Reimagining our Future, Together

Across the McDonald's System, we'll remain nimble as we continue to deliver strong performance in today's dynamic environment, while driving real impact in the communities we serve.

When we mobilize the best of our innovation, collaboration, and execution across the McDonald's System, and when we use our size and scale to our advantage, we can do things that absolutely nobody else can do.

Together, we'll continue to lead the industry — putting our values, purpose, and people at the center of everything we do — and building the engine that will power McDonald's to unleash the full strength of our global scale.

Together, we'll drive sustainable and profitable growth, as we reimagine our future.

Thank you.

Chris Kempczinski

President and CEO

McDonald's Corporation