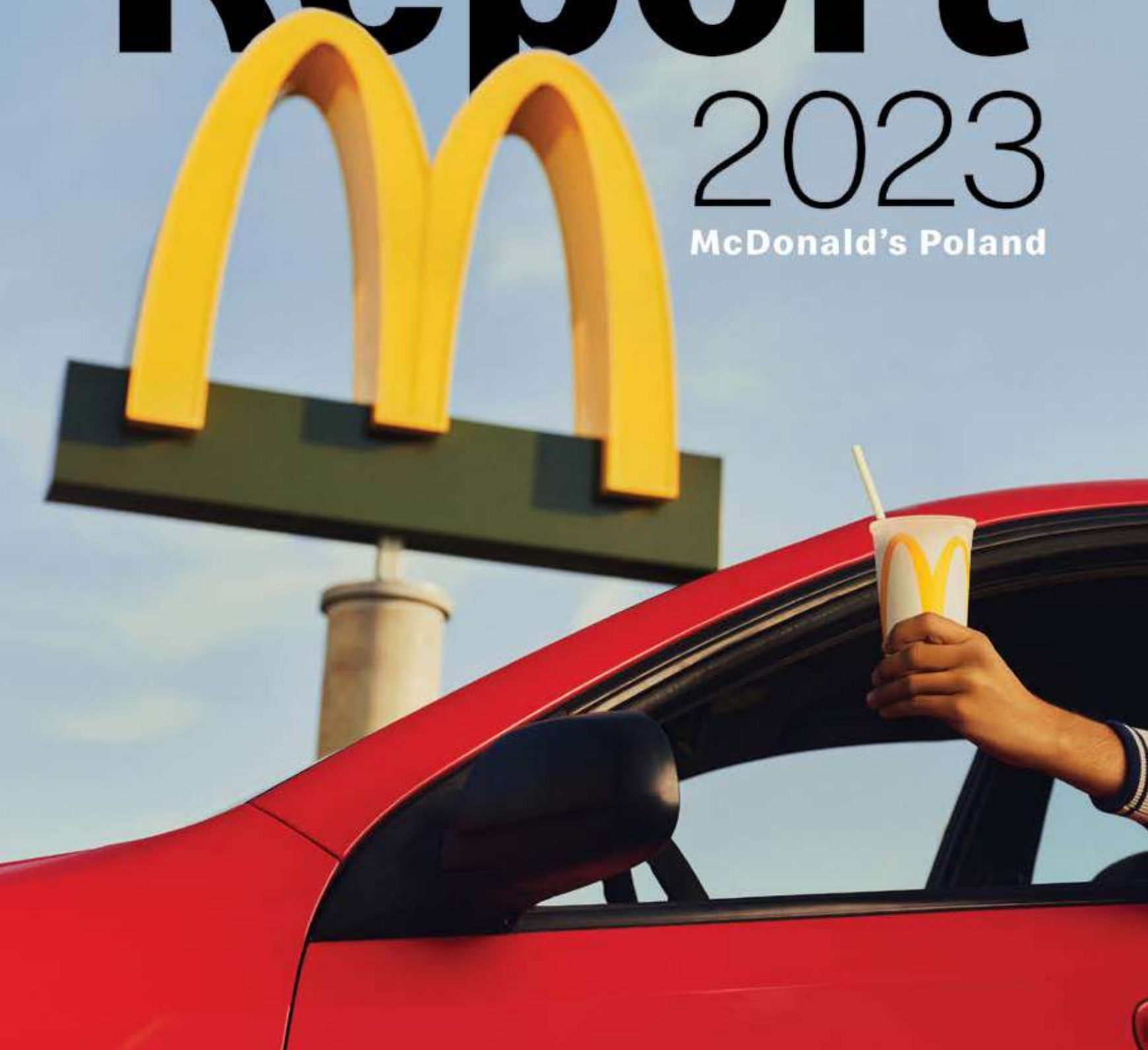


ESG

Report

2023

McDonald's Poland



ESG
Report
2023
McDonald's Poland

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[GRI 2-22]

Tomorrow depends on us

Together, provided we ensure good cooperation and coordination, we can really make a difference. Each and every change, multiplied by the scale of our action, brings about tangible impact.

Where did the report's keynote – Tomorrow depends on us – come from?

We have been doing business in Poland for more than 30 years. There are 546 restaurants operating under our brand, 90% of which are run by franchisees. We employ more than 33 thousand people and serve approx. 950 thousand guests every day. We have 91 suppliers, 29 of whom have global supplier status. Accordingly, we operate on an enormous scale and thus bear colossal responsibility! Together, provided we ensure good cooperation and coordination, we can really make a difference. Each and every change, multiplied by the scale of our action, brings about tangible impact. How we use it to make a difference in the context of our future – is up to us.

What topics are the most significant to McDonald's?

We have set ourselves ambitious goals in areas where our impact is, or has the potential to be, the greatest. These are: climate protection, packaging, responsible product sourcing, supporting diversity, community engagement and charitable activities.

What are our ambitions related to climate protection?

“For several years, we have been pursuing a comprehensive systematic global strategy to achieve net carbon neutrality by 2050.”

Our decarbonization targets have been validated by the Science Based Targets initiative (SBTi), a methodology based on state-of-the-art climate science and consistent with the Paris Agreement.

We are implementing them both at the restaurant level and across our supply chain. This is a huge challenge, because it means, for example, that we need to ensure that emissions are significantly reduced by the farms we indirectly cooperate with. We focus on sustainable

collaboration across our ecosystem, including with and among our suppliers and franchisees.

What does systemic collaboration aimed at the achievement of this ambition look like in practice?

Here are a few examples. One of the key areas of our decarbonization plan is to enlarge the share of renewable energy in McDonald's energy mix in Poland. Last year, we coordinated our efforts by signing a package of PPA and PPA+ contracts for the supply of energy from the Szymankowo Wind Farm for the period 2024–2027. As a result, starting in 2024, 25% of the energy consumed in our restaurants is obtained directly from renewable energy sources. In the following years, we intend to increase this share. No restaurant acting on its own would be able to do this.

Another direction is to scale up environmental innovations. An example is the closed-loop circulation of packaging in restaurants. Owing to an innovative technology developed in partnership with Miklan-Ryza, a Polish recycler, any used packaging that ends up in our garbage bins gets recycled. It is transformed into paper towels, toilet paper and beverage trays that guests then use in our restaurants. We recover cellulose fibers even from so-called 'difficult packaging,' that is, packaging soiled with food or containing an admixture of plastics. Currently, approx. 700 tons of used packaging per month is sent to the recycler. This is possible due to a joint effort, a unified sorting infrastructure and coordination among all parties involved. If it were not for our system, these 700 tons of material would end up in a landfill or incinerated. Clearly, this would be impossible to pull off without the commitment of franchisees who, hand in hand with us, consistently take on the challenge of reducing environmental impact.

One example of our cooperation with suppliers is the auditing of livestock farms for environmental impact and animal welfare under the Cultivate system. One of our suppliers, OSI Food Solutions Poland, carried out an audit in the 32 thousand farms it works with in Poland. We also cooperate with our suppliers on decarbonization paths. In this contest, one of our areas of

focus is the implementation of regenerative agriculture practices.

Which aspects are important for McDonald's in the social area?

Firstly, respect for diversity. This is one of the five key values espoused by McDonald's. This should not come as a surprise, as we are one of the most diverse organizations in the world. Our teams are staffed by people of different ages, with different levels of education, representing many nationalities, cultures and different gender identities. We also welcome people with disabilities to work with us.

“We consider the internal diversity of our teams to serve as a value and strength of McDonald's – through it, we learn empathy and we inspire and develop each other, including our guests in a culture of openness.”

This is why the formation of an unprejudiced work environment where every employee and guest feels comfortable is very important to us. With the increasing polarization of views in society, this is not easy to achieve and requires great care, a good strategy and consistency in its implementation. We also describe this in our ESG report.

The second area of great significance to us is the provision of support to local communities. Through our franchisees, we are close to the people living in local communities. Their needs do not escape our attention and we try to react to them. Our franchisees pursue dozens of initiatives across Poland. From a Kashubian language competition at a restaurant in Puck, to various sports initiatives, to supporting the RMHC, which builds Ronald McDonald Houses at pediatric hospitals – in simple

terms, these are places where caregivers of hospitalized children are welcome to live free of charge

What do you, as the leader of such a large organization, consider the most important?

I consider sustainability a forward looking and responsible approach to business. I think of this not only from the vantage point of a team leader, but also as a citizen and resident of Poland, Europe and the world.

I am aware of the enormity of the challenges awaiting us, and I strive to improve my competences and keep setting the bar higher and higher for myself and my team. This is why at McDonald's our ambitious business and investment goals in Poland are aligned with commitments and actions aimed at achieving climate neutrality, supporting diversity and helping local communities.

What made you decide to write an ESG report?

I consider myself a man for whom reason, actions and data are of key significance. I am glad that we are making an effort to objectively measure the consequences of our activities. This is the purpose served by our report. We have prepared it using the same methodology as the previous one to help our readers track McDonald's progress on the path towards sustainability.

“There is still a lot of work to be done, but I am sure that we also have great potential to inspire a major change. How we fulfill this potential – is up to us.”

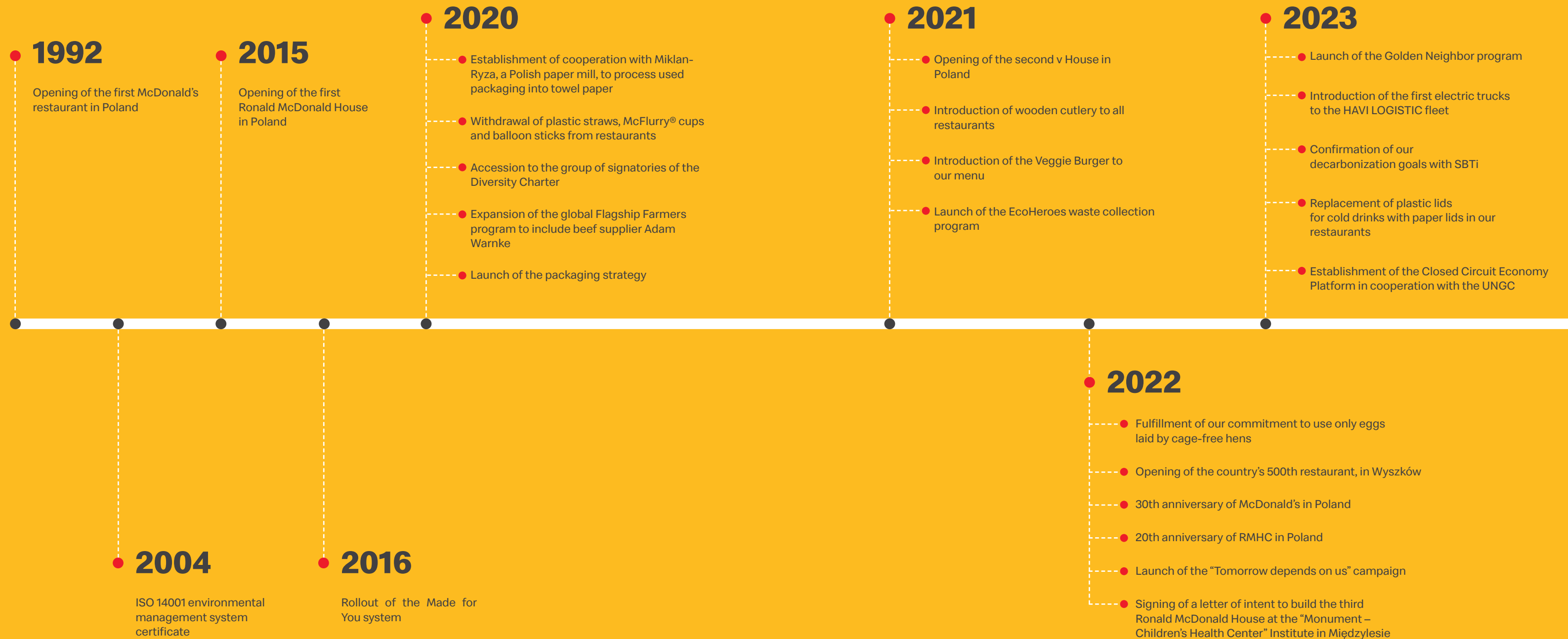
Tomasz Rogacz
MANAGING DIRECTOR



WELCOME TO McDONALD'S



Calendar



Strategic goals

[GRI 2-23] • [GRI 2-24]

At McDonald's Poland, we support the global goals pursued by McDonald's Corporation.

Deadline	Goal and commitment	Implementation in Poland in 2023	Plans for 2024–2025
Annually	Happy Meal® goals: Balanced meal offerings – at least 50% of Happy Meal offerings listed on the menu meet McDonald's Global Nutrition Criteria for Happy Meals.	Fully achieved	In progress
Annually	Happy Meal goals: Simplified formulation – removal of artificial colors and nature-identical flavors from Happy Meals; reduced use of artificial preservatives where possible, without affecting food safety, taste or meal quality.	Fully achieved	In progress
Annually	Happy Meal goals: Transparency in the provision of nutritional information for Happy Meals – ensuring that nutritional information for Happy Meals is available on all proprietary websites and mobile apps used for ordering.	Fully achieved	In progress
Annually	Happy Meal goals: Responsible marketing – all Happy Meal advertisements meet McDonald's Global Nutrition Criteria for Happy Meals and comply with all local advertising requirements.	Fully achieved	In progress
Annually	Happy Meal goals: Marketing innovation – use of innovative marketing methods to promote Happy Meals containing recommended nutritional products.	Fully achieved	In progress

Deadline	Goal and commitment	Implementation in Poland in 2023	Plans for 2024–2025
Annually	Wage gap – closing the wage gap identified in annual gender wage equality reviews.	The outcomes of the basic wage gap review for 2023 indicate that McDonald's Poland has essentially attained wage equality.	In 2024, we intend to close all the remaining small gaps that have been identified.
2024	Chicken welfare – sourcing chickens raised under better welfare conditions. Fulfillment of 8 specific commitments in this area.	Pursuit in accordance with the schedule. Fulfillment of 8 chicken welfare commitments in markets covered by the project. Poland as one of the key 10 markets covered.	Scheduled full achievement by the end of 2024. Launch of the sourcing of chickens raised in accordance with the welfare policy developed for the Polish market in 2024.
2025	Opportunities for youth – reducing barriers to employment for 2 million young people	The goal has been met at the global level. 2.2 million young people have participated in training programs or been employed in corporate restaurants or participating licensee restaurants.	
2025	Gender equality – increasing the representation of women in management positions (at director level and above) to 45%.	<ul style="list-style-type: none"> Representation of women in managerial positions in Poland: 55% in offices, 73% in corporate restaurants. 	Pursuit in accordance with the schedule, on track to the fulfillment of the commitment in 2025.
2025	Packaging, toys and waste – 100% of packaging will come from renewable, recycled or certified sources.	93.3% of packaging comes from renewable, recycled or certified sources.	Actions in line with the roadmap until 2025. There is a risk that 2% of Poland's volume will fail to ensure compliance by 2025 due to the process of scaling innovation in the area of plastic-free hot and cold beverage cups.
2025	Packaging, toys and waste – no primary packaging contains fluorine compounds.	Goal for Poland achieved in 2022 and 2023.	Status to be maintained in subsequent years.

Deadline	Goal and commitment	Implementation in Poland in 2023	Plans for 2024–2025
2025	Packaging, toys and waste – significant reduction in the use of plastics in Happy Meal toys and transition to more sustainable materials.	Reduction in the consumption of primary fossil raw materials by 90% compared to the base year of 2018.	Follow-up actions up until 2025.
2027	Elimination of the use of antibiotics designated by the World Health Organization as highest-priority critically important antimicrobials (HPCIIAs) applied in the treatment of humans from all chicken-based meals served.	Goal for Poland achieved in 2022.	Status to be maintained in subsequent years.
2030	Climate goals, restaurants and offices – 50.4% absolute reduction in emissions in restaurants and offices (electricity, waste, refrigerants) compared to the base year of 2018. Recommended reductions in the Polish market: 66% relative to 2018.		Preparation of a decarbonization roadmap in the restaurant and office segment, based on the following three pillars: <ol style="list-style-type: none"> 1. Operational energy – 100% energy obtained from renewable energy sources by 2030 + electrification of restaurants. 2. Restaurant efficiency – reduction of utility consumption (goal definition in progress). 3. Waste – closing the circuit of all waste associated with restaurant operations by 2030.
2030	Climate goals, supply chain – 16% absolute reduction in emissions from beef and chicken farming relative to the base year of 2018. 50.4% absolute reduction in emissions in the area of handling produced food relative to the base year of 2018. Recommended contribution of the Polish market relative to the base year of 2018: <ul style="list-style-type: none"> • 7% absolute emission reduction related to crops and livestock in the beef and chicken area. • 50.4% absolute emission reduction related to handling produced food. • 50.4% absolute emission reduction related to land use change by supporting globally coordinated anti-deforestation and land use change initiatives in beef and chicken farming. 		Implementation, at the Polish market level, of the supply chain decarbonization roadmap in the following priorities: <ol style="list-style-type: none"> 1. Protein, milk, cheese – farm and non-farm level, 2. Oil, bread, potatoes, vegetables – non-farm level, 3. Transportation and logistics in the McDonald's System.
2030	Forest-related commitment – eliminate deforestation from global supply chains.	As scheduled – fulfillment of the commitment in the area of the following key categories: paper, coffee, soy used for chicken feed, palm oil; plans deployed to ensure markets are in compliance with regulations.	From 2025 – fulfillment of obligations related to the rollout of the EU Deforestation Regulation (EUDR).

Deadline	Goal and commitment	Implementation in Poland in 2023	Plans for 2024–2025
In progress	Antibiotics in cattle farming – establishing targets for the use of medically labeled antibiotics in the beef supply chain. Collaboration aimed at collecting data on antibiotic use and measurement of progress on responsible antibiotic use in the global beef and dairy industries.	Goals for responsible antibiotic use in our global beef supply chain for the 10 markets covered (currently representing over 80% of supply, including Poland). Since 2023, we have been working with our suppliers to develop data systems to help measure antibiotic use vis-à-vis these goals in the future.	Work to be continued



Sustainability management

[GRI 2-12] • [GRI 2-13] • [GRI 2-16] • [GRI 2-17] • [GRI 2-25]

Issues related to our impact on the environment and stakeholders and improvements in internal governance are complex, and their regulatory context keeps changing rapidly. For this reason, the Company's strategic directions, policies and goals in the areas concerned are devised by interdisciplinary teams and then discussed and approved at management team meetings attended by the President of the Management Board, heads of pertinent departments and other employees with relevant responsibilities. In each case, the President of the Management Board makes final decisions, provided that they are consistent with McDonald's Corporation's values, standards and strategy. The processes applied in the creation and updating of policies and objectives are evaluated and adjusted on an ongoing basis, enabling us to respond suitably to emerging challenges, taking into account the expectations of our stakeholders. The teams that have been mentioned are responsible for implementing the adopted solutions. The President of the Management Board is kept informed on an ongoing basis about the consequences of actions taken and the Company's key impacts on the environment, including by way of monthly management team meetings attended by the directors of McDonald's various departments, including the Impact Department Director, who oversees, among other aspects, the sustainability strategy. Moreover, each month, the Senior Manager Sustainability Lead provides an update on the status of work in this area. Unless a more urgent need arises, the holder of this position attends management team meetings once per quarter to discuss key issues.



The outcomes of the interdisciplinary teams' work are evaluated in a solution-specific manner, based on a broad range of data, including the results of performance analyses and impact studies, taking into consideration the opinions and needs of key stakeholders as well as the priorities of the Company's business strategy. On an as-needed basis, the President of the Management Board delineates directions to be pursued when adopting a change, including those aimed at minimizing or mitigating risks.

Each department in the Company is assigned a specific role in striving for the adopted environmental, social and economic goals. In order to enhance the structure of the strategic approach to sustainability,

the function of Senior Manager Sustainability Lead was established at McDonald's Poland in 2023 to create and coordinate the pursuit of a comprehensive sustainability strategy, consistent with global policies.

The work on developing the strategy is carried out by an interdisciplinary sustainability team, consisting of key functions relevant to defining goals that reflect global policies and tailored to ensure alignment with local specificity. In the next step, the team will be responsible for their achievement. The team is composed of representatives of the following three areas: environment, social and governance.

E Environment

PLANET

- Climate goals: the Net Zero roadmap
- Packaging/toys

FOOD QUALITY AND SOURCING

- Animal health and welfare
- Responsible sourcing
- Nutritional values

TEAMS RESPONSIBLE

- Impact
- Supply Chain & Purchasing
- Development
- Equipment
- Operations
- Marketing

S Social

WORK, INCLUSION, EMPOWERMENT

- Diversity, Equity and Inclusion (DEI)
- Human rights

COMMUNITY IMPACT AND PHILANTHROPY

- RMHC
- Volunteerism and local programs

TEAMS RESPONSIBLE

- Impact
- People
- Marketing
- Supply Chain
- Development
- Franchisee Team
- Legal

G Governane

GOVERNANCE

- ESG management
- ESG compliance
- ESG reporting
- ESG culture

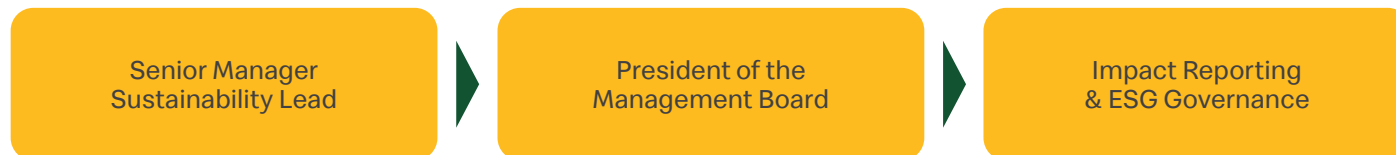
TEAMS RESPONSIBLE

- Impact
- Legal
- People
- Finance
- Supply Chain

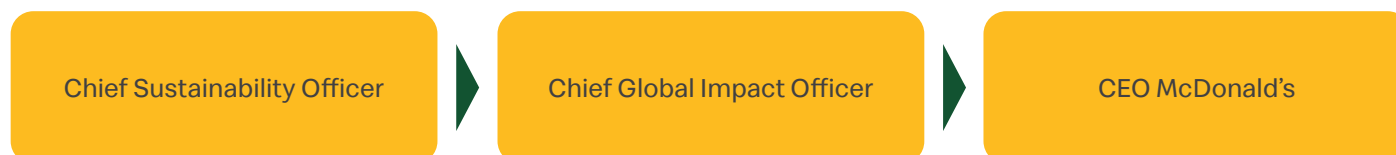
The Senior Manager Sustainability Lead reports to the Director of the Impact Department, who in turn reports directly to the President of the Management Board. The Impact Department is responsible for strengthening and protecting the reputation and operations of McDonald's in Poland and for building trust in the brand based on a foundation of responsible business development. In addition to a strategic approach to sustainability, the powers vested in the Department include the area of internal communication with Service Center employees and franchisees aimed at integrating the system, building a community of values and striving to pursue the strategy goals. Furthermore, the Department is responsible for building relationships with external stakeholders, including through advocacy (Public Affairs), corporate communication with the business community, including the media, communication with consumers, and crisis management.



ESG impacts, opportunities and risks as well as progress on ESG commitments are reported annually within the global structure by the Senior Manager Sustainability Lead and, upon approval by the President of the Management Board, to the Impact Reporting & ESG Governance team. The Senior Manager Sustainability Lead is also a member of a global network of sustainability experts operating in all markets where McDonald's operates.



At the global level, a Sustainability Center of Excellence structure was established in 2023 to support local markets in their endeavors to balance out the business model of local organizations. At the McDonald's Corporation level, sustainability issues are coordinated by the Chief Sustainability Officer who is a member of the Impact team, headed by the Chief Global Impact Officer, who in turn reports directly to the McDonald's CEO. The global team, led by the Chief Sustainability Officer, fulfills the said role of a center of excellence for local markets, in addition to performing management and strategic functions in shaping sustainability policies



Chief Sustainability Officer > Chief Global Impact Officer > McDonald's CEO



Standards of Business Conduct

www.bit.ly/mcd-etyka-zawodowa



Human Rights Policy

www.bit.ly/mcd-prawa-czlowieka



McDonald's Supplier Code of Conduct

www.bit.ly/kodeks-dla-dostawcow



Statement of Principles Against Discrimination, Harassment and Retaliation

www.bit.ly/polityka-dyskryminacja



Statement of Principles Against Workplace Harassment, Discrimination, Violence and Other Inappropriate Behaviors

www.bit.ly/przeciwdzialanie

All members of the system – including franchisees – are responsible for the pursuit of the sustainability goals. This endeavor is aided by working groups formed by the Franchisee Consultation Team and the CoOp Board – bodies established by McDonald's franchisees. The working groups include representatives of franchisees, appointed by the Franchisee Consultation Team, and Service Center employees with expertise in the topics dealt with by the groups. Their task is to develop uniform positions and solutions for the system in areas such as those related to achieving the sustainability goals.

Two groups were active in 2023:

.01

The energy group, which worked on a strategic approach to the transition of the McDonald's System's energy mix toward renewable energy sources. The outcome of the group's work was the signing of a package of PPA and PPA+ agreements in 2023 by Polenergia Obrót, a subsidiary of Polenergia, and McDonald's Poland together with franchisees for 25% of the annual energy demand from the Szymankowo Wind Farm. The group continues to work on increasing the share of renewable energy sources until it reaches 100% in 2030.

.02

The environmental group, which addressed the area of the interface between legislation and the environment for the purpose of exchanging knowledge, sharing best practices and making the approach to implementing new legislation in the sustainability area affecting the operation of corporate and license restaurants more consistent.

Management of environmental risks

We are aware of our responsibility in the environmental area. We have implemented an environmental management system in accordance with ISO 14001 and we have set the following goals as part of our Environmental Policy:

- ✓ protecting the environment, including by preventing pollution and reducing climate change,
- ✓ compliance with legal requirements for environmental protection,
- ✓ reducing the amount of waste generated, maximizing its use in a closed-loop cycle or safe disposal,
- ✓ reasonable management of natural resources,
- ✓ improving the water and sewage management system,
- ✓ taking environmental aspects into account when planning the Company's strategy,
- ✓ applying a preventive strategy in the area of identification and prevention of environmental risks,
- ✓ promoting awareness and pro-environmental attitudes among our employees and guests of our restaurants,
- ✓ encouraging our suppliers and cooperating companies to roll out their own sustainability and environmental protection programs.



The procedure for managing environmental risks at McDonald's Poland involves employees, particularly department managers, restaurant managers and the Senior Manager Sustainability Lead. Each of these teams is responsible for a specific element of the process and has been vested with the necessary powers to manage the assigned area of responsibility. The President of the Management Board is responsible for the Company's overall sustainability and environmental policy and has the authority to make all environmental decisions for the Company.

In 2023, neither the compensation of the President of the Management Board nor that of the Directors of each Department was linked to the achievement of goals in areas involving management of the Company's economic, environmental or social impact. This is a step we intend to take in the next few years within the framework of our sustainability strategy.

As part of our environmental risk management procedure, 4 key aspects of environmental impact have been identified (taking into consideration suggestions from stakeholders, including suppliers, public administration officials, university staff, NGOs and others):

- ✓ packaging, its design from recycled and recyclable raw materials in a closed-loop cycle,
- ✓ sorting and recycling of waste in a closed-loop system,
- ✓ reduced energy consumption,
- ✓ climate change – reduced greenhouse gas emissions leading to carbon neutrality.

The procedure for managing environmental risks includes identifying the environmental impacts associated with certain intended activities. It defines the extent of the impact and the functional area within the organization that is responsible for the identified aspect. An assessment of the significance of environmental impacts is carried out using the method of estimating environmental risks based on the significance of the respective environmental impact, the costs generated, legal requirements, the occurrence or likelihood of exceedances or failures, the availability and cost of technology to mitigate the environmental impact, the impact on the Company's image, the priority in the Company's policies, and the assessment of the life cycle of products.

The List of Significant Environmental Aspects is reviewed and updated annually by McDonald's top management.

Reporting of critical issues

In 2023, 20 critical issues were reported to the Management Board and management team, mostly by e-mail, by representatives of McDonald's Poland's various departments, covering the following subject areas:

.01

Food quality and safety

.06

Environment

.02

Occupational health and safety
in restaurants

.07

Legislative amendments
and regulatory infringements

.03

Guest or employee-related behaviors
and incidents

.08

Information leakage

.04

Human resource management
and employee rights

.09

Technical problems

.05

Geopolitical threats, local conflicts
and social or political actions

.10

Internal research
and stock market performance



Briefly about us

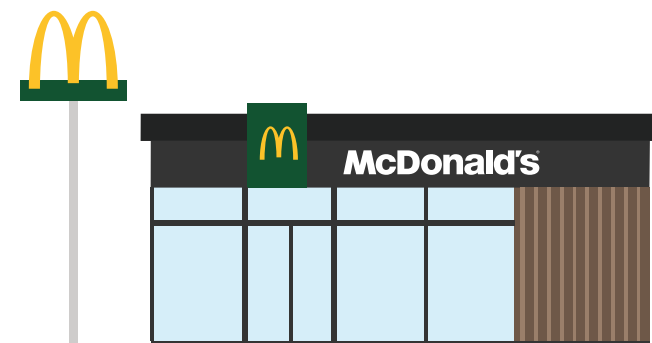
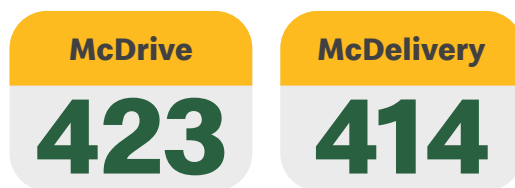
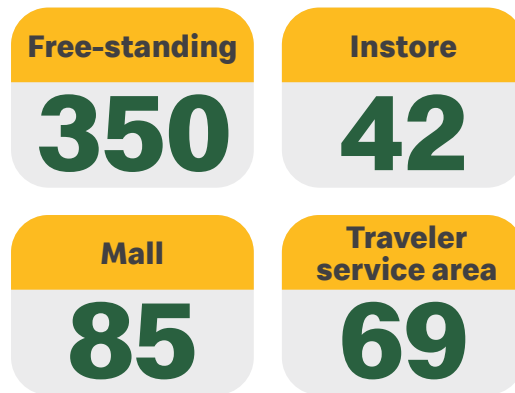
[GRI 2-1] • [GRI 2-3] • [GRI 2-6]

For more than 30 years, McDonald's Poland has leveraged its scale of business, brand strength, operational agility and know-how to exert a favorable impact on its environment – the economy, the labor market, the natural environment, its supply chain and local communities. We are a responsible foodservice sector leader, employer and business partner.

We are creating a local system of a leading global quick-service restaurant brand. As at the end of 2023, 546 restaurants operated under the McDonald's Poland brand. They are located in free-standing buildings, shopping malls and traveler service areas along highways and expressways. Some of them may be used, without leaving the car, via the McDrive® line. As at the end of 2023, 414 restaurants offered food or beverage delivery to a guest's designated location.

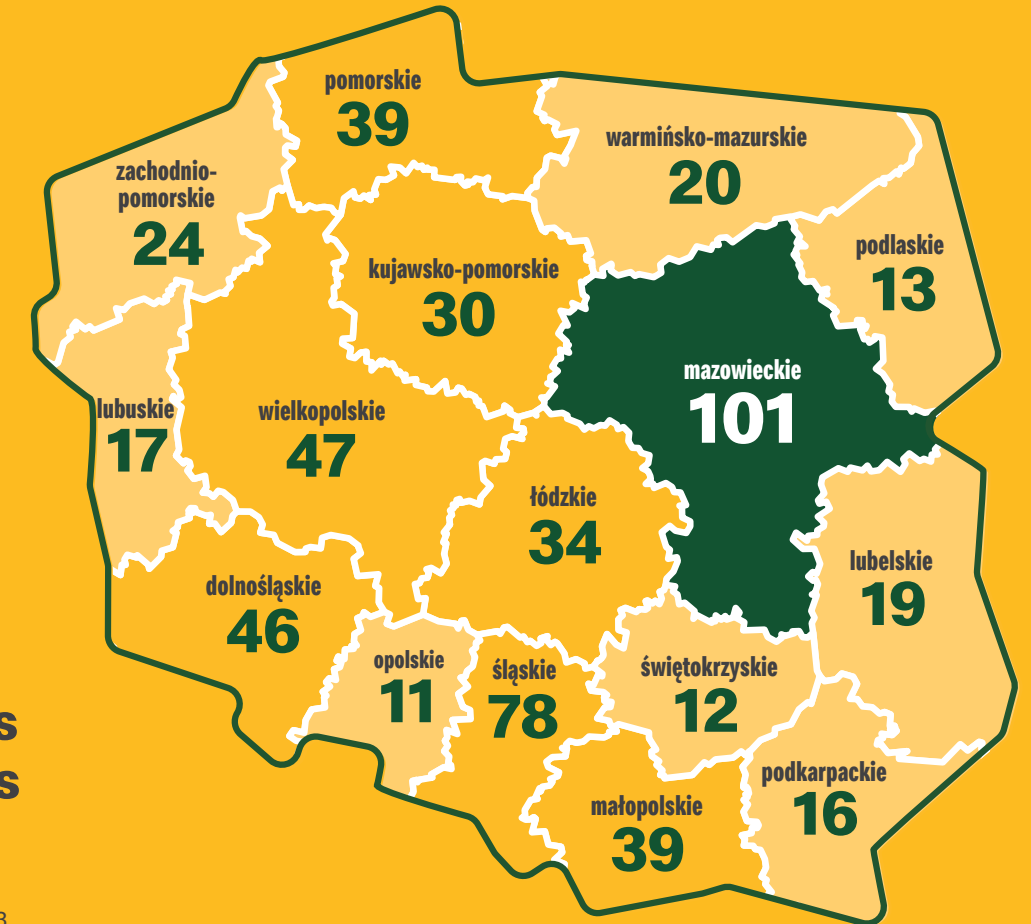
Partners in the McDelivery service are: Uber Eats, Stava, Glovo, Pyszne.pl and Volt. In 2023, we introduced another solution in this area: the Order and Collect service. Our guests may place an order on their mobile app, following which their food will be delivered directly to their car parked in a designated spot in front of the selected restaurant or to a table. Business support for operations at the restaurants is provided by the Service Center located in Warsaw.

McDonald's
restaurants
546



McDonald's restaurants in Poland

* Data as at December 2023.



Our system



Worldwide, the McDonald's System is based on **3 equivalent pillars: employees, franchisees and suppliers.** We call our system a three-legged stool – each pillar must be stable for our restaurants to operate and grow rapidly. We are united by our common values, standards and goal – to ensure

the best possible guest experience by providing our guests with top-quality tasty meals. As a system, hand in hand with franchisees and suppliers, we invest and grow sustainably. We do this by investing in people, technologies and manufacturing facilities across the supply chain.

Employees

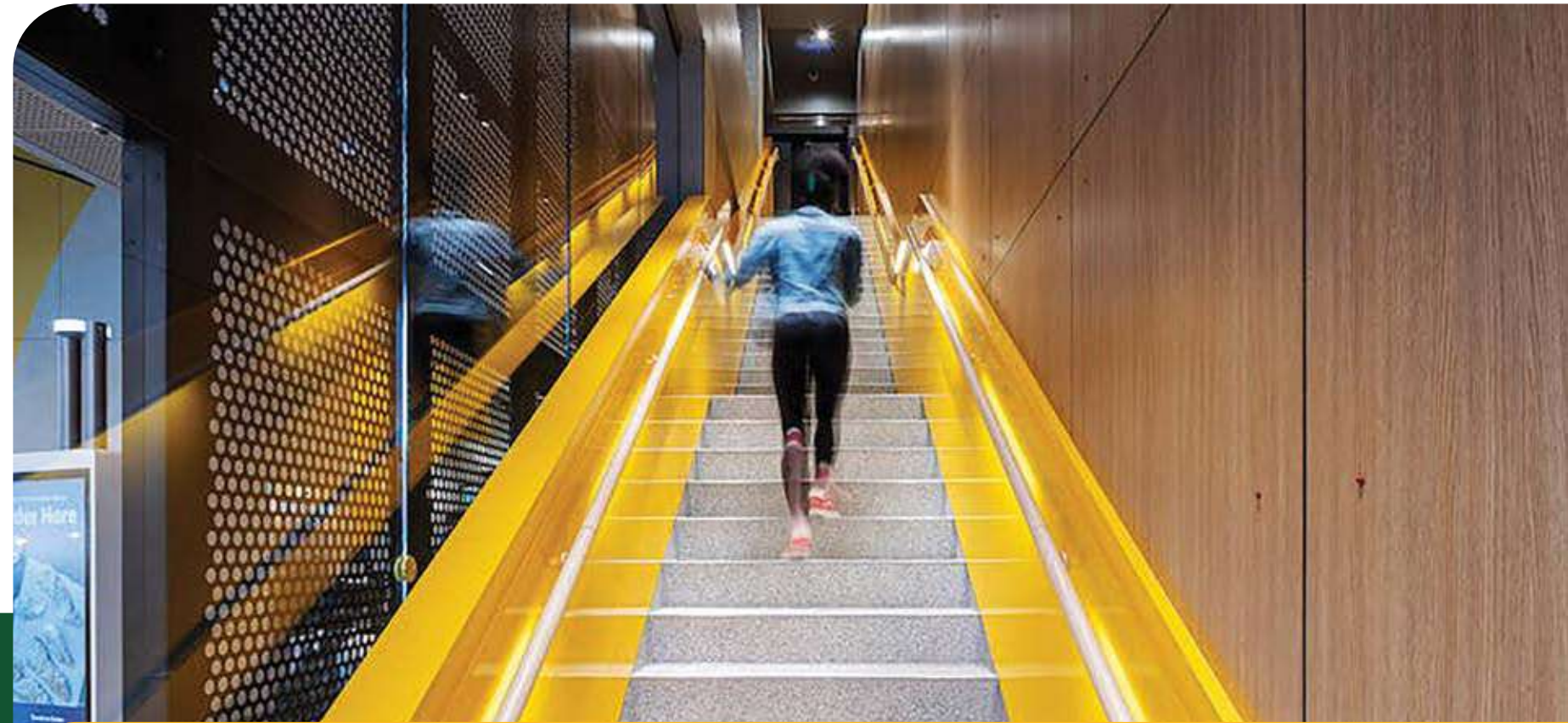
The driving force behind McDonald's growth in Poland is its committed personnel, meaning that it is essential to create the proper conditions for their development. Since day one, we have been guided by the principle of appreciation and mutual respect, creating a friendly and safe workplace. We offer employment only on the basis of an employment contract, giving our staff a sense of security and stability. We build cohesive, supportive, committed and diverse teams – an approach that translates into a good working atmosphere. We attach great importance to developing talent and supporting our employees across the McDonald's System. This is one of the pillars of our long-term business strategy.

Franchisees

The vast majority of McDonald's restaurants in Poland are run by independent local entrepreneurs who cooperate with us on the basis of franchise agreements entered into for a term of, as a rule, 20 years. As at the end of 2023, 97 licensees operated 496 of the 546 restaurants in Poland, accounting for more than 90% of all locations. McDonald's is the forerunner and leader of this business model, which emerged in Poland in the 1990s.

The proven formula of the franchise model generates significant benefits for both parties. Franchisees gain the opportunity to operate a restaurant under the banner of a well-known global brand and obtain access to proven operating procedures, long-standing know-how and trusted suppliers.

In turn, for McDonald's, this arrangement is an effective way to increase the scale of its business, providing an opportunity to focus on strategic management of the brand's growth and participate in the lives of local communities.



Franchisees

- ✓ Invest in the restaurant they open, including by acquiring the necessary fit-out and equipment.
- ✓ Operate under the McDonald's brand, but on their own account, bearing the business risk.
- ✓ Adhere to our standards, which have been adopted to guarantee a high and consistent quality of our meals and service.
- ✓ Purchase products, packaging and cleaning supplies for their restaurants from our trusted suppliers.
- ✓ Employ dozens or even hundreds of people and coordinate their work.
- ✓ Pay monthly fees to McDonald's throughout the term of the franchise agreement.

McDonald's

- ✓ Provides training to comprehensively prepare franchisee candidates to run the restaurant.
- ✓ Advises franchisees on how to run their business.
- ✓ Organizes training for franchisees and restaurant managers and provides continuously updated training materials for staff.
- ✓ Carries out nationwide marketing and PR activities.

” In our restaurants, every day is different, because no two teams and no two guests are the same. This makes our work really interesting and brings a variety of challenges, overcoming which is a source of enormous satisfaction.”

Karolina Sokół

MCDONALD'S FRANCHISEE, RUNNING 6 RESTAURANTS

The basis for building our business relationships with franchisees, in addition to the agreement, is the McDonald's Global Franchising Principles. These are supplemented by the Global Franchising Standards, covering the following areas:

.01

operating activity

.02

finance and investment

.03

people

.04

guest satisfaction

.05

franchisee engagement

The quality of doing business under the franchise model is evaluated through a process of periodic cooperation assessment. The fulfillment of the provisions of the agreement is evaluated, including compliance of operations with our global principles and standards. Compliance with these is a prerequisite for receiving an offer to extend cooperation in the future. According to a franchisee satisfaction survey conducted annually, 97% of licensees are content with their cooperation with McDonald's Poland.

Trust and partnership serve as the foundation for both parties to build long-term business relationships. All franchisees, regardless of the number and size of their restaurants, are equally important to us and can count on our support. For more detailed information on this area, see the section "We act ethically."

Learn more



About how to open a McDonald's restaurant

www.bit.ly/mcd-franczyza



About how to run a McDonald's restaurant

www.bit.ly/video-franczyza



We also recommend some inspiring stories from our franchisees

www.bit.ly/nasi-franczyzobiorcy



Suppliers

McDonald's approach is based on partnerships across the operating ecosystem of our sector. In partnership with our suppliers, we focus on quality and sustainable food production. The systemic combination of the optics of both parties is key to our success in building a climate change-resilient agri-food supply chain.

Since the outset of our business, we have been developing cooperation with local suppliers and producers of intermediate products, thereby supporting Polish entrepreneurs. McDonald's long-term, stable cooperation and global presence have enabled many businesses to modernize and expand their operations even on an international scale. Some of our business relationships have existed since the beginning of McDonald's presence in Poland – for more than 30 years. We place high expectations on our suppliers in accordance with McDonald's global standards, but we do not abuse the strong position we enjoy due to the scale of our business. We treat our counterparties as partners – for more on this, see the section "Key suppliers."

Guest experience



Our guests are people of all ages, needs and food preferences. We make sure they enjoy a delicious and safe meal in a comfortable setting every day.

Concern for the best guest experience is the driving force behind the changes that take place in our restaurants. For instance, in response to multiple and varying needs, we have introduced different types of tables – such as those with comfortable chairs, ideal for shared meals, or high tables, perfect for having a quick breakfast. We have not forgotten about solutions for families with children, people with disabilities or couriers picking up meals ordered with delivery. Self-ordering kiosks, which have become a permanent part of the look and functionality of our establishments over the past 10 years, are also a symbol of these changes.

Our restaurants differ in terms of their appearance. When designing new restaurants, we rely on several design patterns, which we adapt to the specific features of the place. In establishments located in historic buildings, we also take care to include the building's unique character in our interior design.

The specific features of the location also affect the solutions we make use of. For example, a restaurant

located in Kraków in the vicinity of a shopping complex has an interactive table with games for the enjoyment of our youngest guests. A restaurant in downtown Częstochowa has a night sales window on weekends, while another one, in Konstancin near Warsaw, is fitted with charging stations for electric vehicles.

Each year we open an average of 30 new restaurants, and the rate at which this happens is expected to increase in the coming years. In 2023, our network expanded by 31 restaurants, and the number of localities with at least one restaurant increased by more than 20. Among them were Szczytno, Giżycko, Reguły, Kościan, Kozienice and Żagań. We intend to continue this path of growth.

In parallel, the process of upgrade and reconstruction of already existing establishments is underway – in 2023, 15 of them underwent major infrastructural changes.

“ The restaurant in Kozienice, which we opened in May 2023, was McDonald's 100th location in the Mazovia region, but the first one in this town. I am proud that by growing my business I can support the local economy and its residents. The opening of our restaurant meant the creation of 55 new jobs. ”

Piotr Pożak

MCDONALD'S POLAND FRANCHISEE, RUNNING 3 RESTAURANTS

Our concern for the guest experience extends beyond the restaurant walls. An important tool for building lasting relationships with consumers is our mobile app and the MyM Rewards loyalty program available to its users, along with the Order and Collect service. Currently, the number of interactions with guests in our restaurants is similar to the quantity of interactions in our app. In it, we focus on the

values espoused by McDonald's – accessibility, simplicity, unpretentiousness, openness to different needs. Entertainment is also an important component of our offering, especially when it comes to our young guests. In 2023, the McDonald's app had as many as 6 million users, putting it among the most frequently used apps in Poland.

Investments in infrastructure in 2023

- | | |
|--|--|
| <p>31 new restaurants</p> <p>1 restaurant with a completely new interior in the dining room and kitchen; new garden arrangement</p> <p>11 restaurants with new equipment for fried products</p> <p>7 restaurants with new three-lobed grills</p> | <p>15 upgraded restaurants</p> <p>7 restaurants with new French fry equipment</p> <p>7 new H&S production lines</p> |
|--|--|

Moreover, in corporate restaurants

- | | |
|---|---|
| <p>27 restaurants with new heat pumps for water heating</p> <p>16 restaurants with upgraded air conditioning and ventilation equipment (heat pumps)</p> | <p>7 restaurants with upgraded HVAC systems to cut down on utility costs</p> |
|---|---|

In 2024–2027, we intend to open 170 new restaurants and upgrade 115 existing ones in cooperation with our partners. We intend to celebrate our 35th anniversary in Poland in 2027 with more than 700 restaurants. Our ambition is also to grow in other dimensions: to meet our guests' needs and introduce new menu items, launch new services, improve our restaurants and invest in employee development.

PROVEN IN PRACTICE

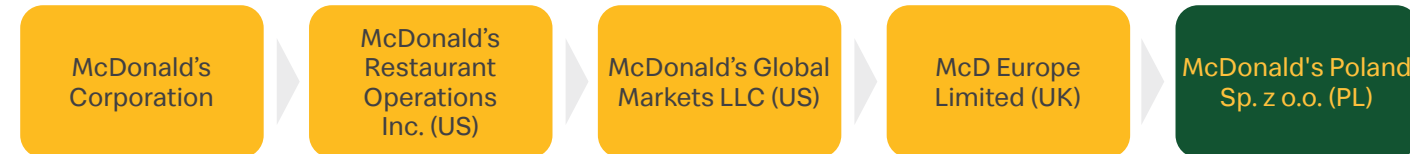
Although it might seem that our restaurants do not differ from each other, in fact, each of them is designed separately to best meet the needs of our guests and our employees. We consider all aspects of a restaurant's location to ensure the best fit and make it become an integral part of its surroundings. Each newly opened restaurant has its kitchen arranged in a manner enabling all products to be prepared directly to order, ensuring their maximum freshness. New and upgraded restaurants are designed to our serve guests even better. In each case, we adjust the unit layout and interior design to the features of the specific location.



Legal form and ownership

McDonald's Poland's legal form is that of a limited liability company with its registered office in Warsaw, a subsidiary of the London-based McD Europe Limited.

Ownership structure of McDonald's Poland



McDonald's Poland Sp. z o.o. was registered in 1991, and we opened our first restaurant a year later, on 17 June 1992.

It all started in Warsaw's Sezam building

Poland's first McDonald's restaurant opened its doors on 17 June 1992 at 8:00 am. It was located in downtown Warsaw, in the iconic glass Sezam building.

The event was considered a symbolic opening up of Poland to the Western world, in both economic and cultural terms. Among the first guests served on that day were poet and songwriter Agnieszka Osiecka and soccer manager Kazimierz Górski. The ribbon was cut by Jacek Kuroń, then Minister of Labor and Social Policy. Within the first dozen or so hours, the new restaurant was visited by more than 45 thousand people. Today, information about this important day is presented at the Museum of Warsaw History, among other places.



Our products

Our current menu is available at www.mcdonalds.pl/nasze-menu



Burgers and Wraps



Cheeseburger



Hamburger



Big Mac®



McRoyal®



WieśMac®



McChicken®



McCrispy®



Maestro Grand Classic



Burger Drwala



Veggie Burger



Veggie McWrap®



McWrap® Klasyczny

Chicken



McNuggets®



Chicken Box



Chicken Tenders

Happy Meal



Happy Meal

Coffee and desserts



McCafé®



McFlurry

French fries & side dishes



French Fries



Salad

Breakfasts



Breakfast McWrap®



Kaiser roll

vegetarian option also available



McMuffin®

vegetarian option also available



McTost®

vegetarian option also available

Menu of the future

filled with a vegetable cutlet, grated cheddar cheese, tomato slices, lettuce and sandwich sauce.

In some European markets, McDonald's Corporation offers a McPlant burger containing a plant-based meat substitute. Development of the recipe, based on peas, rice and potatoes, among other ingredients, took three years and was carried out in cooperation with technology company Beyond Meat. The new sandwich first appeared on the menu in the United Kingdom in 2022. In addition to the plant-based top-

ping in a sesame seed bun, McPlant's ingredients include fresh onions, pickled cucumbers, lettuce, tomatoes, mustard and ketchup, along with the following vegan products: a pea-based cheese substitute and sandwich sauce.* Moreover, McPlant Nuggets, made of wheat and peas, are available at the network's restaurants in Germany.

* In some countries, the burger includes non-vegan ingredients such as cheese and traditional mayonnaise.



”

Guests are the focus of our attention. We have always adhered to this principle when creating our menu. McDonald's will never get rid of such icons as the Big Mac, Cheeseburger or French fries, which are the cornerstones of our offering. However, our menu gets updated every year with new items, such as the Avocado McMuffin®, which has been added to our offering for good, and the Spicy Chicken Box, which was available seasonally. We make sure that there is something for everyone in our restaurants, and we know that our guests are eager to try out new things.” ”

Michał Arament
MARKETING DIRECTOR

For more information on the safety, quality and nutritional value of our products, and about how and by whom the ingredients we use are produced, see the section "Quality and taste."

Values and mission

[GRI 2-23]

We espouse the same values in all the countries where we operate. They constitute our foundation and guidepost – serving as the basis for all our decisions, big and small.



We are here for you

We serve our guests and employees, we listen to their needs and take care of their safety.



We create a family

Together we are stronger, as we have proven on more than one occasion.



We work for the community

We are good neighbors, taking care of our surroundings.



We care about openness

Everyone should feel comfortable in our restaurants and look forward to coming back to them. The diversity of our teams is a strength of McDonald's that we appreciate day in and day out.



We act with integrity

We simply do what we are supposed to do. We take responsibility for every aspect of our business, regardless of the situation we find ourselves in.

We make sure that each and every McDonald's employee is not only aware of these values, but also puts them into practice on a daily basis. This is because we believe that only by acting in accordance with these values and by recognizing and appreciating them in others we are able to achieve our goals and live up to our mission.



Our goals

Feed and foster communities

We are a member of local communities and we are eager to support them – both daily and in emergency situations. This is why we strive to exert a favorable impact on our surroundings. We endeavor to involve the whole McDonald's System – office and restaurant employees, franchisees and suppliers – in initiatives carried out for the benefit of our neighbors. This is the foundation of our business and the basis of people's trust in the McDonald's brand.

Our mission

Make delicious feel-good moments easy for everyone

We care about the unique experience of our guests and employees. We want everyone to feel comfortable in our restaurants, regardless of age, skin color or place of origin. We offer attractively priced, tasty, high-quality meals served by friendly staff in modern and comfortable restaurants and in delivery or take-out options. Our menu has something for everyone – burgers with juicy beef or crispy chicken, meatless meals or invitingly smelling coffee. We also offer customization by allowing guests to compose their own meal.

We pursue our mission through initiatives in the following four key areas:

Quality and product sourcing

We offer safe, high-quality food that is sustainably produced. We know that the way it is produced and the choices we offer on the menu make a difference to our guests, local communities and the environment.

Our planet

In cooperation with employees, franchisees, suppliers and third-party experts, we are doing our part to protect the planet for current and future generations. To reduce greenhouse gas emissions and diminish consumption of natural resources, we test and implement innovations for sustainability throughout the system.

Our employees

We make sure to create a work environment that is free of discrimination and open to diversity. We offer development opportunities to all our staff.

Our communities

We make use of our scale of business to support local communities wherever we operate. We want to be perceived as a good neighbor offering a helping hand both on a daily basis and in emergency situations.

Responsible internal governance

[GRI 2-9] • [GRI 2-10] • [GRI 2-11] • [GRI 2-12] • [GRI 2-13] • [GRI 2-14] • [GRI 2-15] • [GRI 2-18] • [GRI 2-26] • [GRI 2-27] • [GRI 418-1] • [GRI 205-1] • [GRI 205-2] • [GRI 205-3]

The operations of McDonald's Poland Sp. z o.o. are handled by the Management Board, appointed by McD Europe Limited as the sole shareholder. Although the Company's Articles of Association permit the operation of a management board consisting of more than one member, in accordance with the organization's culture it consists solely of the President of the Management Board, also referred to as the Chief Executive Officer. The Company does not have a supervisory board – its only formal governing bodies are the Shareholder Meeting and the Management Board. Employees representing the Company in their official capacity receive the necessary generic powers of attorney. Moreover, depending on current needs, various individuals are granted powers of attorney to carry out specific activities, such as appearing before authorities or signing contracts.

An informal management team, which, in addition to the President of the Management Board, includes 10 senior executives responsible for key business areas, plays an important role in setting the directions for the organization's growth. These are:

- Chief Finance Officer,
- Chief People Officer,
- Chief Marketing Officer,
- Development Lead,
- Operations Lead,
- Impact Director,
- Franchising Director,
- Supply Chain Director,
- Technology Director,
- Senior Legal Counsel,
- Department Head.

Decisions regarding the team's composition and tasks are made by the President of the Management Board. Strategic discussions of the management team are held monthly. The team also meets regularly during monthly sessions with franchisee representatives –

the Franchisee Consultation Team and the Marketing Council Bureau, and during business performance review meetings held for all franchisees (referred to as CoOp Meetings).



On 1 October 2022, Tomasz Rogacz was appointed to the position of President of the McDonald's Poland Management Board. Previously, he served as Senior Director Restaurant Development, where he supervised the Operations, Franchising, Business Development and Technology Departments. He has been with McDonald's since 2001. He started his career as a restaurant employee and was subsequently frequently promoted to higher positions within the organizational structure. In 2011, he joined McDonald's Serbia as Market Manager, and from 2014 to 2021 he served as the organization's CEO for the Czech Republic and Slovakia.

The President of the Management Board, just as any other employee of McDonald's Poland, is subject to the Performance Motivation process. Moreover, he is subject to inspections by external auditing firms and a corporate audit conducted once every 3 years.

During the reporting period, there were no changes in management resulting from performance evaluation reviews.

The responsibility of the organization's authorities for issues related to environmental impact is described in the section "Sustainability management."

Fundamentals of internal governance

The framework for the operation of McDonald's Poland and for the conduct of our staff, apart from the Company's Articles of Association, is laid down primarily by local documents defined by law, such as work regulations, local internal documents and a number of global policies and standards, including the Standards of Business Conduct and the People Brand Standards. All these documents are updated regularly.

The Standards of Business Conduct serve as the primary source of knowledge for everyone employed by the Company as well as for franchisees regarding the standards, internal regulations and ethical commitments that must be followed in each area.

The document also points out where additional information may be found or obtained regarding the topics covered by it. Employees are welcome to contact the Global Compliance Department if in doubt as to the Standards, legal obligations, or how Company policies affect a particular position.

It is the responsibility of those who oversee other employees in the Service Center to ensure that their direct reports know and comply with the Standards. They file statements confirming that once a year, and their knowledge of the document's text is verified. Those who breach the Standards may face disciplinary consequences, including termination of employment.

Regular sessions of Compliance training are held, which are primarily attended by Service Center employees. A representative of Global Compliance visits Poland and conducts classroom sessions for the staff of those departments that are especially exposed to risks in this area, meets with their directors and discusses with them potential risks and methods of counteracting them. Service Center employees also receive online training on Company regulations, broken down into the following topics: anti-corruption, data confidentiality, whistleblowing, etc.

Learn more



McDonald's Standards of Business Conduct are available from www.bit.ly/standardy-postepowania

Preventing corruption and conflicts of interest

As a business operating in the foodservice sector, acquiring real estate for restaurants and conducting remote sales, we are exposed to risks typical of the industry, stemming from the possibility of official corruption in the investment process or economic corruption on the part of suppliers and contractors for outsourced work. Such risks are periodically assessed at

the level of the whole organization, covering the restaurant network and the Service Center, within the framework of the overall risk management process. They are managed primarily in the form of absolute adherence to both the letter and the spirit of pertinent laws and the deployment of McDonald's global anti-corruption regulations and training.

The following documents have been put in place to help prevent corruption and conflicts of interest:

- ✓ **Global Anti-Corruption Policy**
- ✓ **McDonald's Global Conflict of Interest Policy**
- ✓ **Global Stakeholder Engagement Policy**
- ✓ **Policy on Gifts, Favors and Entertainment Expenses**

The Global Anti-Corruption Policy strongly prohibits the following (without limitation):





- ✓ **requesting and/or accepting bribes, illegal commissions and other improper payments,**
- ✓ **offering and giving financial favors, regardless of monetary value, in order to obtain or create a dishonest advantage,**
- ✓ **offering gifts and/or financial benefits to government officials.**

In accordance with the Policy's provisions, McDonald's employees also in Poland are required to look into the credibility of companies before cooperating with them and to make sure they honestly keep the books and

records required by the applicable laws. The Global Compliance Department is in charge of coordinating actions to prevent conflicts of interest, supported in Poland by the Legal Department and the People Department.



In accordance with the applicable regulations in the area of conflict of interest prevention, Service Center employees are required to:

-  **familiarize themselves with the Standards of Business Conduct and the Global Anti-Corruption Policy;**
-  **report their suspicions regarding potential conflicts of interest;**
-  **familiarize themselves once a year with the Conflict of Interest Disclosure Form and fill it out at their discretion; any doubts or concerns regarding the Form may be shared with a superior or the People, Legal or Global Compliance Department;**
-  **participate at least once a year in training sessions on conflicts of interest and other aspects dealt with by the Standards of Business Conduct.**



Training on preventing corruption and conflicts of interest is mandatory for all Service Center employees. Such training is held promptly upon commencement of employment and at least once a year thereafter, either onsite or online. Moreover, these topics are regularly addressed in communication with the team, including by e-mail.

All our counterparties are also required, at the contracting stage, to familiarize themselves with McDonald's principles in the anti-corruption area. This is the responsibility of the persons in charge of individual contracts.

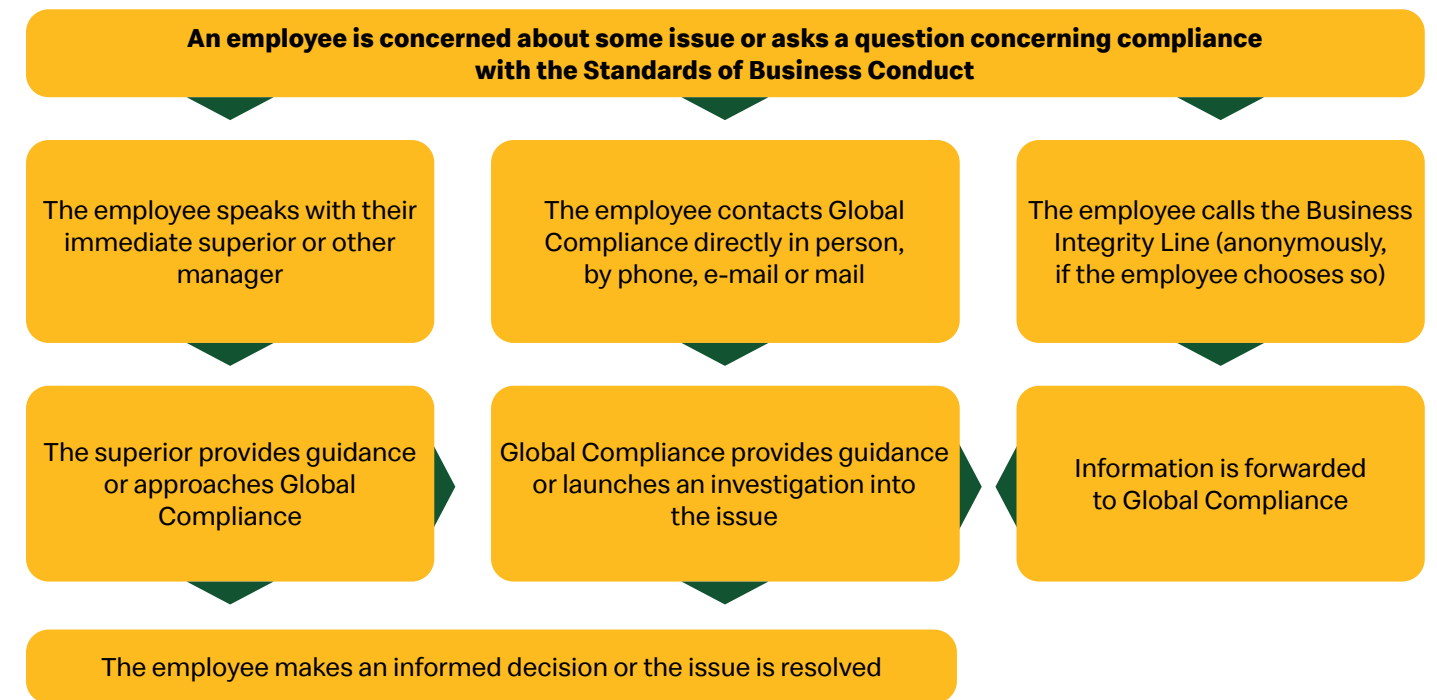
Corruption risk management is one of the areas covered by corporate audits. Among other aspects, the purpose of such audits is to verify the scope of employees' thematic training and the proper conduct of the supplier selection process.

0 cases of corruption were recorded at McDonald's Poland in 2022–2023

Reporting concerns and abuses and protecting whistleblowers

McDonald's is committed to ensuring strict compliance with the applicable laws, administrative decisions and ethical conduct in all countries in which it operates. We encourage employees to report any suspicions or concerns related to these areas. To this end, we maintain a Business Integrity Line, handled by operators of an independent external firm. It is available 24/7 and permits notifications to be made – free of charge, in a confidential and, if necessary, anonymous manner. All signals of possible non-compliance with the law or internal regulations, particularly the Standards of

Business Conduct, are taken seriously. Global Compliance, which manages the business integrity program, forwards each report to the proper team, which then carefully investigates it and, if the information ends up being confirmed, a memo with its description and recommendations is escalated to the appropriate decision-making level. Consequences, up to and including termination of employment contracts, are imposed on those who have breached the applicable standards of conduct.



Employees who in good faith report suspected irregularities to the Business Integrity Line or state institutions, as mandated by law in some cases, and employees who participate in follow-up investigations are guaranteed protection from any adverse consequences, in accordance with Global Compliance's Statement of Principles Against Discrimination, Harassment and Retaliation. If an employee believes or sus-

pects that retaliation has occurred, they should report it immediately, in the same manner as other breaches of the Standards of Business Conduct.



McDonald's Poland business integrity line
www.bit.ly/uczciwosc-w-biznesie

Respect for employee rights

We conduct our business with full respect for human and employee rights. Our points of reference in this regard, in addition to the law, are, in particular:

- ✓ **Universal Declaration of Human Rights,**
- ✓ **United Nations Guiding Principles on Business and Human Rights,**
- ✓ **International Charter on Human Rights,**
- ✓ **International Labor Organization's Declaration on Fundamental Principles and Rights at Work.**

The most relevant internal regulations in this area are:

- ✓ **Global Human Rights Policy,**
- ✓ **Global Statement of Principles Against Discrimination, Harassment and Retaliation,**
- ✓ **Statement of Principles Against Workplace Harassment, Discrimination, Violence and Other Inappropriate Behaviors, forming an annex to the Work Regulations.**

McDonald's respects employee rights, such as freedom from slavery and child labor, freedom of association and collective bargaining, a safe and healthy work environment, freedom from discrimination and harassment, and equal opportunity for everyone. In situations involving vulnerable groups, such as immigrant or juvenile workers, we are guided by relevant local and international standards.

In order to mitigate the risk of breaches of human or labor rights, we conduct continuous monitoring, and we address any identified problems on an ongoing basis. Oversight of labor issues, including compliance with the rights of those employed by the organization, is carried out globally by the Public Policy and Strategy Committee of McDonald's Boards of Directors. In turn, at the national level, the People Department is responsible for the fulfillment of the Company's commitments in the area of human rights. In this regard, the People Department cooperates with the Legal Department, the Supply Chain Department, the Impact Department and other organizational units.

For more information about the measures we take to ensure that the rights of our counterparties' staff are respected, see the section "Sustainable supply chain."

PROVEN IN PRACTICE

During the 2023 summer vacation season, juvenile workers (under the age of 18) accounted for 4% of our team. We take care of their safety and development through separate training cards and instruction and by limiting the scope of their work, for instance by prohibiting their handling of chemicals. We educate managers, superiors and HR assistants about training and regulations on working hours and other rules for the employment of juvenile workers. Upon completion of their employment, we send letters to parents with thanks and feedback.



Learn more



McDonald's commitments and internal regulations in the area of human rights are presented in detail at www.bit.ly/prawa-czlowieka

Personal data protection

We protect the personal data entrusted to us in a comprehensive manner that ensures full compliance with the applicable laws. We have put in place and strictly adhere to the Data Protection Policy, the Data Subject Request Handling Policy and the Breach Response Policy, among other documents. Each employee undergoes mandatory initial training in this subject matter, and the Service Center team additionally participates in thematic training annually. In the event of promotion to a position that involves more extensive access to such data, appropriate follow-up training is provided.

0 substantiated complaints of customer privacy breaches and 0 instances of loss of customer data in 2023

External audit

McDonald's Poland's operations are periodically audited, predominantly in the form of:

 independent external audits of annual management reports and financial statements,

 internal corporate audit conducted by McDonald's Corporation every 3 years.

The previous global audit was carried out in 2021, which means that the next one will take place in 2024. It included verification of the design and effectiveness of processes and controls and compliance with the organization's global policies, and identification of possible improvements in selected areas, including financial processes and controls, in procurement and marketing.

On behalf of the shareholder, the Company's operations are monitored by the Management Board on an ongoing basis, based on the Company's existing reporting mechanisms. Employees are required

to cooperate fully with the Management Board with respect to any questions and/or investigations. Oversight of the process of preparing financial statements in accordance with Polish law is performed by an external auditor. As we are a subsidiary of a company that is subject to U.S. stock exchange supervision, as required by the so-called SOX Act, we have established and make use of appropriate internal controls in the area of financial reporting to ensure the accuracy and completeness of the data we disclose and a fair representation of the Company's financial standing.

Tax strategy

We operate in accordance with all statutory obligations and international standards **in the area of tax and balance sheet law**. We calculate the amounts of liabilities in accordance with actual economic events and pay such liabilities within the regulatory time limits.

We have implemented the following procedures (without limitation):

- procedure to prevent non-compliance with the duty to transmit information regarding tax schemes (MDR),
- withholding tax settlement procedure,
- VAT and CIT procedures.

In 2022–2023:

- no voluntary forms of cooperation occurred between McDonald's Poland Sp. z o.o. and the National Tax Administration Authority,
- we did not launch any restructuring activities,
- we did not apply for any general tax ruling, tax law interpretation, binding rate information or binding excise information,
- we did not make any settlements with counterparties located in a country practicing harmful tax competition.

0 material cases of non-compliance of McDonald's Poland's operations in 2023*

* Applies to the whole area of internal governance



We focus on cooperation

[GRI 2-6] • [GRI 2-15] • [GRI 2-28] • [GRI 2-29] • [GRI 3-3]

It is important for us to include the environment in our initiatives and to participate in endeavors initiated by our key groups. We make sure that we are always familiar with what is important to them, but also that stakeholders are aware of McDonald's goals, plans and activities that affect them. In order to better know and understand our impact on stakeholders as well as their opinions and expectations, we use various communication channels to sustain mutual dialogue.

We involve selected stakeholder representatives in the sustainability reporting process, primarily by taking into account their expectations regarding the thematic scope of disclosures. For more information about their participation in defining the content of this publication, see the section "About this report."



McDonald's Poland in social media



McDonaldsPolska



mamskanamaka



witamymcdonalds



McDonalds Polska



Mcdonalds_polska



McDonald's Polska

Methods of engaging key stakeholders by McDonald's Poland

	Daily meetings	Working groups	Internal system	Employee engagement study	Customer satisfaction surveys	Industry and economic conferences	Dedicated website	Social media	Program councils	Reports	Regular communication	Quarterly/annual/anniversary meetings	Local events/support of initiatives
Employees													
Guests													
Franchisees													
Local communities													
Non-governmental organizations in the environmental area													
Farmers													
Vendors and subcontractors													
Public administration													
Industry organizations													
Other non-governmental organizations													
Utilities													
Market environment													

ESG report, issued every 2 years, is one of the ways in which we communicate the pursuit of our initiatives.

Guest feedback

Continuous improvement of the operation of our restaurants is facilitated by **listening carefully to feedback provided by our guests**. Its source is a satisfaction survey, which may be filled out via the McDonald's app after each order of the indicated minimum value. To encourage guests to share their feedback, free coffee is offered for participation in the survey.

The McDonald's Help Center, available at www.mcdonalds.pl/centrum-pomocy and on the app, is available for questions and comments, such as those regarding our offering, the quality of our products and service, and the cleanliness of our restaurants. In 2023, we were contacted through this channel nearly 59 thousand times, of which 15 thousand times the message was related to a visit to one of our restaurants, which

Aggregate results of the 2023 satisfaction survey

96%

of respondents were satisfied or very satisfied with their visit to the restaurant

94%

of respondents said they would definitely or rather return to the restaurant

82%

of respondents appreciated the friendly service

80%

of respondents were satisfied with the quality of food and drinks served

80%

of respondents found the service time satisfactory

79%

of respondents expressed a favorable opinion about the way we take care of cleanliness

Average monthly number of completed satisfaction surveys per restaurant

2023	815
2022	592
2021	395

accounts for just over 2 guest reports per restaurant per month. The most frequent reports were about operational problems caused by human error, such as the absence of certain products in a guest's order.

Each report of a visit to a particular restaurant is forwarded to the restaurant's manager and, in the case of licensed establishments, also to the coordinators of franchise organizations and the franchisee. This enables corrective action to be taken and services to be improved on an ongoing basis. Based on the explanation provided by the restaurant, the moderation team provides a response to the guest.

PROVEN IN PRACTICE

Data protection is a very important aspect of the operation of our contact platform. Information submitted by our guests is sent to the restaurant only in anonymized form. Moreover, in accordance with the current rules, such information is automatically deleted from the system after a certain period.

In 2023, nearly 30 thousand notifications were related to digital solutions introduced in the previous year, that is the MyM Rewards loyalty program and the Order and Collect service. However, the number of messages was not due to the malfunctioning of the app's new functionalities, but mainly due to its immense popularity (5.6 million active users in 2023) and lack of knowledge about the rules and regulations of each activity.

TRY IT OUT IN PRACTICE



The McDonald's mobile app may be downloaded from www.mcdonalds.pl/aplikacja-mobilna



The rules and regulations of the satisfaction survey are available www.bit.ly/opinia-goscia



Communication with employees and franchisees

We keep employees and franchisees informed in a structured and timely manner about all issues that are most important to them and we enable them to ask questions and bring up their needs and concerns. In particular, **the following tools are used for this purpose:**

Network tools

@mcd

intranet for Service Center employees and franchisees, including key information about the business and Company structure, links to most important internal regulations and news about the McDonald's System.

@Workplace

social networking platform for restaurant employees, which may also be accessed by Service Center employees and franchisees.

Newsletters

Play to win update

monthly business mailings to Service Center employees, franchisees and franchisee coordinators containing sales metrics and comments from leaders in key strategic areas.

Play to win newsletters

weekly mailings to Service Center employees, franchisees and franchisee coordinators containing, among other information, a summary of the week's most important news, sales data and key publications in the media.

Nabit update

monthly operational mailings to restaurant and Service Center employees, franchisees and franchisee coordinators containing key operational information, such as the introduction of new offerings, procedures or other information of relevance for the operation of restaurants.

Nabit newsletters

weekly operational mailings to restaurant and Service Center employees, franchisees and franchisee coordinators.

Meetings

CoOp Meeting

meetings between franchisees and the McDonald's Poland management team and supervisors to provide a summary of the past period's results and to outline plans for the next period. The meetings are held once every 6 months.

Operational Conventions in Poland

meetings for restaurant managers, franchisees, Service Center employees and brand suppliers. The purpose of these meetings is to present the brand's development vision and business status. The meetings are held once every 2 years.

Global Operational Conventions

– global meetings for franchisees, selected employees of franchise and Service Center organizations and partners. These meetings are devoted to McDonald's development strategy and presentation of new solutions. They are held once every 2 years.

Business Update

monthly online meetings for franchisees, where important current issues affecting the business are addressed and business performance is discussed.

Town Hall

quarterly meetings between Service Center employees and the management team, during which the most important business and operational information from the perspective of McDonald's operations in Poland is shared.

Working groups

groups dealing with selected topics, such as the environmental group, established by the Franchisee Consultation Team, meetings between Service Center representatives and a selected group of franchisees.

Nabit webcasts

series of online meetings on the deployment of new operating procedures, dedicated to franchisees, franchise coordinators and restaurant managers. During these meetings, participants may ask questions live or via a chat.

Meetings with the Franchisee Consultation Team and CoOp Board meetings

monthly meetings between the management team and franchisee representatives selected through two internal bodies: the Franchisee Consultation Team and the Marketing Council Bureau. The purpose of the meetings with the Franchisee Consultation Team is to make use of the knowledge and experience of franchisees as an aid to McDonald's Poland in making decisions about the operation of our restaurants, while the CoOp Board meetings are focused on consultations regarding the marketing strategy.

Regional meetings

meetings of the management team and selected Service Center experts with franchisees, which are held twice a year (spring and autumn editions) in several locations across Poland. This is a space for dialogue about business, growth strategy and issues of significance for the operation of our restaurants.

Twice a year, we conduct a restaurant employee opinion survey and Pulse Survey among Service Center employees. This enables us to gauge employee engagement and satisfaction, and identify areas for improvement.

Moreover, we encourage our employees to keep in touch with managers and human resources officers for any clarifications and assistance. In turn, franchisees may request support at any time from the Franchisee Business Partners team, which supports licensee organizations in all areas of restaurant operations on a daily basis and is the first point of contact between the franchisees and McDonald's Poland.

Channels for reporting potential irregularities are described in the section *"Responsible internal governance."*



McDonald's Poland at yearend 2023:



Our employees are a very diverse group in terms of a variety of criteria, including seniority and responsibilities, and therefore their needs or degree of knowledge about the Company. In this situation, it is particularly important to ensure an **effective flow of information and create a space for exchanging ideas and establishing relationships** within the McDonald's System.

Our objective was to find a solution that would offer much more than a traditional intranet. We wanted not only to inform, but also to engage members of the System, to provide a space for multilateral communication, relationship building and mutual inspiration.

We decided on Meta's Workplace platform, which consists of:

Hello Workspace

main communication channel containing, among other items, news from the System, descriptions of new products, summaries of actions and contests

Crew Room

space for publishing posts about work, descriptions of funny situations and uploading photos or memes, but also, for example, information on current procedures

HowAreYou

channel for introducing employees to the concept of wellbeing. Posts published in this area demonstrate ways to maintain wellbeing and provide guidance on what a person may do to feel good every day

Managers

specialized discussion group for restaurant management

Groups for employees involved in selected initiatives

e.g., EcoHeroes or Golden Neighbor, where best practices may be shared and the coordinators of various projects from the Service Center may pass on key information and build commitment

Groups for employees of franchise organizations and restaurants

-serving the purpose of the exchange of information related exclusively to a particular organization or establishment



Membership in organizations and participation in initiatives

We belong to a number of **industry or non-governmental organizations that pursue goals we consider important**. We actively participate in their work, paying particular attention to projects focused on broadly construed sustainability. Furthermore, we co-create less formalized initiatives that serve as **platforms for intersectoral cooperation in specific areas**.

McDonald's Poland's cooperation with selected third parties

Organization/initiative	Key areas of cooperation	Forms of McDonald's involvement	Activities completed or initiated in 2023
Union of Entrepreneurs and Employers	Cooperation to build relations with government and public administration.	Participation in the proceedings of working groups. Cooperation in developing the organization's positions in public consultations. Active participation in "Union of Entrepreneurs and Employers Breakfast" events.	
Employers of Poland	Cooperation to build relations with government and public administration.	Participation in the proceedings of working groups. Cooperation in developing the organization's positions in public consultations.	Cooperation within the framework of the Karpacz Economic Forum.
American Chamber of Commerce in Poland (AmCham)	Activities to build Polish-American relations in the business area.	Participation in the proceedings of working groups. Active participation in meetings of the Sustainability Committee.	Cooperation within the framework of the Karpacz Economic Forum.
Union of HoReCa Employers and Entrepreneurs	Cooperation to advance the interests of the HoReCa industry in dialogue with stakeholders.	Participation in the proceedings of working groups.	
Association for Sustainable Agriculture and Food in Poland*	Development of regenerative and precision agriculture, animal welfare activities, support for the welfare of rural women.	Participation of a Company representative in the organization's board.	

* Operated under the name of the Association for Sustainable Agriculture in Poland (ASAP) until March 2023.

Organization/initiative	Key areas of cooperation	Forms of McDonald's involvement	Activities completed or initiated in 2023
UN Global Compact Network Poland	Promotion of sustainable business models with a particular focus on the circular economy.	Participation of McDonald's CEO in the Program Council.	Joint preparation of the report "The Packaging Circular Economy." Co-creation and conduct of The Packaging Circular Economy platform activities***
Polish Franchise Organization	Building a good image of franchisors in Poland among key stakeholders.	Representative of the Company serving as President of the organization.	
Polish Sustainable Beef Platform	Developing and disseminating responsible beef production practices, working to improve farm operating conditions and profitability.	Educating Company stakeholders.	
UNEP/GRID***	Promotion of sustainable business models.	Participation in the proceedings of working groups.	Participation in the Green Ribbon #ForThePlanet campaign.

** For additional information, see the section "Packaging strategy."

*** McDonald's is not a direct member of the organization.

In addition to the ongoing institutionalized cooperation with these entities, we engage in various projects as a partner of events. An example is the Clean Tatra Mountains *ecoMałopolska* campaign, about which we write more in the section **"Packaging strategy."**

A very important area of cooperation with other entities is the support we provide to the RMHC, established by us, and to franchisees joining its initiatives under the Golden Neighbor program. For more information about this topic, see the section **"We value our neighborhoods." We work with franchisees and suppliers, including by purchasing renewable energy together – see the section **"On the path towards carbon neutrality"** for details.**



We act ethically

[GRI 2-23] • [GRI 3-3] • [GRI 417-3]

The framework for our operations is set not only by legislation, administrative decisions and internal regulations and procedures designed to ensure that the Company's operations comply with all applicable legal requirements. Equally important to us are internal principles of conduct rooted in the idea of corporate responsibility. We have established them for all key areas of our activity, with a particular focus on the ethics of stakeholder relations: both within our "three-legged stool" ecosystem, which includes suppliers, franchisees and employees, and in relation to external stakeholders – our guests, business and industry environment, competitors, public administration, NGOs, opinion leaders, media and influencers.

Our Standards of Business Conduct, about which we write more in the section "[Responsible internal governance](#)," is a practical guide that helps employees fulfill their duties and make decisions in a manner consistent with our values, laws and internal regulations.



At the same time, the document requires everyone employed by the Company to:

.01
support McDonald's values,

.02
take responsibility for their actions,

.03
maintain the highest standards of fairness, honesty and integrity.

It also enshrines the duty to **speak up if one becomes aware of a potential breach of the Company's ethical standards**. Notifications should be sent as described in the section "[Responsible internal governance](#)."

Responsible marketing

We are committed to high standards in our communications, which we conduct in a responsible manner. All our communication and advertising activities are carried out in full compliance with Polish law and with McDonald's comprehensive global set of principles, **the Golden Arches Code**.

In accordance with it, our marketing messages:

- ✓ are not misleading,
- ✓ comply with the principles of fair competition,
- ✓ do not use comparative advertising,
- ✓ do not breach privacy,
- ✓ do not inspire fear, anxiety or aggression,
- ✓ do not encourage illegal, dangerous or anti-social behaviors,
- ✓ do not depict or suggest the use of drugs or alcohol,
- ✓ do not promote excessive consumption of food or beverages,
- ✓ to the extent possible – promote a balanced and active lifestyle.

Due to the scale of our business, we also use marketing communications to spread positive and responsible social attitudes. An example of this is the campaigns we ran during the COVID-19 pandemic, namely "Fairy tales with a new moral," promoting safe behaviors among children, and "All in our hands," which educated young people about the proper ways to wash hands and wear a mask.

PROVEN IN PRACTICE

In 2023, we conducted another round of the "Happy Meal Readers" campaign, encouraging parents to read books to small children. When buying a Happy Meal set, restaurant guests could choose books from the "I can become..." series. They tell inspiring stories of prominent figures that present diverse role models and attitudes and reinforce important values. They demonstrate to the youngest readers that they are capable of achieving everything they dream of, regardless of gender, background and stereotypes.



We pay special attention to communications aimed at our younger guests. In 2013, we introduced **the McDonald's Principles of Marketing Directed at Children** (along with the EU Pledge), effective in Europe. The document enshrines the following principles:

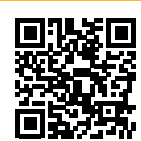
- Advertised meals for children under the age of 12 must fulfill specific nutritional criteria as determined based on well-established scientific knowledge.
- McDonald's does not engage in food-related communication in elementary schools, except by agreement with their administration and for educational purposes.
- All Happy Meal advertisements targeted at children under the age of 12 promote fruits or vegetables and beverages without added sugar.* Carbonated beverages with artificial sweeteners are excluded from Happy Meal advertisements and commercials.
- We do not place food or beverage advertisements or commercials in media targeted at preschool children.
- We do not pay for placement or actively seek placement of our products or beverages in the programming/editorial content of media targeted at children.
- We always provide full nutritional information about our products.

Moreover, in 2011, we joined the EU Pledge, a declaration of leading food and beverage companies submitted to the European Commission by the World Federation of Advertisers (WFA). Its signatories have pledged to adhere to a set of common, voluntary rules that provide a guarantee that their **marketing communication will not undermine the principles of a balanced diet and healthy lifestyle**, but rather, to the extent possible, will promote such principles.

*In Poland, since 2015, only water, tea or juice have been presented as a beverage in Happy Meal promotional materials



0 cases of non-compliance with regulations and voluntary rules on marketing communications in 2023



Learn more

The complete set of commitments contained in the EU Pledge is available www.eu-pledge.eu/our-commitment

Approach to business partners

An ethical approach also applies to cooperation with our partners. All of our suppliers may count on fair and partnership-based treatment, consisting in particular of:

- long-term nature of our relationship (subject to adherence to our quality and corporate responsibility standards),
- non-abuse of our market position when negotiating terms of cooperation,

- strict adherence to contractual provisions, including the agreed payment terms,
- support in improving processes, products and services,
- transparency, honesty and openness to feedback.

We form relationships with franchisees and franchisee candidates in a similar manner:

✓ We inform them about all known potential costs of starting up and running a McDonald's restaurant and all known circumstances that may affect their revenues.

✓ We promote long-term partnerships and building mutual trust. The standard term of a franchise agreement is as many as 20 years, which, among other aspects, enables us to apply depreciation write-offs to our initial and subsequent investments.

✓ As in any business, many variables determine the final financial result of the business, but the costs of the initial license fee and monthly fees are set at a level that does not threaten the profitability of the restaurant.

✓ We clearly declare that the most important aspect for us is the candidate's profile and how they match the profile of the McDonald's franchisee. In certain cases, if the candidate does not have the necessary funds, we may reduce their own contribution from 25% to a value in the range of 12.5-25% or make an offer with an option to purchase equipment over the course of the next several years.

✓ The period of mandatory training, which normally lasts approx. 12 months, may be shortened and its scope reduced depending on the franchisee candidate's experience, for instance that gained by working at a McDonald's restaurant.

✓ Franchisees who fail to reach the expected sales levels are offered free consulting support. Moreover, each case is thoroughly reviewed and actions are taken based on the conclusions drawn.

✓ Entrepreneurs who do not fully qualify for an extension of their franchise agreement for a new period are informed of this fact well in advance. Such information is provided 3 years before the end of the existing agreement. They then receive specific recommendations, contingent on the fulfillment of which an extension offer may still be made.

We are among the signatories of the Code of Best Practices for the franchise market. This is an industry self-regulation for the establishment of common standards and defining model rules for cooperation between parties before the signing of an agreement, during its performance and immediately after its termination.

The Code is a joint initiative of franchisees, franchisors, experts and industry organizations, such as the Federation of Polish Entrepreneurs, the Polish Confederation Lewiatan, the National Chamber of Commerce, the Polish Chamber of Commerce, the Polish Organization of Franchisors and the Association of Microentrepreneurs and Franchisees.



To read more about the commitments we made when we signed the Code of Best Practices for the franchise market, please visit www.kodeksfranczyzy.org.pl

Fair competition

In accordance with the Standards of Business Conduct, McDonald's employees and others acting on our behalf are required to respect the following principles in their relations with the Company's suppliers and competitors:

- ✓ Respect the property rights of others (patents, copyrights, trademarks, etc.).
- ✓ Do not obtain any information about other businesses in an unethical or illegal manner.
- ✓ Do not accept, disclose or use any information provided in breach of a confidentiality agreement.
- ✓ Do not steal any trade secrets or encourage any former or current employees of other businesses to disclose any trade secrets.
- ✓ Do not disclose or use any proprietary or confidential information without consulting the Legal Department
- ✓ Do not take any action that might be perceived as entering into an improper agreement with a competitor.

Moreover, we comply with antimonopoly laws, that is those prohibiting the execution of any formal or informal agreements with competitors for the purpose or with the effect of eliminating, restricting or otherwise impairing competition in the relevant market, including by:

- fixing, directly or indirectly, prices and other conditions for the purchase or sale of goods,
- partitioning of the sales or purchase market,
- discriminatory treatment of certain counterparties.



Our impact

[GRI 3-3] • [GRI 2-24] • [GRI 2-25] • [GRI 201-1]

McDonald's is more than a place that serves delicious burgers, perfect French fries or flavorful coffee. Each our restaurant is also a part of the local community – they inspire us, and we want to inspire them. Looking into the future, we believe we may exert an even greater impact on our environment, changing it for the better by focusing our efforts on four key areas.

Our impact on the environment in our various business areas is described in detail on the following pages of this report.



Quality and taste

We responsibly source the highest quality ingredients, relying on partnerships with local suppliers. We focus on sustainable sourcing, paying attention to where the greatest potential exists for favorable changes. We make sure to source products locally and invest in sustainability hand in hand with our suppliers. Ingredients that we are unable to source locally, such as coffee, are obtained from certified sources.

See the **“Quality and taste”** section for more details on this topic.



Specific examples of such initiatives and other information related to our environmental impact may be found in the **“Communities”** section.

Planet

We minimize our environmental impact by taking action in areas where tangible change is possible. Clearly defined decarbonization goals to bring us to climate neutrality in 2050 serve as our guideposts. In the medium term, by 2030, we will reduce greenhouse gas emissions in our restaurants and offices by 50.4%, and in our supply chain by 16% in terms of food production, and by 50.4% in the handling of produced food. We have adopted 2018 as our base year, and our goals have been reviewed and approved by the Science Based Goals initiative (SBTi), making us a leader in our industry. One of the key areas of action in this respect is to reduce both consumption and the amount of unused waste, including packaging. By 2025, we intend to completely switch to serving meals to our guests in packaging made from renewable, certified or recycled materials. We are consistently pursuing a strategy to eliminate plastic from our meal packaging, focusing on implementing cellulose fiber solutions and developing recycling innovations. Owing to our systemic approach, we have reduced the use of plastic in our packaging by approx. 1,000 tons in 2023 alone.

For more information on environmental issues, see the **“Planet”** section.

Employees

At McDonald's, we believe in the power of diversity to make us better as a community, brand, workplace and leisure destination. We are guided by the principle that everyone is welcome in our restaurants – this applies to both employees and guests. We create conditions where members of our teams are welcome to feel comfortable and be themselves. We offer everyone equal opportunities and prospects for development. We tolerate neither disrespect nor discrimination.

For more details on this area, see the **“Employees”** section.

Communities

McDonald's restaurants create an ecosystem exerting a tangible impact that improves the lives of local communities. More than 90% of them are run by independent local entrepreneurs. These establishments hire people who live in the neighborhood, and franchisees are actively involved in the initiatives pursued by their local communities. Within the framework of the Golden Neighbor program, McDonald's supports sports, healthy and active lifestyles and diversity.





Impact of investments on the economy

During the next three years (2024-2026), we intend to open 120 new restaurants and upgrade 113 existing ones. Our intended growth involves numerous capital expenditures that will entail a favorable impact on the Polish economy and labor market.

The total value of investments related to the construction, preparation and fit-out of new restaurants over the next three years is estimated at more than PLN 2 billion. In turn, the value of investments related to upgrading, preparing and fitting out existing restaurants is estimated at nearly PLN 500 million. Of the total amount of PLN 2.5 billion, roughly 40% will be spent to benefit entities doing business in Poland.

Domestic companies will be contracted to carry out construction, architectural and installation work.

This will continue at a later stage of the restaurant's existence, as spending on purchases of goods and services will be also largely directed to Polish businesses.

The involvement of local companies translates into the creation of new jobs by suppliers and sub-suppliers, and this in turn drives the induced effect. Both types of investment may indirectly sustain more than 2.5 thousand jobs, generating more than PLN 200 million in wages and more than PLN 570 million in added value.

Our impact on the local and national economy is not confined to the investment stage – the operational activities of 120 new restaurants may generate a total of nearly PLN 900 million in gross value added, more than PLN 420 million in wages and sustain 10.5 thousand jobs annually, 7.2 thousand of which will be created directly.

Direct economic value generated by McDonald's Poland

	2022	2023
Revenues [PLN 000s]	2 027 986	2 254 529
Operating expenses [PLN 000s]	1 556 230	1 710 482
Wages and salaries [PLN 000s]	199 870	209 755
Dividend (UK entity)* [PLN 000s]	100 000	120 000
CIT [PLN 000s]	92 088	110 684
Contributions to Employee Capital Schemes [PLN 000s]	2921	3518
PFRON grant [PLN 000s]	3372	3734
Social security contributions [PLN 000s]	79 177	81 640
PIT of employees [PLN 000s]	10 980	12 698

* Cash method.

McDonald's Poland in quantifiable terms

* As at 31 December 2023



QUALITY AND TASTE



Product safety and quality

[GRI 417-2] • [GRI 3-3]

Serving safe and high-quality food in each restaurant, every day, is our top priority and the foundation of trust in the McDonald's brand. This has been the commitment to our guests for more than 30 years, and our comprehensive approach in this area sets us apart around the world. It is also becoming a benchmark for the whole industry, creating standards for the foodservice market.

Verification of food safety rules and product quality is an ongoing process in our restaurants. Each McDonald's employee is empowered to react to irregularities, and is required to report their concerns to shift managers.

The operations division, that is restaurant managers, consultants, operations managers, the Across The Counter Quality (ATCQ) verification support team and the Quality Assurance Department inspect all products on an ongoing basis during daily operations or inspection visits, and evaluate the finished meals. 100% of the products and services offered at McDonald's regularly undergo verification in accordance with strict food safety and quality rules.

Evaluation of food safety and quality is **verified at two levels, through internal audits and external audits.** The use of a specialized Third Party Food Safety Verification audit, conducted by a qualified third party, was introduced to McDonald's Poland in 2021. The audits are unannounced and are carried out once a year at each restaurant. They are also aimed at training employees and, accordingly, continuously improving their knowledge of food safety standards.

Moreover, McDonald's operations division conducts announced internal audits and diagnostic visits on an

annual basis, which include evaluations of food safety and quality. These visits take place within the framework of the Performance and Customer Excellence (PACE) program, which focuses on specific needs of each restaurant and may or may not be announced. Based on the results and observations collected, each restaurant prepares a corrective action plan.

This approach, which combines external best practices with the actions of internal experts, mitigates risks, reinforces a culture of food safety and protects our consumers and brand.

» The PACE program is of great significance in the daily operation of our restaurants, as it helps us ensure the highest standards of service, safety and product quality. Owing to the commitment of our employees and their awareness of best practices, we are capable of providing our guests with the best experience that makes them want to return to our restaurants. PACE is our foundation in the pursuit of excellence. »

Danuta Suska-Małkuszewska
OPERATIONS DIRECTOR



Currently, laws do not require nutritional information to be provided for unpackaged foods. However, at McDonald's, we **provide clear and understandable information about the ingredients of our products**, nutritional values and allergens. We provide information on the energy value, amount of fat, saturated fatty acids, carbohydrates, sugars, protein, salt and fiber for all pro-

ducts we sell. Nutritional information is available in all restaurants at the guest's request (on printed sheets). Allergen and nutritional tables may be viewed by guests on our website, on the screens of ordering kiosks and from a printed sheet handed out in our restaurants at the guest's request. We also use special stickers to warn consumers about hot beverages.

Cases of non-compliance with rules regarding product and service information and labeling in 2023

Number of cases of non-compliance with regulations resulting in a fine or penalty	1
Number of cases of non-compliance with regulations resulting in a warning	0
Number of cases of non-compliance with voluntary codes	0

In 2023, the Agricultural and Food Quality Inspection pointed out to us that one batch of cookies lacked comprehensive information on so-called simple ingredients and another batch also lacked information on product weight. The Company paid both fines imposed on it and implemented all justifiable post-inspection recommendations.



All our products, both those included in our standard offering and promotional products, comply with the McDonald's Global Food Charter: Ingredient Requirements with Nutrition Considerations. It is a document that contains detailed information about the ingredients that must not be included in products entering our offering and a list of ingredients that must be kept at a minimum level in the product (such as artificial preservatives, allergens, etc.). Wherever possible, we strive to **minimize the amount of allergens** and ingredients that may act as a source of cross-contamination in the product, both on the supplier's side and at the restaurant level.

Out of concern for the **quality of meals for our youngest guests**, McDonald's has made a number of commitments under initiatives such as the EU Pledge

Nutrition Criteria and the Global Happy Meal Goals. Across the Company, we are implementing changes to offer balanced meals and reduce sugar and salt content in products targeted at children. All products included in the Happy Meal range are devoid of artificial flavors and colors. Where possible, we work to reduce the use of artificial preservatives without compromising food safety, taste or quality. We are transparent about nutritional information. Balanced servings of fruits and vegetables are available in children's sets.

We also take a responsible approach to marketing activities related to Happy Meals and focus on recommended products such as fruits and vegetables in advertising them.

In compliance with our global Happy Meal Goals pledge, since 2023, 50% of the possible combinations of children's sets presented on menus in our restaurants, on ordering kiosk screens, our website and mobile app contain a maximum of:



At the same time, in Europe, we have adhered to the EU Pledge Nutrition Criteria and we fulfill the following criteria for offerings targeted at children:



McDonald's in Poland, in promoting food for children in a responsible manner, adjusts the Happy Meal offering to meet the requirements of both pledges, taking the more stringent indicator as the one to be satisfied.

Learn more



EU Pledge Nutrition Criteria
www.bit.ly/kryteria-zywieniowe



Global Happy Meal Goals
www.bit.ly/happy-meal-goals

” The quality of McDonald's offerings is affected not only by the origin of the products, but also by the design of the menu, which responds to the needs of our guests. At McDonald's, we constantly analyze these needs and update our offerings accordingly. Adherence to our standards has enabled us to build a competitive advantage among both guests and suppliers. The latter value transparency, knowledge sharing, spreading information on new solutions, proven practices and support based on partnership relations. McDonald's shares its own standards and solutions using the platforms of various organizations, including the Global Food Safety Initiative. ”

Igor Habrajski
 SUPPLY CHAIN DIRECTOR

PROVEN IN PRACTICE

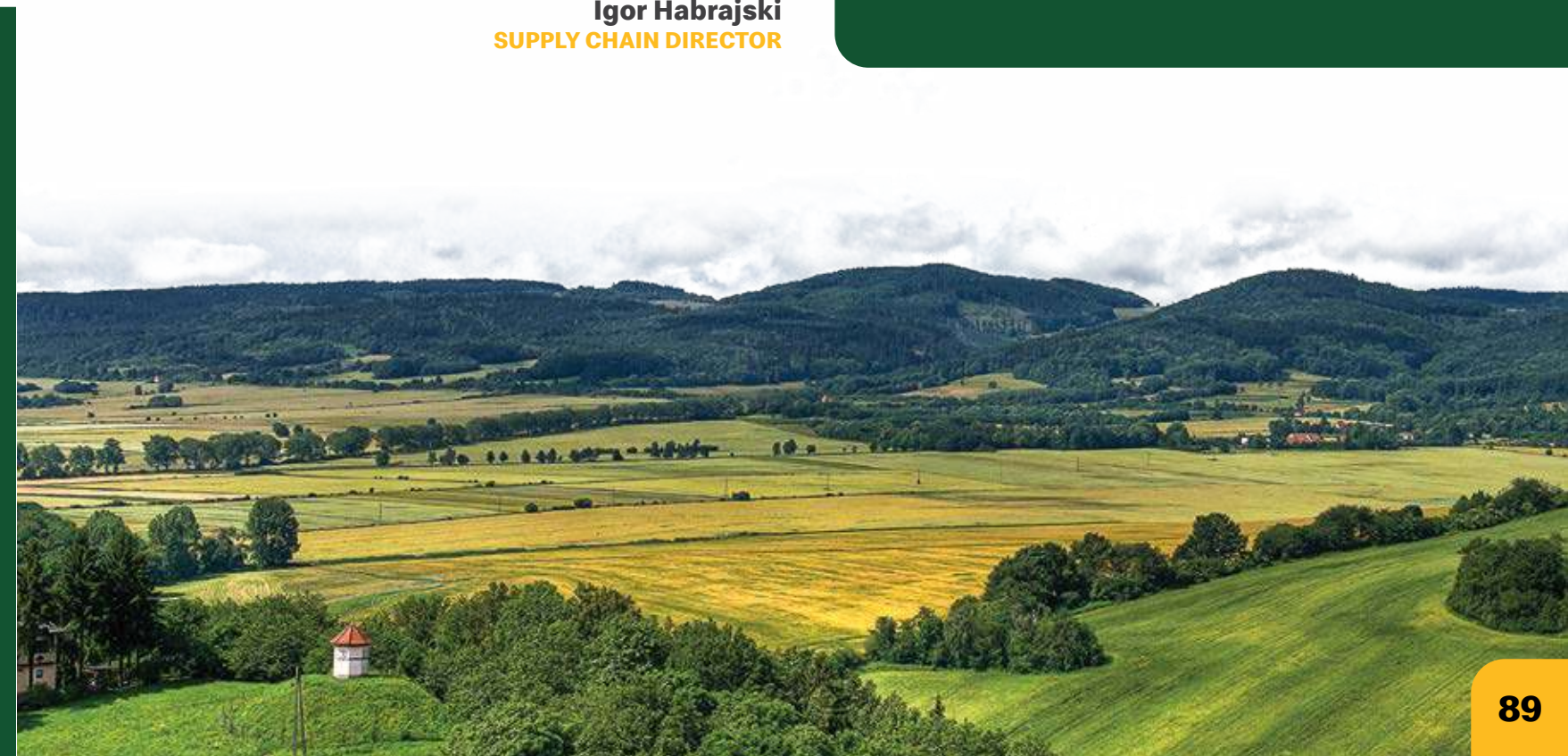
How does the system of rapid information on food safety and quality work?

On 6 September 2022, McDonald's supplier Eisberg reported the detection of microbiological contamination in two products: arugula and salad mix with beet.

We promptly recalled the batches of products indicated by the supplier from all our restaurants. Furthermore, as a precautionary measure, we withdrew other finished products of the Eisberg brand from the same batches of raw materials as those of the contaminated products.

We also informed our guests (through a statement on the McDonald's press office website) and the relevant public administration authorities. In turn, Eisberg submitted a notification to the County Sanitary and Epidemiological Station in Legnica, while McDonald's Poland submitted a notification to the Chief Sanitary Inspector.

Moreover, our supplier ordered additional testing of water and finished products from its production lines and from the hands of its staff.



Food quality and safety standards

Concern for food quality and safety at both the restaurant level and at our suppliers is a top priority for McDonald's.

Hazard Analysis and Critical Control Points

HACCP is a system that was established to ensure food safety and quality at every stage of production. One of its key principles is self-monitoring, implemented in accordance with current regulations. To improve the operation and transparency of the process, McDonald's has switched to a digital form of the HACCP system, which enables verification and analysis of critical food safety points in real time (including temperature monitoring in freezers, coolers and refrigerated display cases). By continuously analyzing all indicators, restaurants take action to correct any potentially detected deviations. The digital system provides a very high standard of food safety control (prior to the introduction of the digital system,

measurements were carried out manually at specific times during the day) and makes the staff's work easier. Some measurements still require employee involvement, such as measuring the internal temperature of meat. However, the temperature indicated by the probe is automatically transmitted to the system.

The Digital Food Safety system eliminates potential human error. Digital HACCP is a global project of McDonald's. In Poland, the system is being introduced in its comprehensive form – it includes both measurements taken by employees and continuous temperature monitoring in warehouses and other refrigeration equipment.

Global GAP standard

This is a set of best agricultural and production practices for suppliers. Among other aspects, it covers food safety and transparent information on the proper use of crop protection products, fertilization, cultivation techniques, irrigation, waste handling, worker safety and welfare, and environmental safety.

Global GAP and McDonald's Good Agricultural Practices make up the Global GAP Plus standard for continuously improving the level of food safety in our system. These programs provide standardized requirements for every agricultural producer supplying fresh vegetables to McDonald's.

Supplier Quality Management System (SQMS)

McDonald's also pursues the tenets of the Supplier Quality Management System (SQMS), which defines comprehensive quality and safety requirements and enables identification of the precise origin of intermediate products used and their full characteristics at each stage of production. Verification of compliance with these requirements is carried out by qualified external companies.

Audits are conducted annually and include:

- quality management system,
- responsibility of managers,
- crisis management,
- basic requirements,
- food safety system,
- product requirements,
- verification and continuous improvement.

In 2023, 69 SQMS audits were conducted among McDonald's suppliers. All of them were found to satisfy the Company's global requirements.

Program to support verification of product quality at the point of sale

Each McDonald's restaurant in Poland is subject to periodic Across The Counter Quality (ATCQ) verifications. The purpose is to check the quality of finished and semi-finished products. An inspection visit to a restaurant lasts several hours during which restaurant management and an ATCQ representative analyze all processes and standards, from the delivery of raw

materials to the collection of finished product by guests. The program helps restaurant teams identify and resolve problems and enables them to provide information to each supplier of raw materials about the quality of their products. In 2023, such visits were carried out at 383 McDonald's restaurants.

PROVEN IN PRACTICE

Proper hand hygiene is considered a major factor that has a direct impact on food safety and preventing the spread of infectious diseases. For this reason, we rely on proper training of our teams in pertinent procedures and on monitoring their effectiveness coupled with the availability and use of appropriate equipment and protective gear.

We are gradually introducing touchless taps, which reduce the touching of surfaces and eliminate the transfer of microorganisms from equipment to washed hands. Our goal is to introduce such solutions in all restaurants by the end of 2025.

We are also installing touchless paper towel dispensers – our goal is to have them in all restaurants by the end of 2024.

Starting in 2023, hand sanitizers for employees are available at or near the serving counter. In 2024, we introduced handwashing monitoring by restaurant teams, enabling us to verify the effectiveness of training and adherence to procedures.

Sustainable supply chain

[GRI 308-1] • [GRI 414-1] • [3-3] • [Own indicator 1]

For more than 30 years, we have been expanding the McDonald's network in Poland and placing increasing emphasis on putting into practice sustainability principles in our restaurants, the Service Center and across the supply chain. We rely on local sourcing of the products we use in preparing meals for our guests, and thus on working with local partners. For more information about our approach, see the "Key suppliers" section.

The most significant criteria for selecting a McDonald's supplier are product quality and safety, timeliness in fulfilling orders, guarantee of the continuity of supply, social responsibility and the extent of environmental impact.

McDonald's has introduced its own food safety management standard – Supplier Quality Management System (SQMS) also in Poland. Confirmation of compliance with this standard by an independent certification body is

a prerequisite for the commencement of cooperation, as is the Supplier Workplace Accountability (SWA) certificate for ensuring safe and fair working conditions

We require the following certifications from our suppliers:




SQMS (Supplier Quality Management System)



GLOBALG.A.P. Plus (Good Agricultural Practices)
– certification of best agricultural practices



SWA (Supplier Workplace Accountability)



confirmation of a favorable outcome of animal health and welfare audits



Sustainable sourcing of products

We take advantage of our scale to exert a favorable impact on all areas that make up the McDonald's supply chain. We pay particular attention to the key ingredients in our products:

Palm oil

The oil used in McDonald's products comes from a 100% certified Roundtable on Sustainable Palm Oil (RSPO) source, which means that it is sustainably sourced to minimize any adverse impacts on the environment and/or local communities.

Coffee

We serve coffee grown on plantations that fulfill the rigorous environmental standards of Rainforest Alliance Certification.

Soybean

For use in chicken feed and as an ingredient in products used in our restaurants, it comes from 100% certified, non-deforestation crops. This means that we are not contributing to the degradation of forest ecosystems.

Paper

The wood used in McDonald's product packaging is 100% certified by the Forest Stewardship Council (FSC), which certifies sustainable forest management and biodiversity conservation. Since the beginning of 2023, all our packaging has also been free of fluoride compounds (perfluoroalkyl and polyfluoroalkyl substances – PFAS) intentionally added in the production process.

Eggs

100% of the eggs served in our restaurants come from alternative farming. By 2021, we had completely phased out caged eggs. To achieve this, we created a team of experts to analyze how farms could be converted to applying alternative farming techniques. We worked with suppliers to help them prepare and make the necessary changes to their farms.

Beef

In 2023, as much as 60% of the beef used to make our burgers in Poland came from farms certified under the CULTIVATE sustainable beef production standard. This is the only program in the country endorsed by the European Roundtable on Beef Sustainability. It strives to comprehensively affect all areas of livestock management and implement principles of sustainability. The Roundtable focuses on 4 areas: cattle health and welfare, antibiotic use, environmental impact of livestock farming and livestock farm management. By the end of 2023, more than 32 thousand livestock farms in Poland had been audited.

Poland is also one of the 10 key countries from which McDonald's globally sources more than 80% of its beef (in 2022). As a result, the country's market has been included in the creation and implementation of the global antibiotic use reduction policy. Consequently, we are setting market-specific targets for the responsible use of antibiotics. McDonald's, with the help of external partners supporting its data aggregation process, is acti-

vely working with the Polish beef supply chain to ensure the transparent collection of information on the use of antibiotics.

Chicken meat

Chicken meat used in the preparation of our meals comes from farms that are run in accordance with European animal welfare regulations. However, we go a step further. Poland is one of the 10 key markets in which McDonald's globally sources approx. 58% of its chicken meat, which is why it has been included in the pursuit of a policy to increase chicken welfare levels. This endeavor is the responsibility of the Chicken Sustainability Advisory Council (CSAC), established in 2018 and put in charge of creating and rolling out chicken welfare and sustainability strategies. The CSAC includes animal welfare experts, suppliers, leading scientists and researchers and NGOs such as the World Wildlife Fund. The Council has devised 8 specific commitments, known as 'key welfare indicators.' In collaboration with the whole supply chain and external partners, we are making improvements in breeding and monitoring progress in order to meet these commitments by the end of 2024.

McDonald's is also active in the area of reducing antibiotic use in chicken farms. We have made a global commitment to eliminate by 2027 the use of antibiotics designated by the World Health Organization (WHO) as highest-priority critically important antimicrobials (HPClAs) applied in the treatment of humans from all our chicken-based meals. In Poland, this goal was already achieved in 2022. The pursuit of our commitments is supervised not only by McDonald's experts and suppliers, but also by external parties that monitor compliance with the standards.



Supplier Code of Conduct and other terms of cooperation

All of our suppliers, both global and local, are bound by the McDonald's Supplier Code of Conduct. It indicates certain key terms that must be satisfied to become part of our system.

It contains commitments in the following four key areas:

.01

Human rights

.02

Work environment standards

In addition to observing the Code, suppliers are required to comply with the McDonald's Corporate Supplier Guidelines and respect the Standards of Business Conduct for McDonald's employees. In accordance with applicable regulations and human rights standards, suppliers are also required to implement an internal system for handling employee complaints and provide protection for whistleblowers.

.03

Management of environmental areas

.04

Integrity and business ethics

All suppliers, regardless of the degree of integration into the system – whether global, regional or local, are subject to periodic evaluation and verification of their terms of cooperation. If the outcome of such evaluation is unfavorable, the global category leader is notified. If no other decision is made, a plan for improving cooperation in the areas defined as critical is created in collaboration with the supplier. Periodic verification of the terms of cooperation is carried out at least once every 3 years with all suppliers.

Responsibilities of franchisees

McDonald's Global Stakeholder Engagement & Public Policy requires due diligence before engaging in a partnership with any new Company before it becomes part of the McDonald's System.

Franchisees are contractually required by us to adhere to our operating procedures and standards and to observe the applicable legal requirements, especially with regard to staff employment and safety, and to

fulfill their obligations towards suppliers and staff in a timely manner.

Among the areas covered by the periodic evaluation of the performance of the franchise agreement (known as the Business Review) and the franchisee's Business Development Plan is compliance with employee and human rights.

Supplier Workplace Accountability

With the support of external auditors, we regularly verify that our suppliers meet the highest standards in the area of respect for human rights. McDonald's Supplier Workplace Accountability (SWA) program helps ensure the application of fair and ethical standards at every stage of the supply chain through engagement, training and

onsite verification. While McDonald's reserves the right to request a SWA audit of any supplier facility in the McDonald's System, we use a risk-based approach to determine which supplier locations will be subjected to SWA audits.

While all supplier facilities may be verified, most onsite audits are conducted in establishments that:

- ✓ manufacture or distribute products, such as food and packaging for corporate, license or distribution center restaurants,
- ✓ manufacture products exclusively for McDonald's,
- ✓ manufacture products according to specifications (that is regulations, formulas, patents) set by McDonald's, such as suppliers of chicken coating or restaurant equipment,
- ✓ manufacture products with McDonald's branding or containing other trademarks or graphics owned by the Company.

In 2023, 69 SWA supplier audits were conducted, of which in 30 cases the audited establishments achieved a score of 100% and 39 required corrective and preventive measures.



McDonald's Supplier Code of www.bit.ly/kodeks-dla-dostawcow

Commitment to sustainable agriculture

The sustainability and climate change resilience of the agri-food supply chain is one of our highest priorities in the context of the network's long-term growth. We are working with our suppliers on long-term crop-specific climate change resilience programs. Globally and locally, we are also taking steps to implement regenerative agriculture practices in product categories that are critical for McDonald's operations.

Regenerative agriculture is a key part of our responsible sourcing strategy and a long-term global priority.

In principle, regenerative food systems coexist with nature to increase biodiversity, improve soil quality and optimize water use. Deployment of regenerative agriculture practices may also support efforts to decarbonize

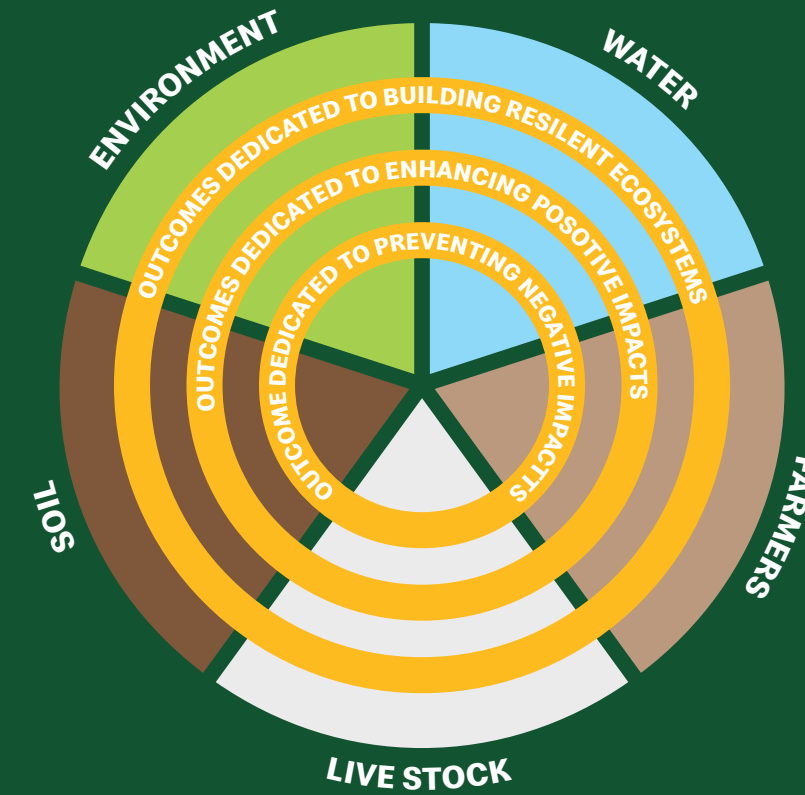
the food production system by sequestering, that is storing carbon in the soil, while improving field productivity, nutrient cycling and climate resilience.

Regenerative agriculture practices, as a component of the restoration of natural ecosystems:

- ✓ improve soil quality, which then better absorbs carbon dioxide and is more resilient to droughts and floods,
- ✓ minimize the use of chemical fertilizers and plant protection products,
- ✓ exert a favorable effect on soil aeration and soil water retention,
- ✓ increase the degree of biodiversity and exert a favorable effect on expanding wildlife habitats.

PROVEN IN PRACTICE

In 2023, McDonald's developed a global policy on regenerative agriculture. The Company made a commitment to strengthen global-local partnerships with suppliers, NGOs and academia to pool resources and work together to accelerate change in food production systems. The Company's efforts in this area focus on the following five pillars: soil, environment, water, livestock and farmers.



Environment

- Greater biodiversity
- Maximized capture of carbon dioxide

Farmers

- Improved farm profitability
- Provision of support to local communities

Livestock

- Animal welfare across the supply chain
- Integrated ecosystem of crops, livestock and human factors

Water


- Resource conservation through increased water infiltration and retention capacity
- Reduced risk to farmers and breeders from extreme water stresses

Soil

- Improved soil health and increased organic content
- Greater availability of nutrients
- Increased carbon dioxide capture in soil and biomass

McDonald's in Poland cooperates with 91 suppliers

 **32%** have global status

 **68%** have local status

The supply chain also includes more than **80 000** farms throughout the country.

These numbers confirm the scale of our impact on the Polish agri-food industry and make the Company an integrator of the whole sector, responsible for working towards sustainability, deployment and support of regenerative practices.

We share our expertise and build partnerships for the Polish agri-food sector within the framework of external industry platforms. One of them is the Association for Sustainable Agriculture and Food in Poland, which has been focusing on promotion, education and collaboration in the area of sustainable agriculture in Poland

for 10 years. Since 2023, a representative of McDonald's Poland has served on the Association's board. We are driven to cooperate with the organization primarily by an awareness of our responsibility for high food quality and a desire to strengthen the potential of Polish agriculture.

PROVEN IN PRACTICE

Education first and foremost

Together with the Association for Sustainable Agriculture and Food in Poland and our key suppliers, we have become involved in the Sustainable Agriculture Academy project. Along with industry experts, we participate in 69 lessons where we talk about what sustainable agriculture is and how to put its principles into practice. This is a compilation of knowledge from every field of a farmer's work and the largest knowledge bank of its kind with open access to a broad range of stakeholders.



Sustainable Agriculture Academy
www.rolnictwozrownowazone.pl/asap-akademia



We are also a founding member of the **Polish Platform for Sustainable Beef**, within the framework of which we work to develop the sector towards greater innovation and increased competitiveness in European and global markets. The Platform is an arrangement between non-governmental organizations and entities focusing on sustainable beef farming and processing

– from field to table. It also coordinates sustainability programs to ensure a measurable and positive impact in the beef value chain. The Association operates in accordance with the principles of the European Roundtable for Beef Sustainability (ERBS) and other international organizations. Since 2022, a representative of McDonald's Poland has been sitting on the ERBS board.

Hand in hand with suppliers, we are committed to introducing sustainability principles in agriculture. We share best local practices with the McDonald's System around the world within the framework of the international initiative called Flagship Farmers.



Flagship Farmers
www.flagshipfarmers.com

The initiative connects agricultural producers who apply the latest technology and implement sustainable farming practices. It also provides a platform for sharing knowledge and experiences with other McDonald's suppliers. It is one of the largest global initiatives for sharing practical knowledge, bringing together farmers from around the world.

In Europe, farms from 12 countries participate in the program. Poland is represented by Farm Frites Poland, with its own farm, which supplies French fries to McDonald's, and cattle farmer Adam Warnke, who has been working with our supplier OSI Food Solutions, producer of beef for our burgers, for many years.



PROVEN IN PRACTICE

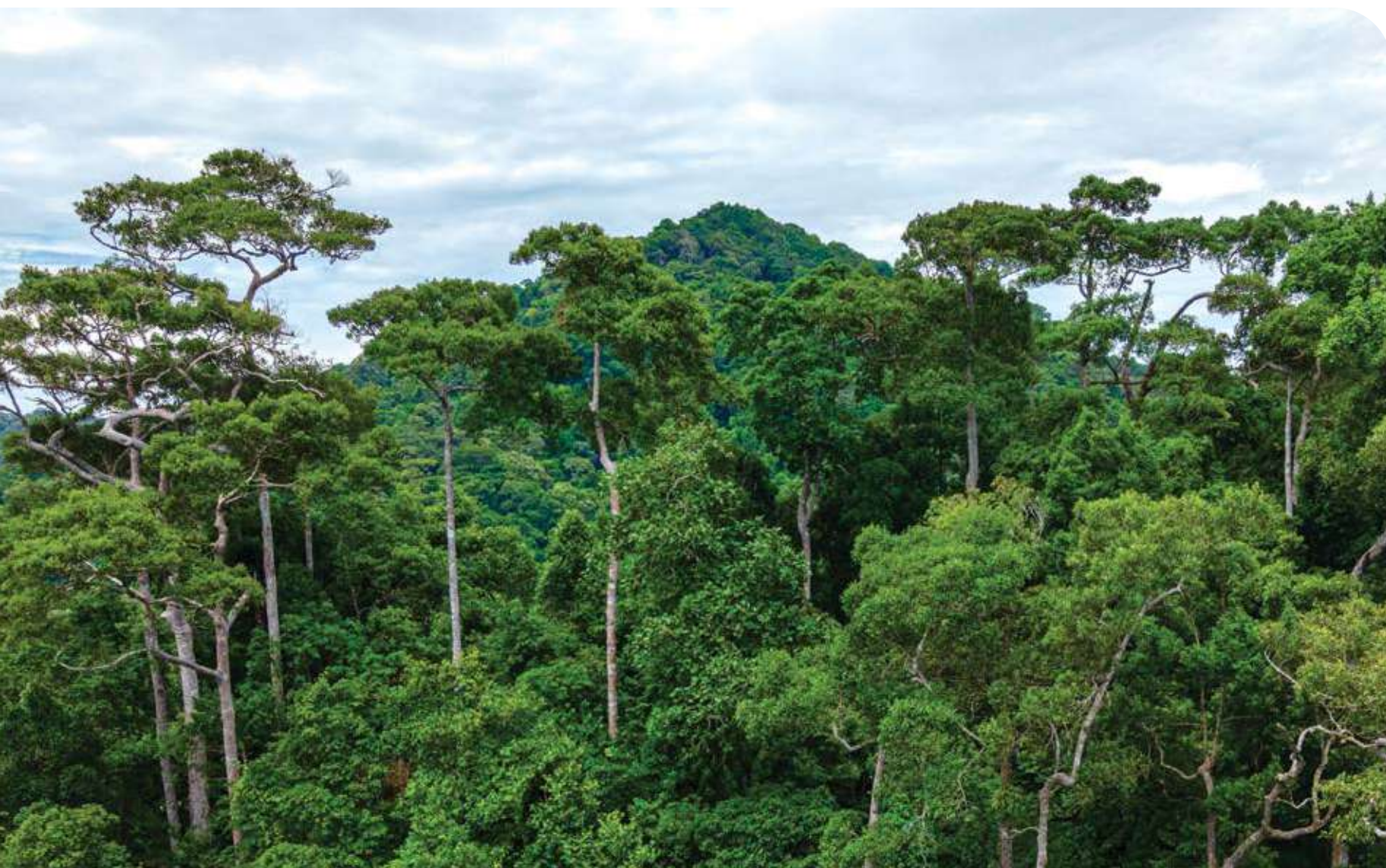
All our French fries in Poland come from Farm Frites Poland, the company that controls the whole process from field to restaurant table.

Farm Frites Poland 2, owned by the supplier, has been a member of the Flagship Farmers program since 2008. On 2,500 hectares of fields, the farm demonstrates what sustainable farming is all about in practice. The soil on which potatoes are planted is carefully examined. Proper fertilizers are applied in exact amounts with the help of a GPS-based system that also controls the planting process.

Electronic monitoring of plantations, satellite and drone images, and indicators such as the Normalized Difference Vegetation Index (NDVI), support meticulous protection against diseases and pests and make sure that irrigation intensity fits the actual needs of the plants. For crop rotation, the company grows rapeseed, wheat, legumes and corn. To protect the soil, no-till techniques are used, and crop residues such as straw and potato stems are left in the fields after harvest.



For more information on sustainable farming practices, Farm Frites Poland 2
www.bit.ly/zrownowazone-praktyki-rolnicze



Anti-deforestation policy at McDonald's

McDonald's is committed to eliminating deforestation in our global value chains. We require our suppliers to conduct their business in an ethical manner and comply with all applicable laws and regulations.

Together, we strive to achieve the following goals:

- ✓ No deforestation of primary forests or areas of high conservation value
- ✓ No industrial use of carbon-rich forest areas
- ✓ No cultivation or animal husbandry in peatlands, regardless of the depth of the deposits, and use of best practices for sustainable agriculture in peatlands with already existing agricultural crops or animal husbandry
- ✓ Respect for human rights
- ✓ Respect for the rights of all affected communities to give or refuse voluntary, prior and informed consent to the development of crops on land that is their legal, community or customary property
- ✓ Resolving land rights disputes through a balanced and transparent dispute resolution process
- ✓ Verifying the origins of products and raw materials
- ✓ Supporting small farms, farmers, plantation owners and suppliers in their fulfillment of these commitments



See more at
www.bit.ly/deklaracja-nowojorska

Globally, McDonald's is a signatory to the New York Declaration on Forests, under which we have pledged to completely end deforestation practices in the global supply chain by 2030.

Key suppliers

[GRI 2-6] • [GRI 204-1]

We describe the McDonald’s System around the world, including in Poland, as a so-called “three-legged stool,” based on three equivalent pillars: employees, franchisees and suppliers. Jointly we grow in the spirit of sustainability, relying on trust and long-lasting relationships based on honesty. We have worked with many of our partners almost since the beginning of our presence in Poland.

In 2023, we cooperated with 91 suppliers in Poland:



32% of them are global suppliers,

meaning that they have been approved by the McDonald’s System at the global level, managed by the Global Supply Chain, due to their meeting a number of additional requirements, operating in multiple markets, supplying McDonald’s restaurants with largely core products, the same around the world.



68% are local suppliers

working with McDonald’s in the Polish market and meeting the same standards as global suppliers, but with a geographic reach that is narrower or supplying products specific to local offerings.

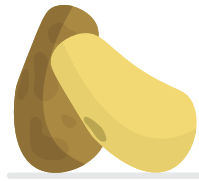
In 2023, a net weight of

181,943 tons of products was delivered to our restaurants for a total of PLN 2.33 billion

of which 55%, or PLN 1.28 billion, was paid to companies operating in Poland (with foreign capital).

Countries where our suppliers were based in 2023:





approx. 9 000 ha

of land in Poland is used to grow potatoes for McDonald's Poland



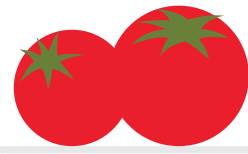
approx. 75 000

thousand farms cooperate with the Company to supply beef for McDonald's Poland



approx. 55 ha

are occupied by Polish orchards from which apples sold at McDonald's Poland restaurants



approx. 7 ha

are occupied by fields where tomatoes that are used by McDonald's Poland restaurants are grown



3 500 ha

is the Polish cultivation area of wheat used to make buns and tortillas for McDonald's Poland restaurants



approx. 560 ha

are occupied by the cultivation of lettuce supplied to McDonald's Poland restaurants

Products delivered by local suppliers are also exported to many European markets

Frytki

- Czechia
- Slovakia
- Hungary
- Ukraine
- Croatia
- Denmark
- Norway
- Sweden
- Finland
- Ukraine

Warzywa

- Czechia
- Slovakia
- Lithuania
- Latvia
- Estonia
- Ukraine
- From time to time:**
- Norway
- Sweden
- Finland

Buns

- Czechia
- Slovakia
- Germany

Meat

- Czechia
- Slovakia
- Malta
- Ukraine
- Bulgaria
- Romania
- Hungary
- Greece

Over a period of 30 years, we have built a stable supply chain based on long-standing partnerships with companies largely located in Poland. We use the services of local entrepreneurs who provide us with packaging, transportation and logistics services in addition to food products. In cooperation with them, we innovate and improve our production and operational processes to meet the quality standards applied by McDonald's globally.

We are an international brand, but we rely on local procurement of raw materials. Our buns, beef burgers, poultry products, cheeses, sauces, dressings and condiments are made in Poland. We also use Polish vegetables and fruits. We value Polish products and promote them in foreign markets.

With a long-term approach to building business relationships based on trust, our suppliers have grown with us over the years. They are being transformed from small local companies into organizations with international reach, and products they manufacture in Poland are gaining recognition abroad. We are proud of our relationships with suppliers, because we know that our growth strongly depends on their growth that is resilient to change.

For an extensive description of the criteria we apply in the supplier selection process and the standards we set for them and verification of their compliance, see the sections *“Sustainable supply chain”* and *“Product safety and quality.”* In turn, a description of the responsible formation of relationships with our suppliers is included in the section *“We act ethically”*.



Suppliers of specific products and services

Beef

The burgers served at McDonald's restaurants in Poland are made from beef the vast majority of which is sourced from Polish farms. For the past 30 years, it has been produced for us by OSI Food Solutions of Ostróda, a company that cooperates with tens of thousands of Polish cattle breeders. Since 2004, we have been working together to implement increasingly sustainable cattle breeding standards under the Cultivate program, as described in more detail in the ["Sustainable supply chain"](#) section. In 2023, work also began on digitizing our databases and implementing a carbon footprint calculator into the scope of sustainability audits. This is the first and so far only sustainable beef program recognized by the European Roundtable on Beef Sustainability (ERBS).

Potatoes

To prepare the iconic French fries in our restaurants, we use only potatoes from Polish fields, grown mainly in Wielkopolskie, Pomorskie, Zachodniopomorskie and Kujawsko-Pomorskie Voivodships. Potatoes from the fields are delivered to our supplier with whom we have cooperated for 29 years – Farm Frites Poland of Łęborg. This is where French fries are produced and provided to all McDonald's restaurants in Poland and 9 other countries. Each year, Farm Frites Poland produces approx. 35 thousand tons of fries for us. In 2008, Farm Frites Poland 2, a company specializing in growing potatoes for the Łęborg establishment, joined McDonald's Flagship Farms. For more information about the program, see the ["Sustainable supply chain"](#) section. In 2023, 92% of the potatoes delivered to the Łęborg facility came from sustainable certified crops. The Company follows standards for best agricultural practices (GLOBALG.A.P.) and sustainable agriculture (FSA).



Since 2018, McCafe has also been offering plant-based alternatives to milk.

The oat drink, which is now supplied by Danone, is increasingly popular with our guests. During the year, the increase in sales of coffees mixed with it was as high as **44.4%**!

Poultry

Our chicken-based menu is growing in importance every year. In 2023, the proportion of protein in meals served to our guests reached a balance of roughly 50/50 between beef and chicken. OSI Food Solutions and Cargill are the companies responsible for supplying products in this category. In 2022, the use of antibiotics designated by the World Health Organization (WHO) as highest-priority critically important antimicrobials (HPCIIAs) applied in the treatment of humans was eliminated in Poland. In 2024, we began sourcing our chicken-based products from farms with higher welfare standards in pursuit of our animal welfare policy. The project is being implemented in cooperation with Cargill.

Bread products

Among other counterparties, Aryzta, whose production facilities are located in Strzegom and Michałów-Reginów, is responsible for supplying bread products to our restaurants. Burger buns and tortillas are delivered to us by this company. In addition to Poland, its products are sold to restaurants in 6 other countries. Aryzta bakes approx. 400 million hamburger buns and 55 million tortillas annually.

Dairy

In our restaurants, we use only shell eggs from barn rearing sourced from Ovovita. In an effort to ensure the highest quality and safety, since 2021, we have been using pasteurized shell eggs for our breakfast offerings, which are salmonella-free and microbiologically safe owing to the application of special treatment methods. Mlekovita, which sources milk from Polish farms, is responsible for supplying milk for our morning coffee.

Vegetables

In the summer season, the vast majority of our restaurants use vegetables from Polish crops, while in winter we use varieties from Spain and Italy. Our Polish suppliers of lettuce, carrots, tomatoes and onions are Green Factory, which grows vegetables in the Mazo-

via and Greater Poland regions, and Eisberg Polska, which uses crops grown near Legnica and in Greater Poland. Fresh vegetables from their production facilities are also sent to the Czech, Slovakian and German markets.

25 years of cooperation

35 kg of iceberg lettuce delivered 20 years ago began the history of our cooperation with the Polish company Green Factory. Today, more than 20 tons of vegetables are delivered to our restaurants 6 days a week, and Green Factory earned the status of Global Vegetable Supplier to McDonald's in 2019.

The company has transformed itself from a family-owned, local operation into a national leader in its category. All production takes place at five plants with a total area of 19 thousand square meters. The company is a member of the Green Holding Group and is operated on an integrated "Field to Table" business model, in which the players are highly specialized and form a complementary value chain – from agricultural cultivation to refrigerated transport.

At the crop level, Green Factory consistently implements the principles of regenerative agriculture, applying best practices from the areas of integrated, precision, organic and permaculture farming. The company's biodiversity efforts have been confirmed by the GLOBALG.A.P. Bio-Diversity Add-on certification.

Należą do nich:

- .01 Introduction of buffer zones – green belts around farm fields.
- .02 Implementation of a Water Book to increase control over the amount of water used
- .03 Mechanical weeding only.
- .04 No fencing of farm fields, leaving heaps of wood and stones for the winter.
- .05 Monitoring farm fields with drones to reduce fertilizer and water use.
- .06 Implementation of Integrated Pest Management (IPM) to optimize crop protection methods that reduce the amount of chemicals used, including by mechanical weeding and thermal weeding, thus further reducing the use of crop protection products.

” Three decades of partnership between Farm Frites Poland and McDonald's Poland have not only been a story of growth, expansion of scale and business success. They have also been a period of joint efforts to advance sustainable agriculture in Poland. Owing to our scale, we are able to shape trends for the whole industry. Our cooperation with potato growers is based not only on trade, but also on supporting and exchanging knowledge and experience related to the crop growing process, which is where we put great emphasis on sustainable agriculture. Together with McDonald's Poland, we invest in innovations that support our ESG goals by applying environmental best practices. The best evidence of our approach is the second production line for French fries at our establishment in Lębork, which opened on the day of Farm Frites Poland's 30th anniversary. ”

Adam Klasa
GENERAL MANAGER, FARM FRITES POLAND S.A.

Transportation

The transportation of goods for McDonald's is handled by HAVI Logistics, which launched operations in Poland in 1992 with the first McDonald's restaurant – we have been expanding our scale alongside each other ever since. Its distribution centers are located in Warsaw, near Poznań, in Tychy and Gdańsk, from where fresh products are delivered daily to our restaurants across Poland. In the fall of 2023, we took

another joint step toward sustainable innovation. McDonald's Poland, in cooperation with HAVI Logistic Poland, invested in three electric trucks and a Scania charging system. This is the first such investment and another step towards reducing CO2 emissions in our network's supply chain. The electric trucks we have purchased serve 31 McDonald's restaurants in the Warsaw area.



PLANET



On the path towards carbon neutrality

[GRI 3-3] • [GRI 302-1] • [GRI 305-1] • [GRI 305-2] • [GRI 305-2] • [GRI 305-4] • [GRI 305-5] • [OWN INDICATOR 2]

Reducing greenhouse gas emissions is not only our responsibility, but also, along with climate change adaptation, a critical step to the long-term success of the whole McDonald's System. We are consciously pursuing a holistic transformation toward climate neutrality: reducing the carbon footprint of our restaurants and simultaneously engaging suppliers in supply chain decarbonization endeavors. We have made the assumption that only together we will be able to strengthen the resilience of our Company and the global food system, and that, given our scale of business, even seemingly small changes may translate into significant environmental benefits.

In December 2023, McDonald's global decarbonization goals were approved by the Science Based Goals initiative (SBTi).^{*} Accordingly, the Company officially laid out its path towards achieving climate neutrality by 2050, in line with the Paris Agreement.

^{*} This is an international initiative that has defined a methodology to support companies in setting reduction goals and in transforming their business operations to match the realities of a future low-carbon economy. Decarbonization goals are considered science-based if they are consistent with the latest research findings about what steps are necessary to take to achieve the goals of the Paris Agreement. SBTi is a joint project of CDP, the United Nations Global Compact, the World Resources Institute and the World Wide Fund for Nature (WWF).

By 2030, we intend to meet the following reduction goals:

	Restaurants and offices*	Value chain	
Updated global climate goals relative to the base year of 2018	50.4%	Not related to agricultural activities: 50.4% related to handling produced food	Related to agricultural activities: 16% related to crop cultivation, animal husbandry 50.4% land use change

These are translated into local goals to be achieved at the level of each market.

In the case of Poland, they have been adjusted taking into account the country's decarbonization potential:

	Restaurants and offices*	Value chain	
Updated global climate goals relative to the base year of 2018	66%	Not related to agricultural activities: 50.4% related to handling produced food	Related to agricultural activities: 7% related to crop cultivation, animal husbandry 50.4% land use change

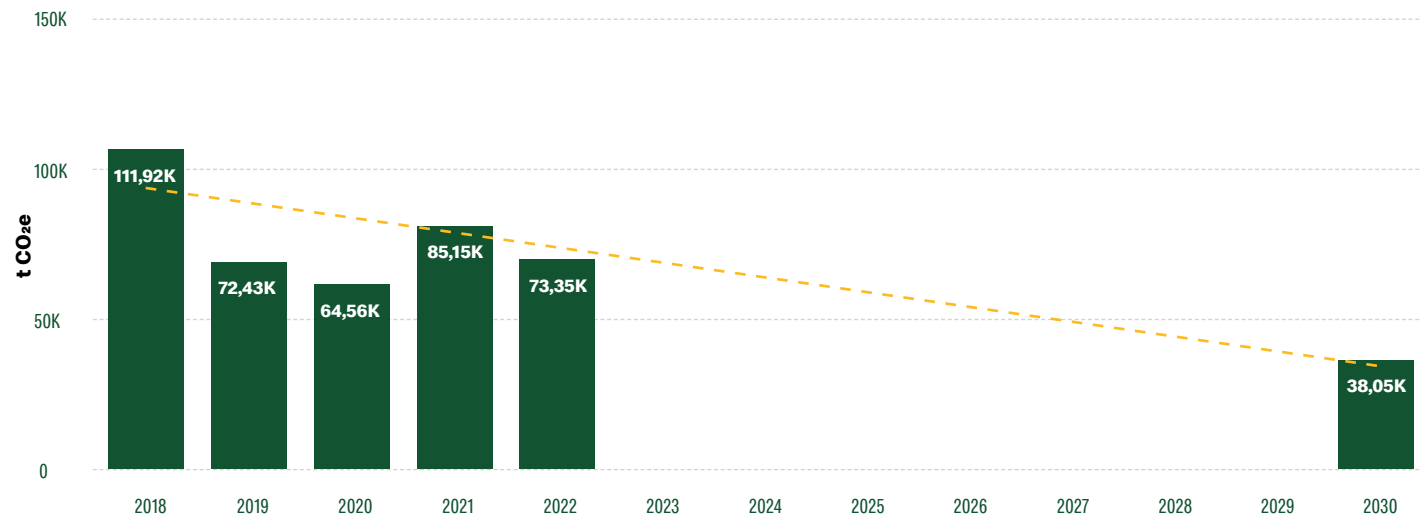
^{*} The goal for the restaurant and office area includes reductions of Scope 1 and 2 emissions by McDonald's Poland and reductions related to licensed restaurants, and thus, as assumed by GHG Protocol, partially relates to Scope 3.

We monitor our carbon footprint, at the global and local levels, in all three scopes (as defined in the section *"Our performance"*). This process is managed by global structures and relies on an external AI Track platform, which enables us to track the dynamics of emissions related to McDonald's operations in Poland also on a year-on-year basis.

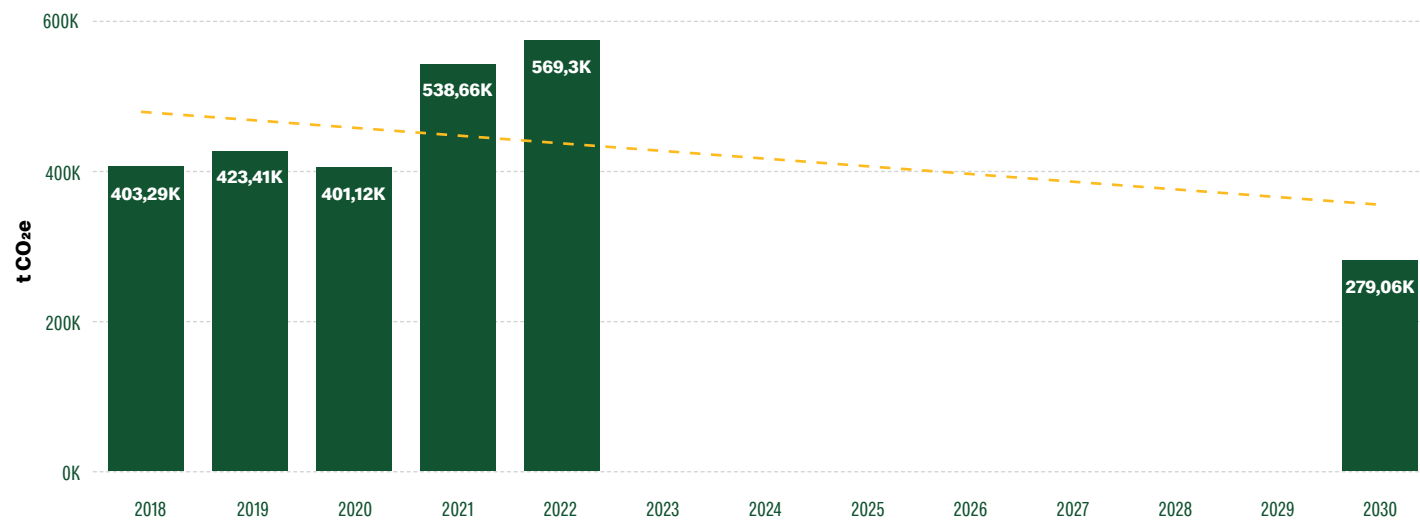


Emission reductions according to local SBTi goals compared to the base year of 2018

Progress achieved by the restaurants and the Service Center



Progress in the supply chain



Greenhouse gas emission reductions at the restaurant and Service Center levels

GOAL emissions reduced by **50.4% globally** and **66% locally** by 2030 relative to 2018

To achieve this goal, we are taking action in the following three areas:

.01 Operational energy

Our global goal is to **use 100% renewable energy by 2030**. For years, we have been ensuring that the energy we purchase is accompanied by the appropriate guarantees of origin. In 2023, we entered into our first PPA and PPA+ (Power Purchase Agreement), a long-term contract to supply electricity directly from a specific renewable source. It covers 25% of our demand, which will be met by the Szymankowo Wind Farm. Deliveries began in January 2024.

In order to leverage the scale of operations for system-wide change, we are consolidating energy purchases into a **purchasing group** that unites franchise organizations and some of our suppliers along with our Company. We have also established an energy group consisting of McDonald's experts and licensee representatives. Its objective is to define a common long-term energy strategy to help us achieve our goal of a complete transition to using energy generated directly from renewable sources by 2030.

In parallel, we are gradually phasing out conventional energy sources such as natural gas. We are aiming for full electrification of our restaurants – starting as early

as 2022, all new corporate and franchise establishments will be required to operate without the use of gas fuel.

We are also abandoning it in the process of remodeling our existing locations. In 2023, we carried out 15 such remodeling projects; for 2024, we have scheduled 31.



.02

Efficiency of restaurant and office operations

We are making efforts to ensure that the appearance and equipment of McDonald's restaurants meet modern trends and guests' expectations, while optimizing energy and refrigerant consumption. For this reason, our network's outlets and Service Center are undergoing upgrades to improve user comfort, but also to reduce their environmental impact. For more about the initiatives aimed at **reducing the environmental footprint of our establishments**, see the "[Sustainable restaurant solutions](#)" section.

.03

Waste management

In the area of restaurants and offices, the Company's global goal is to implement sorting-based collection systems and close all waste circuits by 2030. We want our establishments to be characterized by sustainable production, minimization of food waste and application of practices consistent with the principles of circular economy. **We are taking a number of steps to achieve this goal:**

- ✓ We have introduced the Made for You system, which involves preparing meals only after a guest places an order. It ensures that our meals are fresh and tasty every time and that the amount of food waste is significantly reduced. It brings us closer to achieving our goal of less than 1% of waste associated with the meals we offer.
- ✓ We are pursuing a packaging strategy that, among other benefits, reduces the use of plastics in our packaging by gradually switching to cellulose fiber-based solutions. Owing to this approach, we were able to eliminate 1,000 tons of plastic from the system in 2023.
- ✓ Our reduction in the use of plastics goes hand in hand with the development of solutions to recycle paper-based packaging. Since 2019, in cooperation with recycler Miklan-Ryza, we have been implementing a program for the sorting-based collection of paper meal packaging. In 2023, we reached 650-700 tons per month of paper waste recycled into towels, toilet paper and beverage trays used in our restaurants.
- ✓ We reuse 100% of the oil used in our restaurants. Such oil is sent to a refinery where it is used as a feedstock for biodiesel production.

For more information about our packaging strategy and circular packaging solutions, see the "[Packaging strategy](#)" section.



Reducing greenhouse gas emissions in the supply chain

GOAL 1 Reduce emissions by 50.4% by 2030 in the area of food storage, packaging and transportation within the McDonald's System.

GOAL 2 Reduce emissions by 50.4% by 2030 in the area of agriculture – land use change.

GOAL 3 Reduce emissions globally by 16% and in Poland by 7% in the area of agriculture – crop cultivation and animal husbandry.



For more information about our commitment to decarbonization goals in these areas, see the "Sustainable supply chain" section.

More than 98% of the McDonald's System's emissions are related to our supply chain, thus making decarbonization partnerships critical in the process. We encourage our suppliers to set their own decarbonization goals under SBTi to make the language of dialogue on jointly implemented reduction projects more consistent.

In the context of meeting the goal related to food produced, we have defined the following three priorities: optimizing product storage, packaging and logistics – from the supplier to the distribution center to our restaurants. In reducing emissions related to agricultural activities, we are focusing on implementing sustainable farming practices, including regenerative agriculture, efficient animal husbandry management and preventing deforestation.

We recognize the fact that ambitious reduction goals require the adoption of a systemic approach. Since 2023, in cooperation with our global structures, we have been **working on a local decarbonization roadmap**, in which we are identifying priorities and specific actions, at the restaurant, Service Center and supply chain levels.

We consider it important to support the decarbonization discussion with data and integrate all key actions into the business model. For us, the 2030 goals are just a milestone on the road to **net zero emissions, which we aim to achieve by 2050**, thereby fulfilling the commitment reaffirmed by SBTi in December 2023.

PROVEN IN PRACTICE

HAVI Logistics has a unique role as the logistics integrator for the McDonald's System in Poland. Together we take steps to optimize logistics processes, work to improve their efficiency and monitor deliveries.

Based on such a holistic approach, in 2023 we reduced our carbon footprint resulting from logistics operations (transportation and storage) per ton of food delivered to our restaurants by 25% compared to 2018.

However, we are not resting on our laurels. At the end of October 2023, McDonald's Poland, in cooperation with HAVI Logistics Poland, began using three electric trucks that were added to the fleet serving our Warsaw restaurants. They are powered with energy obtained from renewable sources. To date, this has been the largest order of electric trucks in the HAVI Group's fleet anywhere in the world. This is a pilot project for learning new solutions, monitoring progress and testing the approach. It serves as another step towards reducing greenhouse gas emissions in the McDonald's supply chain.

Net zero emissions refers to a situation in which the greenhouse gas emissions generated by a company are fully offset by its actions aimed at reducing or eliminating them.

Our performance

Minimizing our environmental impact is not only important from a business perspective. It is also our commitment to the communities in which we operate and the global ecosystem, the resilience of which is a matter of high priority for us. We ensure that the actions we take contribute to effective decarbonization across the McDonald's value chain.

We calculate our greenhouse gas emissions in accordance with the GHG Protocol standard. Scope 1 and 2 emissions apply only to our own restaurants and offices. Scope 3, in turn, includes emissions from franchise organizations and the rest of the supply chain

As at the date of completion of this document, the Company was not in possession of verified data on its carbon footprint in 2023. These numbers will be published in the next ESG report.

PROVEN IN PRACTICE

We collect and monitor our carbon footprint data in a multifaceted manner. This is possible owing to the use of AI Track (Aligned Incentives Tool), an advanced platform and tool that enables us to collect and subsequently analyze data in all 3 scopes. It helps us calculate our carbon footprint annually for the entire value chain, including suppliers, corporate and license restaurants, and the Service Center.



SCOPE 01

includes direct emissions from the combustion of natural gas at stationary sources and refrigerant leaks. Based on calculations made in earlier years, emissions from fuel combustion by our vehicle fleet were considered a low materiality source and therefore were excluded from our current calculations.

SCOPE 02

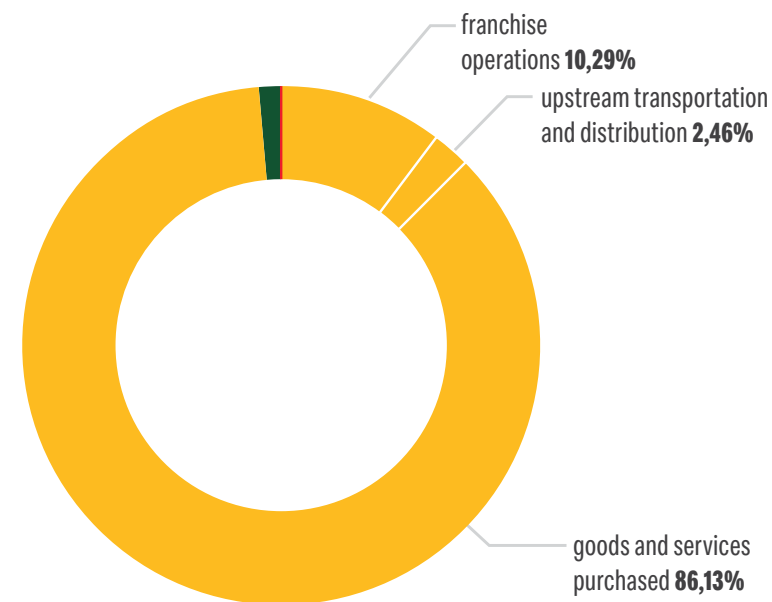
includes indirect energy emissions. In our case, these are the emissions accompanying the generation of purchased electricity and district heat.

SCOPE 03

is by far the most complicated. It enables us to include all other indirect emissions arising within our supply chain.

Distribution of Scope 1, 2 and 3 greenhouse gas emissions in 2022

Scope 3 Scope 2 Scope 1



* GWP – Global Warming Potential.

Detailed summary of GHG emissions in Scopes 1, 2 and 3 in 2022 in tons of CO₂ equivalent.

	t CO ₂ e	Share
Scope 1	577,09	0,09%
Scope 2	6673,17	1,04%
Scope 3 – franchise operations	66 096,43	10,29%
Scope 3 – goods and services purchased	553 509,51	86,13%
Scope 3 – upstream transportation and distribution	15 786,562	2,46%

GWP factor used in the calculation*

Chemical name	GWP
Carbon dioxide (CO ₂)	1,0
HFC-125 (C ₂ H ₅ F ₅)	2,8
HFC-134a (C ₂ H ₂ F ₄)	1,3
HFC-143a (C ₂ H ₃ F ₃)	3,8
HFC-32 (CH ₂ F ₂)	650,0
Nitrogen oxides (NO _x /NO ₂)	310,0

* GWP – Global Warming Potential.

The gases included in the calculation of emissions for each scope are CO₂, HFC-125, HFC-134a, HFC-143a, HFC-32 and nitrogen oxides.

Total greenhouse gas emissions were higher in 2022 relative to previous years due to the growth of our business, but this was accompanied by a decrease in relative emissions, or the emission intensity factor (as described below). More than 98% of McDonald's Poland's carbon footprint was attributable to Scope 3, or emissions outside of the Company's direct operational control.

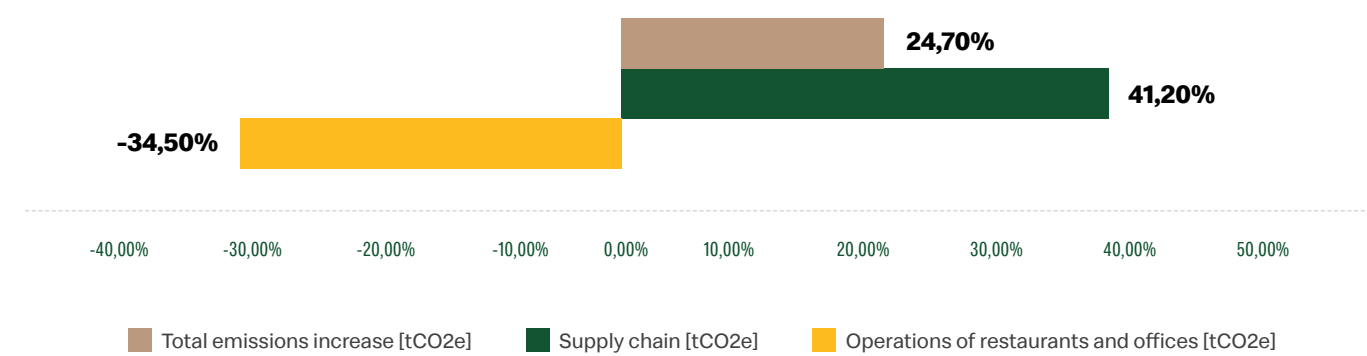
Summary of Scope 1, 2 and 3 GHG emissions from 2018 to 2022 (tCO₂e)

	2018	2019	2020	2021	2022
Scope 1*	2806,67	1056,27	958,58	1010,37	577,09
Scope 2	13 380,36	6560,96	8965,62	7969,73	6673,17
Scope 3	499 025,84	488 224,54	455 754,35	614 829,24	635 392,50
Total**	515 212,87	495 841,78	465 678,55	623 809,34	642 642,76

* Excludes fleet-related emissions due to their documented relative insignificance.

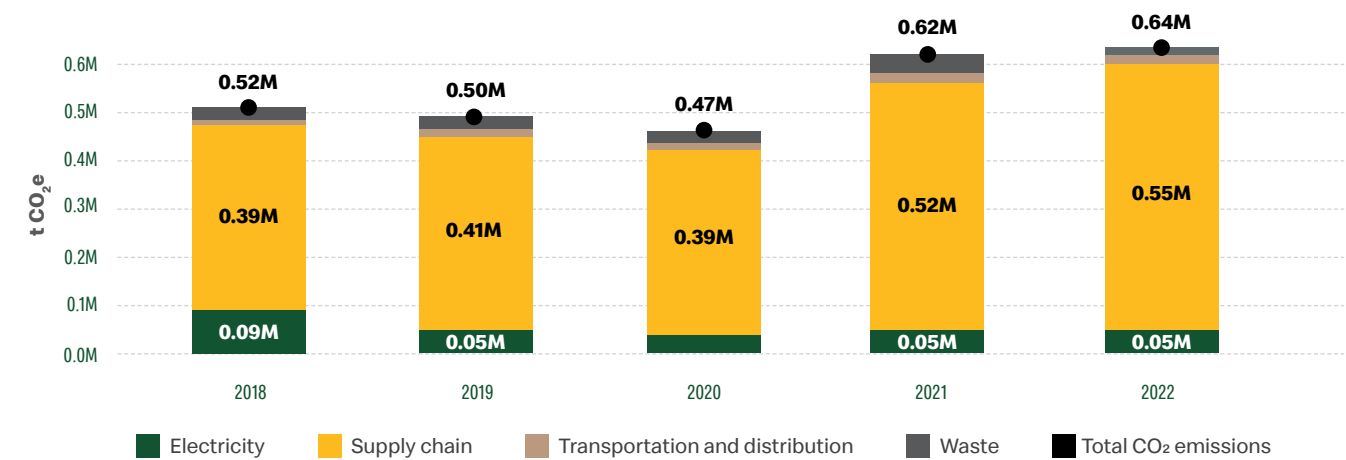
** Biogenic CO₂ emissions did not occur.

Change in emissions in 2022 relative to the base year of 2018



Owing to the pursuit of our energy strategy, despite the increasing number of locations, emissions related to office and restaurant operations decreased by 34.5% in 2022 compared to the base year of 2018. At the same time, a 41.2% increase in supply chain-related emissions occurred. We are taking steps to reduce our carbon footprint wherever possible. Our second and third goals approved by SBTi are directly related to animal husbandry and crop farming as well as the area of food storage, packaging and transportation within the McDonald's System. The total increase in emissions was 24.7% and was directly related to the increase in the number of restaurants and meals sold relative to the base year.

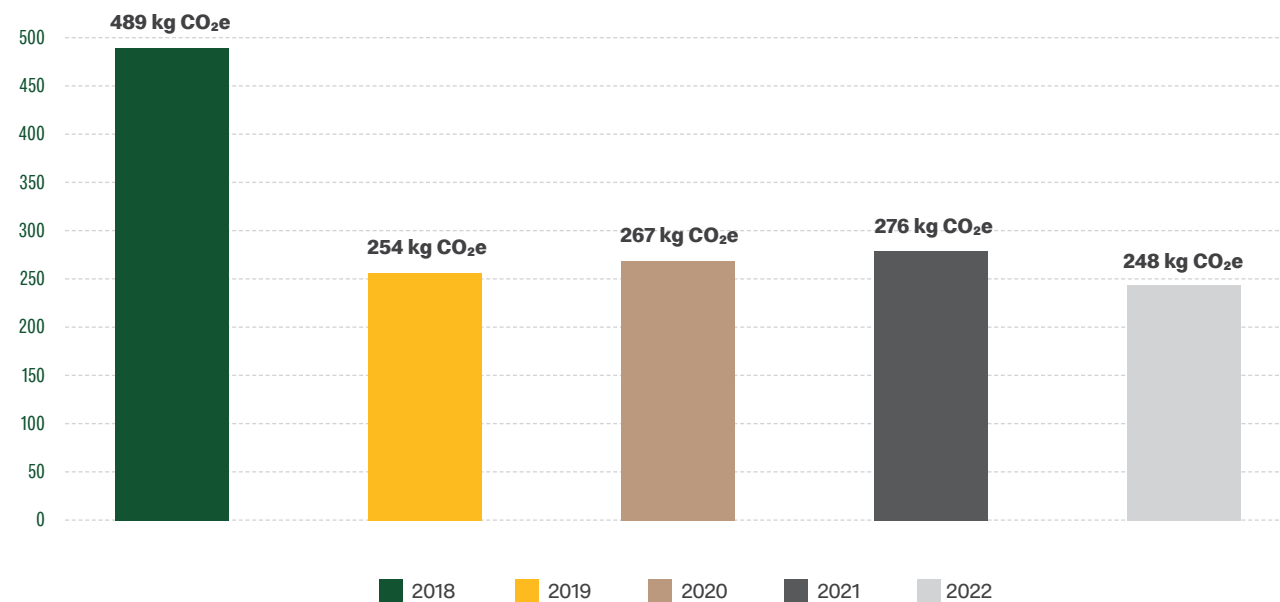
Greenhouse gas emissions by source from 2018 to 2022 in tons of CO₂ equivalent



An objective measure of the outcomes of our decarbonization efforts is the decrease in our GHG intensity index.

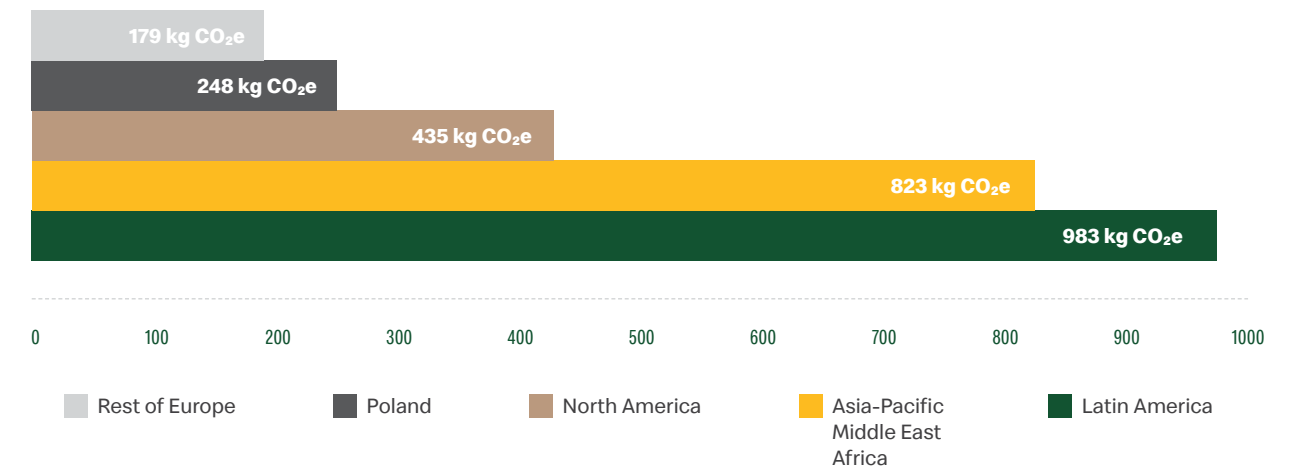
It takes into account emissions in all three scopes and takes the form of the number of initiatives completed in the network's restaurants.

GHG emissions intensity per 1,000 transactions from 2018 to 2022



The GHG emissions intensity per 1,000 transactions is a universal indicator at McDonald's that is calculated for different markets. Poland's emissions are almost 2 to 4 times lower compared to the rest of the world, and we compare particularly favorably with Asia-Pacific, the Middle East, Africa, and North and Latin America. Compared to the rest of Europe, we generate 28% more emissions per 1,000 transactions.

Greenhouse gas emissions intensity per 1,000 transactions in 2022 for different markets



In the area of emission reductions at the transport and distribution levels, we recorded a decrease by nearly 1,600 tons of CO₂e in 2022.

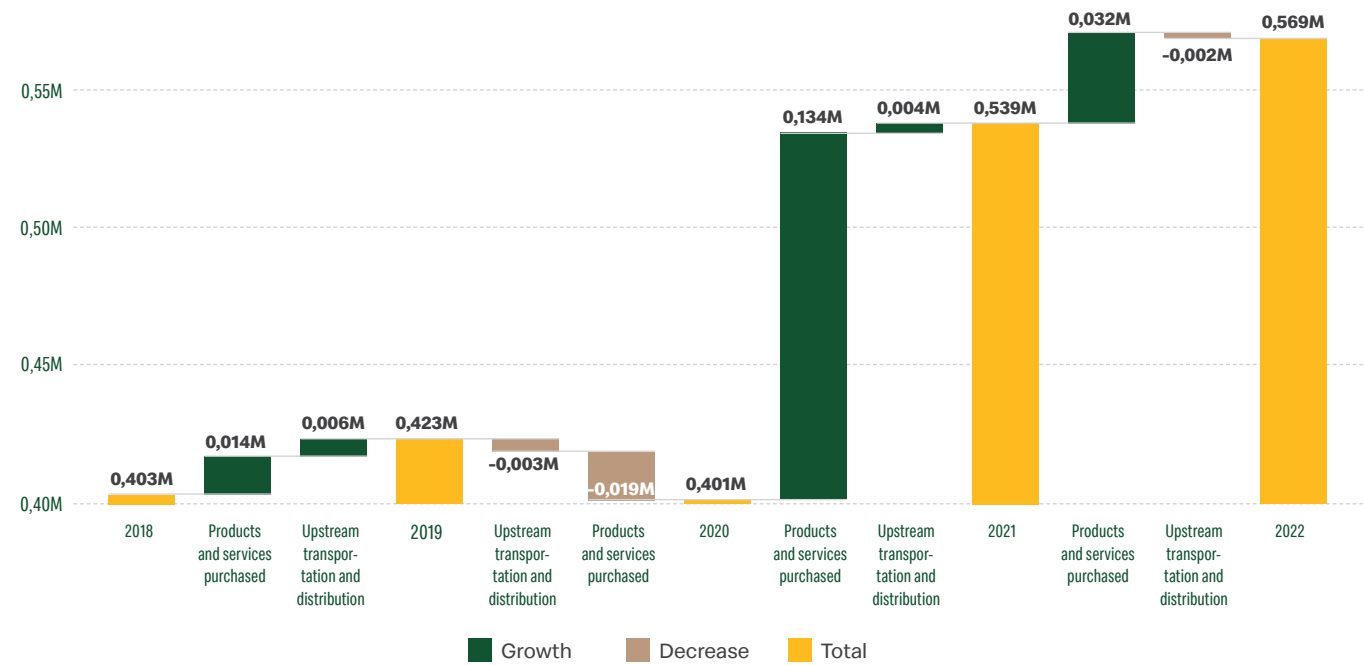


The 1,600 tons of CO₂e corresponds to 1,834,760 kilometers traveled by a truck with a medium load and a diesel engine. This is a distance comparable to circling the Earth 46 times.*

* Source: Department for Environment, Food & Rural Affairs, Greenhouse gas reporting: conversion factors 2023, 2023.

Our exclusive logistics partner, HAVI Logistics, is reducing its carbon footprint by using reusable nets instead of traditional stretch film, using the Scania Fleet Management system to optimize delivery routes, promoting fuel-efficient driving among drivers, introducing CNG-powered and electric cars to its fleet, and taking other steps. Decarbonization at HAVI Logistics means a significant reduction in emissions from the McDonald's supply chain. We share a common goal – HAVI has also committed to achieving zero carbon emissions by 2050.

Sources of reductions and increases in Scope 3 greenhouse gas emissions from 2018 to 2022



Energy consumption at McDonald's Poland*

	2023 [MWh]
Consumption of electricity from non-renewable sources	28 945,73
Consumption of electricity from renewable sources	194 683,00
Consumption of heat from non-renewable sources	3295,67
Consumption of natural gas	25 233,63
Total energy consumption	252 158,03

Data on electricity and natural gas are collected through an energy monitoring system and information obtained from restaurant managers.

* Data determined based on invoices available at the end of 2023. The data presented include the full range of available materials, but may be incomplete due to the unavailability of certain documentation.



Sustainable restaurant solutions

[GRI 3-3] • [GRI 301-1] • [GRI 303-3] • [GRI 306-3]

We are constantly introducing new solutions to minimize our environmental impact. We already take landscape considerations into account when selecting the location for a restaurant. At the planning stage of the project, we focus on the most energy-efficient solutions and optimal consumption of natural resources. We prefer environmentally friendly building materials.

We introduce modern solutions in restaurants, such as heat recovery systems from facility ventilation and equipment, UV lamps, heat pumps, photovoltaic sets, wind turbines, modern HVAC systems, automatic controllers of ventilation systems and automatic energy management systems. We use environmentally friendly refrigerants in all new equipment that permits its use: refrigeration cabinets, freezers, countertop refrigerators, freezers located next to grills, McCafe display cases, drawer refrigeration units and refrigerators with glass doors. We also use energy-efficient LED lighting

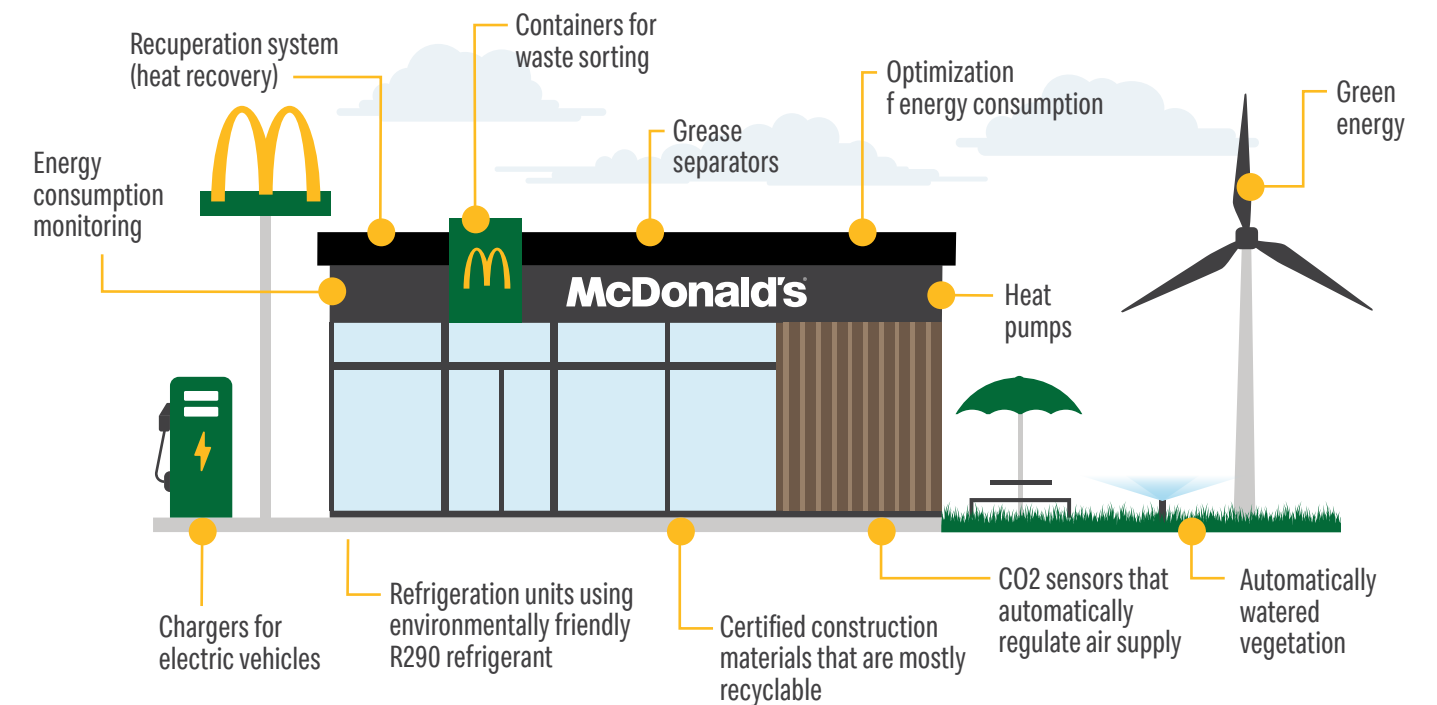
for restaurant exteriors, billboards, kitchens, backrooms, refrigeration and freezer units. We have replaced plastic menu boards with LCD displays. We are replacing energy-intensive dryers in our restrooms with recycled paper towels, which are placed in special feeders that counteract their excessive use.

We also take care to minimize our water footprint. We manage the green areas around our restaurants to reduce the use of water through the thoughtful selection of plants and we deploy automatic watering systems.

” What others consider waste, we consider a valuable secondary raw material that goes into a closed loop. It all started more than 20 years ago. In 2002, we launched our first circular project, implemented in all our restaurants. Within its framework, post-frying oil found its second life in a refinery, where it was used as a raw material for biodiesel production. Those were the days when only a handful of companies thought about closing the loop and attached any significance to sustainable innovation. We were already thinking circularly, recognizing that it made sense and was simply the right thing to do. ”

Tomasz Kurpiewski
SENIOR MANAGER SUSTAINABLE SOURCING

For more information on measures to improve the environmental performance of our restaurants, see the sections “On the path towards carbon neutrality” and “Packaging strategy.”



Concern for the environment is also reflected in the packaging of our products. As much as 95% of our packaging is made of cellulose fibers, meaning that it should go into the paper fraction of the garbage can located in the restaurant. As a result, such packaging receives a second life and is returned from the recycler to the restaurant in the form of paper towels, toilet paper and beverage trays.

Materials consumed and waste generated

Food products and semi-finished products* used for food preparation, purchased in 2023 for McDonald's restaurants

Category	Weight [t]
Potato products	37,691
Poultry	19,110
Buns	17,790
Milk products	17,187
Beef	16,421
Cold beverages	13,858
Sauces and ketchup	11,750
Vegetables	9,071
Fat	5,499
Cheese	5,299
Toppings, syrups and sprinkles	2,556
Wheat tortillas	2,428
Pork meat	1,234
Cakes	1,157
Spices	795
Hot beverages	747
Pasteurized eggs	688
Vege chops	446
Cut mushrooms	302
Soy milk	298

* Classified as renewable, because derived from agricultural processes or resources rapidly renewable through such processes.

Category	Weight [t]
Sweet pickles	151
Cottage cheese	125
Oat milk	75
Sweets for employees	45
Toast	24
Guacamole	19
TOTAL	164,764

Non-food products purchased in 2023 for McDonald's restaurants

Category	Weight [t]
Packaging	10,362
Household items	2,027
Napkins	1,935
Cleaning products (chemicals)	1,128
Toys	451
Tray napkins	411
Promotional items	354
Paper straws	277
Cutlery	132
Employee clothing	84
Trays	19
TOTAL	17,180

McDonald's restaurants use water from the city's water supply networks. In 2023, the total recorded intake of this resource was **1.24 million cubic meters**.

Waste generated at the network's restaurants in 2023*

Category	Weight [t]
Composite packaging (15 01 05)	3,826
Paper and cardboard packaging (15 01 01)	3,595
Oils and fats (20 01 25)	2,346
Food products that are expired or unfit for consumption (16 03 80)	1,178
Mixed packaging waste (15 01 06)	274
Plastic packaging (15 01 02)	101
Total other	131
TOTAL	11,451

* Non-municipal waste collected on the basis of a waste transfer card and oils and fats classified as municipal waste. The Company is not in possession of data on the weight of other municipal waste generated, as such data are not provided by the collecting entities. Data on packaging waste recovered or recycled are presented in the "Packaging strategy" section.

Packaging strategy

[GRI 3-3] • [GRI 301-1] • [GRI 301-3]

We have been implementing innovative solutions for environmental protection for years. One of the key areas of action in this respect at the restaurant level is to reduce both consumption and the amount of unused packaging waste. In line with our strategy, by 2025, we intend to completely switch to serving meals in packaging made from renewable, certified or recycled materials.

Packaging purchased in 2023 for McDonald's restaurants

Category*	Weight [t]
Paper**	6,916
Plastic***	696
Multi-material film with a predominance of aluminum	42
Multi-material with a predominance of paper****	3,358
Multi-material sachets with a predominance of plastics	152
Total	11,164

* No renewable materials, that is those derived from abundant resources that are rapidly replenishable through ecological cycles or agricultural processes, are used to package the organization's primary products

** Including cardboard and paper boxes, take-away bags and trays, napkins.

*** Foil and plastic packaging, cup lids.

**** Including cups for ice cream and beverages (cold and hot), sandwich paper and bags for French fries.

Recycled packaging of major product categories purchased in 2023

Product category	Composition	Weight [t]
Cup trays	100% recycled paper	497
Paper bags for take-away meals	100% recycled paper	1,634



We pursue our goals in accordance with the principles of a circular economy. This is a complex process involving the following 3 key principles:

.01 Reduction

The first step is to ensure proper packaging design. Since 2019, we have been gradually striving to completely eliminate plastic from our packaging by replacing it with paper equivalents. This includes straws, lids, cutlery, ice cream packaging and salad bowls. Owing to our consistent action, we have reduced plastic consumption by approx. 1,000 tons in 2023. Moreover, for several years we have been implementing the "I have my own cup" service, which enables guests to order hot drinks in their own cup.

.02 Recycling

Currently, as much as 95% of the used meal packaging should go to the paper fraction as part of the sorting-based waste collection carried out in restaurants. This is the first step to success. Only owing to proper sorting does waste become a valuable recyclable material. Achieving such a high share of recyclable packaging has been possible due to the development of an innovative technology in partnership with Polish recycler Miklan-Ryza of Toruń. We recover cellulose fibers even from so-called 'difficult packaging,' that is, packaging soiled with food or containing an admixture of plastics. The recovered material is used to create new, full-value products – paper towels, toilet paper and beverage trays, which are returned to restaurants. In 2023, the recycler received an average of 650-700 tons of used packaging per month, which was recycled into approx. 32,000 paper towels, 185,000 rolls of toilet paper and 23,000 pieces of cleaning cloth, which were returned to our restaurants.



.03 Reuse

In 2023, we launched preparations to implement an additional option in our restaurants: "YourCup." This solution involves the option of purchasing reusable cups in our restaurants in three variants: for cold drinks, hot drinks and McFlurry ice cream. Our guests may also use "YourCup" on their future visits to our restaurants. The project was fully implemented in June 2024.



Some waste, especially packaging from products ordered with delivery service or on the McDrive line, escapes our system. **With this in mind, in 2021, we launched the EcoHeroes project**, in which restaurant employees, in cooperation with our strategic partner Planet Heroes, organize waste collections in their immediate vicinity. Owing to their tremendous commitment, more than 475 collections were organized across the country in 2023. This contributed to keeping the immediate vicinity of the restaurants clean.

We outsourced the recycling and recovery of packaging materials to Interzero Organizacja Odzysku Opakowań SA. In 2023, we introduced plastic, paper and cardboard and multi-material packaging to the market. Their recovery and recycling will be carried out in 2024 in accordance with the levels specified in the legislation governing this area.

PROVEN IN PRACTICE

Clean Tatra Mountains ecoMałopolska is an educational initiative organized by the Clean Poland Association since 2012. Its goal is to protect the environment through cleaning mountain trails and promoting environmental education. The 12th edition of the event took place on 30 June and 1 July 2023, with McDonald's Poland as a strategic partner, as in previous years.

McDonald's employees – our EcoHeroes – were involved in the cleaning of the mountain trails. We also organized an educational zone for consumers, where we presented how our closed-loop packaging works.

Clean Tatra Mountains ecoMałopolska is not only an incentive to actively participate in environmental protection, but also to raise the environmental awareness among members of the local community.

Packaging of major product categories and packaging waste generated in 2023

Product category	Composition	Weight of packaging waste generated [tons]
Napkins	100% paper fiber	1,611
Cup trays	100% molded recycled paper	790
Paper bags for take-away meals	100% paper fiber	1,780
Paper bags for meals	95% paper fiber + 5% coating	97
Wrapping paper	90% paper fiber + 10% coating	312
Paper cups for cold drinks and ice cream	90% paper fiber + 10% polyethylene	1,421
Paper cups for hot drinks	93% paper fiber + 7% polyethylene	726
Salad packaging	94% paper fiber + 6% polyethylene	53
Lids for cups for cold and hot beverages	100% polystyrene	373
Straws	100% paper	225
Cutlery and stirrers	100% wood	59

Type of packaging	Weight of packaging put into circulation [tons]	Weight of packaging waste recovered or recycled [tons]	Percentage of packaging waste recovered or recycled
Plastic packaging	79.5	31.6	45%
Paper and cardboard packaging	884.1	565.4	73%
Composite packaging	405.5	239.3	59%

Dialogue with consumers

At McDonald's, we know that proper consumer attitudes are an essential element in the success of any project. By properly disposing of used meal packaging in the trash, our guests make a key decision that determines the success of the entire process.

Within the framework of the multi-channel marketing campaign "Tomorrow depends on us" launched in 2022, we engaged our guests in a dialogue about the circular economy. At the same time, we answered a troublesome question for them – what happens next with the used packaging from a burger or fries if it is disposed of in the appropriate fraction?

In 2023, the campaign was expanded to include more elements. We collaborated with cartoonist Kamil Lach, who prepared special graphics and educational games,

available on the McDonald's app. Moreover, we introduced coloring books for children, depicting the recycling process.

As a result of two series of the campaign, carried out on TV, in social media, through the platform we created and in other places, we saw an increase in the purity of the paper fraction, which reached 96% at the end of 2023. This proves that changing consumer behaviors is possible and exerts a favorable impact on the efficiency of the recycling process.

Learn more



"Tomorrow depends on us" platform
www.mcdonalds.pl/jutro-zalezy-od-nas/



Commercial
www.bit.ly/video-obieg-zamkniety

Closed Circuit Economy Platform

We are also discussing business models based on closing the loop with experts. In 2023, the Closed Circuit Economy Platform was established at the initiative of the UN Global Compact Network Poland and McDonald's Poland. It brought together the worlds of science, business and NGOs to develop climate-sustainable and efficient solutions.

Industry experts shared best practices in reducing packaging consumption, education and changing consumer attitudes, coupled with new technological solutions and a financing system for packaging and circular economy innovations.

The Platform's work resulted in the formulation of recommendations for legislators, support for strategic partnerships between different stakeholder groups, and promotion of sustainable and low-carbon business models.

The group's activities were summarized in a comprehensive report, "The Packaging Circular Economy," issued by the UN Global Compact Network Poland. An important element of the report was a consumer survey

the core concept of which was developed as part of an expert collaboration between McDonald's Poland, the Polish Plastic Pact and the UN Global Compact Network Poland, and which tested the Polish public's knowledge of the circular economy.

Research firm Kantar also verified the extent to which we are circular on a daily basis.

Unfortunately, the outcomes demonstrated a gap between declarations and actual consumer attitudes on environmental issues. However, it is comforting to know that consumers are curious about new solutions and open to learning new things.



The report is available at
www.ungc.org.pl/raport-gospodarka-obiegu-zamknietygo-w-opakowaniach

We support the industry in implementing the circular economy

“Over the course of two years, we have gained valuable experience in closing the loop in the HoReCa sector. We want to share it with the industry, which is why we launched the Closed Circuit Economy Platform together with UNGC. Its goal is to support the transition of the food production and chain restaurant sector to closed-loop packaging by facilitating an evidence-based dialogue between business, consumers, experts and public administration. Joint preparation of the report 'The Packaging Circular Economy.' We hope that its content will help in the effective implementation of the circular economy in the industry.”

Katarzyna Kucisz-Rosłoń
SENIOR MANAGER, IMPACT TEAM

LOCAL COMMUNITY



RMHC

The most important goal of the RMHC, established in Poland in 2002, is to support families during the illness and hospitalization of children. The Foundation is part of the international Ronald McDonald House Charities, operating in 62 countries around the world to improve pediatric medicine.

McDonald's Poland remains the Foundation's main donor, although it also receives regular support from other entities, including those within the McDonald's System – from franchisees, suppliers, Service Center employees and restaurant employees who volunteer their time. The Foundation has

the status of a public benefit organization, meaning that people may donate 1.5% of their income tax to it. Every year, this initiative is supported by McDonald's Poland by encouraging employees and partners to join the campaign.

Each Ronald McDonald House has a fully equipped kitchen, laundry room, library and garden, and the families staying there have their own spacious rooms with bathrooms and comfortable beds. Moreover, the building in Warsaw is the first House in the world to have its own kindergarten, which may be used by employees of the nearby Medical University of Warsaw hospital.

The places created by the RMHC are friendly not only to families, but also to the environment. They install photovoltaic panels, heat recovery units, heat pumps and water-saving equipment, and use harvested rainwater to water the plants.



PROVEN IN PRACTICE

Together with our guests, we support the Foundation's programs in a variety of ways. One of them is the sale of oatmeal cookies, which are available on the McDonald's menu throughout the year. Proceeds from their sale are transferred to the Foundation's account. So are donations, which we encourage our guests to make. They may do so through ordering kiosks or collection boxes located at the checkout.

Helping out takes on a special dimension in winter, when the Polish edition of the global McHappy Day campaign is held. Within its framework, we donate PLN 1 from each portion of fries sold during the campaign to the Foundation. In 2023, we raised PLN 2.5 million.

The Foundation creates and runs **Ronald McDonald Houses**, which are **free of charge**, comfortable places for families of **long-term hospitalized children** to stay. Built in the immediate vicinity of children's hospitals and wards, they enable parents, grandparents or legal guardians and siblings to always be close to the child patient who has been hospitalized for weeks or even months in an institution far from home. The presence of loved ones supports the healing process, alleviates stress and enables a faster recovery. The first Ronald McDonald House in Poland was established in 2015 at the University Children's Hospital in Kraków-Prokocim, and the second one was opened in 2021 in Warsaw, in the immediate vicinity of the Józef Polikarp Bródzinski Children's Clinical Hospital of the Medical University of Warsaw. In accordance with the principle of Ronald McDonald House Charities, the Foundation creates its houses near facilities that contribute to the development of pediatric medicine, which is why the third one is being built at the "Monument – Children's Health Center" Institute in Międzyzlesie. Collection for this purpose began in 2023, and the building is scheduled for completion in 2025.

The organization's second flagship project is the **Ronald McDonald Family Rooms**. It involves **creating friendly spaces in hospitals**, managed with the emotions of children and the needs of the adults who accompany them in mind. The rooms offer the opportunity to prepare a meal, relax, do laundry or take a shower in a homely atmosphere. Also, the rooms host activities for young patients: music, art, theater and movies. At the end of 2023, 3 such places were in operation.

In addition, the Foundation, in cooperation with franchisees, **provides hospitals with beds for parents**. This is because there are still establishments where adults accompanying children sleep on chairs or foam mattresses on the floor. The beds are comfortable, and because they fold in, they serve as armchairs during the day.

The franchisees' involvement in the parent bed initiative is described more extensively in the section ["We value our neighborhoods."](#)

Since 2005, the Foundation has also been implementing the **"NO to Cancer in Children"** program. As part of the program, two specialized ambulances visit towns and cities throughout Poland – primarily those with significantly difficult access to preventive health care – with an offer of **gratuitous, referral-free ultrasound examinations** for children aged between 9 months and 6 years. By the end of 2023, pediatric radiologists had examined more than 89 thousand young patients on their decks, enabling an early detection of diseases, not just cancer, in many of them. The list of the Foundation's activities in the area of early diagnosis of oncological lesions in children has been supplemented by the financing of training courses for family doctors and publications for doctors and parents as well as the holding, together with the association of medical students IFMSA – Poland, of popularizing lectures.

” In the treatment of cancer in children, early diagnosis is fundamental. For 18 years, the Foundation’s mobile clinic has traveled thousands of kilometers, and thousands of toddlers have come on board. For one in five children examined, parents receive a request for a more in-depth diagnosis or a visit to a specialist, because time is at a premium. I am proud to reiterate that the team of radiologists in the “NO to Cancer in Children” program are masters of their craft. As we go on, local governments, volunteers, parents and grandparents are building awareness in local communities every day about the importance of ultrasound examinations and prevention in the fight against cancer in children. The habit of repeating examinations every year in a healthy child is extremely important.”

Katarzyna Rodziewicz
PRESIDENT OF RMHC BOARD


Employees of McDonald’s Poland and our franchisees and suppliers are actively involved in all the activities described above. Each office employee may take two working days off per year to volunteer. These are 2 paid days of excused absence from work, which enable our employees to devote their time to support the activities of a selected organization – including the RMHC. All these activities are carried out in accordance with the Rules and Regulations of Employee Volunteerism





Helping the RMHC in 2023



more than
23 k.
overnight stays
at the Ronald McDonald Houses
in Kraków and Warsaw

281 
beds for
parents
donated to pediatric wards of 38 hospitals
in 37 cities across Poland

6023 
children examined under the
“NO to Cancer in Children”
program in 60 locations

12 301 
visits to the Family Room
at the “Monument – Children’s Health Center”
Institute in Międzyzlesie

more than
1900 volunteers

and
more than
20 k. volunteer hours
in all programs 

Learn more



Additional information about the Foundation’s programs and how to benefit from or support them as well as the organization’s substantive and financial reports may be found at www.bit.ly/fundacja-ronalda-mcdonalda

In 2023, McDonald’s Poland
donated
3 646 979,73 zł
to the RMHC to pursue its goals

We value our neighborhoods

We run our business in a responsible manner and want to be a good neighbor. We listen and respond to the needs of local communities on a daily basis and in times of crisis. Most of our restaurants are run by franchisees who live near the establishments they manage and, along with their staff, are part of the local community. Because they are so close to their communities, they have a good understanding of the needs of their neighbors and residents, meet them and engage in various initiatives or create their own.

In 2023, we launched the Golden Neighbor program to systematize the brand’s approach to community involvement and develop consistent principles, in line with McDonald’s values. The program provides a well-thought-out framework for our franchisees and corporate restaurants to support local communities.

We have defined the following three priorities for its first three years of implementation:

.01 Diversity

Construed as supporting people with disabilities in the job market and supporting initiatives that promote local culture

.02 Health

Supporting local RMHC programs and blood collections at restaurants.

.03 Sport

Promoting active lifestyles and sports teams and events.

In order to make sure that the activities we pursue stay in line with McDonald's Poland’s mission, are consistent with the brand’s values and have a tangible favorable impact on the environment, we have developed the Golden Neighbor Code. One of its elements is the criteria for a good initiative. We support franchise organizations with expert advice in developing initiatives that meet them and in their implementation – through PR and marketing activities.

Criteria for a good initiative

- ✓ **Tangible support of the community**
- ✓ **Employee engagement**
- ✓ **Ability to measure impact**
- ✓ **Consequence in action**
- ✓ **Consistency with one of the 3 priorities**

The Golden Neighbor Code clarifies the assumptions of the program and suggests how to put it into practice at the local level – what aspects to take into account and how to ensure their compliance with McDonald’s values and principles, such as those related to the brand’s commitments to marketing activities targeted at children or legal compliance.

Moreover, we have created a knowledge base that includes good examples and practical advice for planning and executing socially beneficial initiatives.

Completed initiatives may be reported via a special contact platform for franchisees, coordinators and restaurant managers, enabling us to aggregate knowledge about what is happening locally within the McDonald’s System in Poland. In turn, for restaurant employees, we have prepared a group on Workplace for sharing experiences on ongoing projects.

Diversity

We appreciate initiatives that extend beyond hiring diverse teams and implementing labor laws. When evaluating projects submitted in this area, we pay particular attention to a comprehensive approach and understanding of the role of McDonald's not only in the employee activation process, but also in the social rehabilitation of employees.

We look at diversity not only in relation to our staff. This priority also includes activities that are important to the community and closely intertwined with it. We encourage franchisees to search for and create unique initiatives, tailored to the needs of the neighbors of specific locations of our restaurants.

PROVEN IN PRACTICE

Kashubian language competition

The Kashubian language is the only regional language in Poland and an important part of the identity of Kashubians, who strive to pass on its value to future generations. Our franchisees, Jacek and Paweł Chodakowski, are involved in its dissemination, propping up its value and the sense of pride in knowing it, and in cooperation with the local government, they organize a Kashubian language contest for preschool, elementary and high school students at their restaurant in Puck.

On the day of the event, the restaurant is decorated with elements referring to Kashubian culture and filled with children and young people in traditional costumes. Participants present a short performance in the form of recitation or singing in front of a professional jury and answer simple questions in Kashubian in a relaxed manner to demonstrate their use of the language. All participants receive gifts. In 2023, the 10th edition of the competition was held, attended by nearly 150 participants.



Health

Within this area, we support franchisees and corporate restaurants in joining activities within three categories.

The first one offers preventive, free-of-charge ultrasound examinations aboard the RMHC mobile ambulance for children aged between 9 months and 6 years. The ambulance travels across Poland every year – examinations are carried out in dozens of locations. Thanks to McDonald's franchisees, nearly 1,400 children were screened aboard the ambulance in 2023 alone.

Franchisees also arrange blood collections in consultation with blood donation centers, aboard mobile 'bloodbuses.' In 2023, a total of nearly 200 liters of blood was donated during the campaigns held at our restaurants.

A recent, extremely important initiative in this area, uniting franchisees from all over the country, is a joint coalition in support of the RMHC "Beds for parents" program, granted in the form of a donation to pediatric wards across the country to enable parents to stay in dignified conditions overnight alongside their hospitalized children.

PROVEN IN PRACTICE

Beds for parents

A bed for a parent in many pediatric wards is sometimes only a dream. We are changing that with the tremendous commitment of McDonald's franchisees who have purchased and donated 281 beds to 38 hospitals across the country in 2023 alone. The venture takes into account local needs – franchisees, acting individually or entering into a coalition, support hospitals located in the vicinity of the restaurants they operate.



Sports

McDonald's Poland franchise organizations are eager to support sports clubs and young talents, and partner or organize sports competitions and events. We enhance the social impact of the initiatives implemented by franchisees

by, for example, emphasizing the involvement of employees and members of local communities, including those at risk of exclusion, such as senior citizens or orphaned children.

PROVEN IN PRACTICE

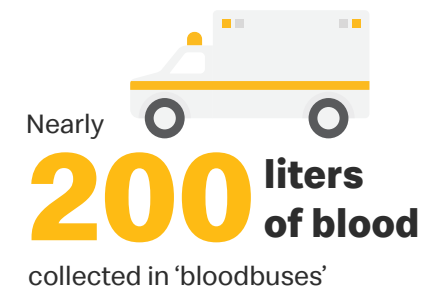
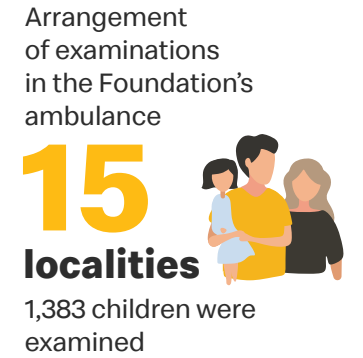
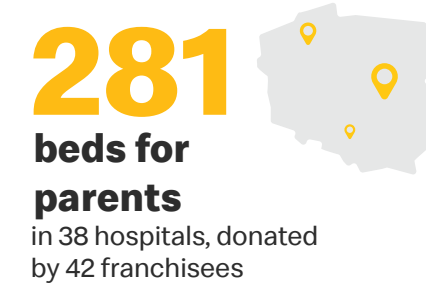
Streetball Cup Polkowice

McDonald's franchisee Marek Baraniecki, who runs restaurants in Legnica, Lubin and Polkowice, has been sponsoring or co-organizing local events for years. One of them is the Streetball Cup Polkowice tournament, organized in close cooperation with the city's authorities and local business community. The event attracts sports enthusiasts from all over the area every year. In 2023, 54 teams signed up for the tournament, with a total of more than 250 participants.

The event not only has a sporting dimension, but also provides an opportunity to help others. Every year, it includes charity collections for the sick children of Polkowice. In 2023, the organizers donated the income from entry fees to charity.



Golden Neighbor in numbers – results in 2023



Our care for the immediate environment is also manifested in the EcoHeroes project, under which McDonald's employees organize waste collections in the vicinity of their restaurants. For more information on this topic, see the ["Packaging strategy"](#) section.

EMPLOYEES



Human resources

[GRI 3-3] • [GRI 2-7] • [GRI 2-8] • [GRI 401-1] • [GRI 405-1]

Our organization's hiring philosophy, People Promise, is based on the following three pillars:

.01
You may be yourself

.02
You may fit work into your lifestyle

.03
You may learn and develop



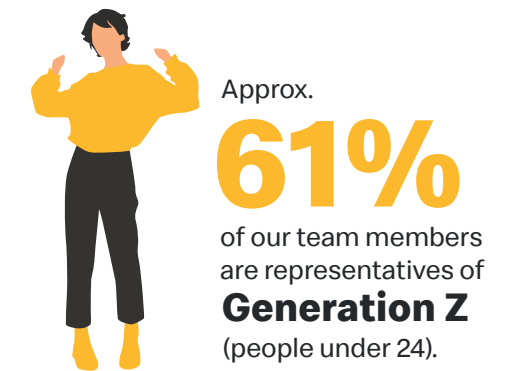
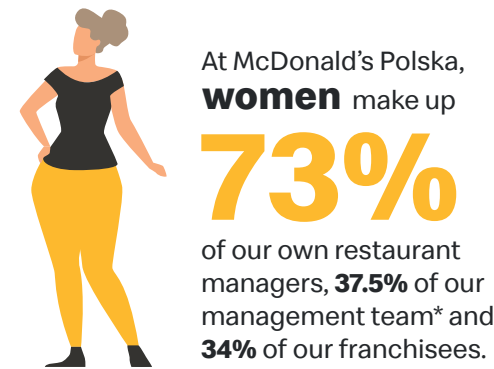
McDonald's in Poland is all about people, and diversity is an everyday part of our restaurants.

Our structure is very diverse:

Learn more



For more information about working in our organization, please visit www.praca.mcdonalds.pl



* The team of our corporate highest authorities exercising key management functions, which is made up of the directors of the various departments at McDonald's Poland, consists of 8 people (including 3 women).

Number of McDonald's employees in Poland by employment type and gender, as at 31 December 2023 (and 31 December 2021)*

Category	2023	2021	Category	2023
Total number of employees	32,981	27,966	Total number of full-time employees	16,181 (13,682 in 2021)
Women	20,686	17,819	Women	10,515
Service Center	114	103	Service Center	113
Franchisee restaurants	18,030	15,305	Franchisee restaurants	8,916
Corporate restaurants	2,545	2,411	Corporate restaurants	1,442
Men	12,295	10,147	Men	5,666
Service Center	68	79	Service Center	68
Franchisee restaurants	10,773	8,747	Franchisee restaurants	4,814
Corporate restaurants	1,454	1,321	Corporate restaurants	767
			Total number of part-time employees	16,800 (14,284 in 2021)
			Women	10,171
			Service Center	1
			Franchisee restaurants	9,114
			Corporate restaurants	1,056
			Men	6,629
			Service Center	0
			Franchisee restaurants	5,959
			Corporate restaurants	670

As at the end of 2023, 21 individuals work for McDonald's Poland Development Department under B2B contracts, performing work related to the design and construction of restaurants. This number is based on contract records and did not change substantially throughout 2023.

*Data on employment contracts per person – so-called headcount. This figure is based on the payroll system.

Number of employees at the Service Center and corporate restaurants by gender and contract type in 2023

Category	Service Center	Corporate restaurants
Women employed under a fixed-term employment contract (including a probationary contract)	6	1,378
Men employed under a fixed-term employment contract (including a probationary contract)	4	880
Women employed under an employment contract for an indefinite term	108	1,167
Men employed under an employment contract for an indefinite term	64	574



New hires and headcount at the Service Center and corporate restaurants by age and gender in 2023

Category	Service Center		Corporate restaurants	
	Number of employees	Employment rate	Number of employees	Employment rate
Total number of new hires	23	13%	3,270	82%
Women	16	14%	1,764	69%
Men	7	10%	1,506	104%
<30 years old	9	41%	2,604	108%
30-50 years old	13	9%	580	43%
>50 years old	1	7%	86	37%

* The number of new hires in a category (defined by gender or age) divided by the total number of employees in that group.

Employee departures and turnover rate at the Service Center and corporate restaurants by age and gender in 2023

Kategoria	Centrum Serwisowe		Restauracje korporacyjne	
	Number of employees	Turnover rate*	Number of employees	Turnover rate*
Total number of employee departures	34	19%	2,921	73%
Women	15	13%	1,615	63%
Men	19	28%	1,306	90%
<30 years old	5	23%	2,264	94%
30-50 years old	20	14%	580	43%
>50 years old	9	64%	77	33%

* The number of employee departures in a category (defined by gender or age) divided by the total number of employees in that group.

Composition of management bodies and staff at McDonald's Poland Service Center by age and gender

Employees	2023	2021	2021
Management personnel*	57	100%	100%
Women	30	53%	45%
Men	27	47%	55%
<30 years old	0	0%	0%
30-50 years old	49	86%	81%
>50 years old	8	14%	19%
Middle-level staff	125	100%	100%
Women	84	67%	61%
Men	41	33%	39%
<30 years old	22	18%	8%
30-50 years old	97	78%	85%
>50 years old	6	5%	7%

* The numbers for management and middle management have been aggregated.

The McDonald's Poland Management Board has only one member: President of the Management Board Tomasz Rogacz.



Composition of the workforce* at McDonald's Poland corporate restaurants by age and gender

Employees	2023	2021
Management personnel*	64	100%
Women	47	73%
Men	17	27%
<30 years old	26	41%
30-50 years old	38	59%
>50 years old	0	0%
Middle-level staff**	836	100%
Women	599	72%
Men	237	28%
<30 years old	447	53%
30-50 years old	375	45%
>50 years old	14	2%
Lower-level staff***	3,099	100%
Women	1,899	61%
Men	1,200	39%
<30 years old	1,938	63%
30-50 years old	943	30%
>50 years old	218	7%

* Restaurant managers.

** Assistant restaurant managers, managers and junior managers.

*** Employees, instructors, hospitality leaders.

Employee compensation and benefits

[GRI 2-19] • [GRI 2-20] • [GRI 3-3] • [GRI 202-1] • [GRI 401-2]

McDonald's is all about people. It is through the commitment, openness and willingness to develop on the part of our employees that we are able to expand the scale of our business and build trust in the brand.

All employees in our restaurants are hired under an employment contract. We offer them a broad range of benefits and we also consistently work to ensure equal treatment and pay regardless of gender, age, race, fitness, religion or nationality. We make sure that everyone feels valued.

Setting employee compensations in restaurants

Employees in restaurants are paid on the basis of an employment contract:

.01

Hourly rate

positions: from restaurant employee to manager

.02

Monthly salary

positions: from manager in training, assistant, to restaurant manager

Rates are determined based on the pay spine in effect during the period. The rules for setting compensation for restaurant staff are in accordance with Polish legislation and take into account McDonald's global standards. The pay spine is reviewed at least once a year (twice in 2023) based on the statutory minimum wage and the compensation benchmark for restaurant positions.

A review of employee compensations in restaurants is conducted by the manager of each restaurant at least once a year based on the updated pay spine and the

performance evaluation of each employee. For restaurant managers, the compensation review is conducted by Customer Experience consultants, and their salaries are approved by the head of Customer Experience.

In addition to base salary, employees in positions ranging from hospitality leader to restaurant manager are entitled to a second component of compensation – a quarterly bonus based on the level of the position, FTE and the achievement of goals set for their restaurant during the quarter.

Setting employee compensations at the Service Center

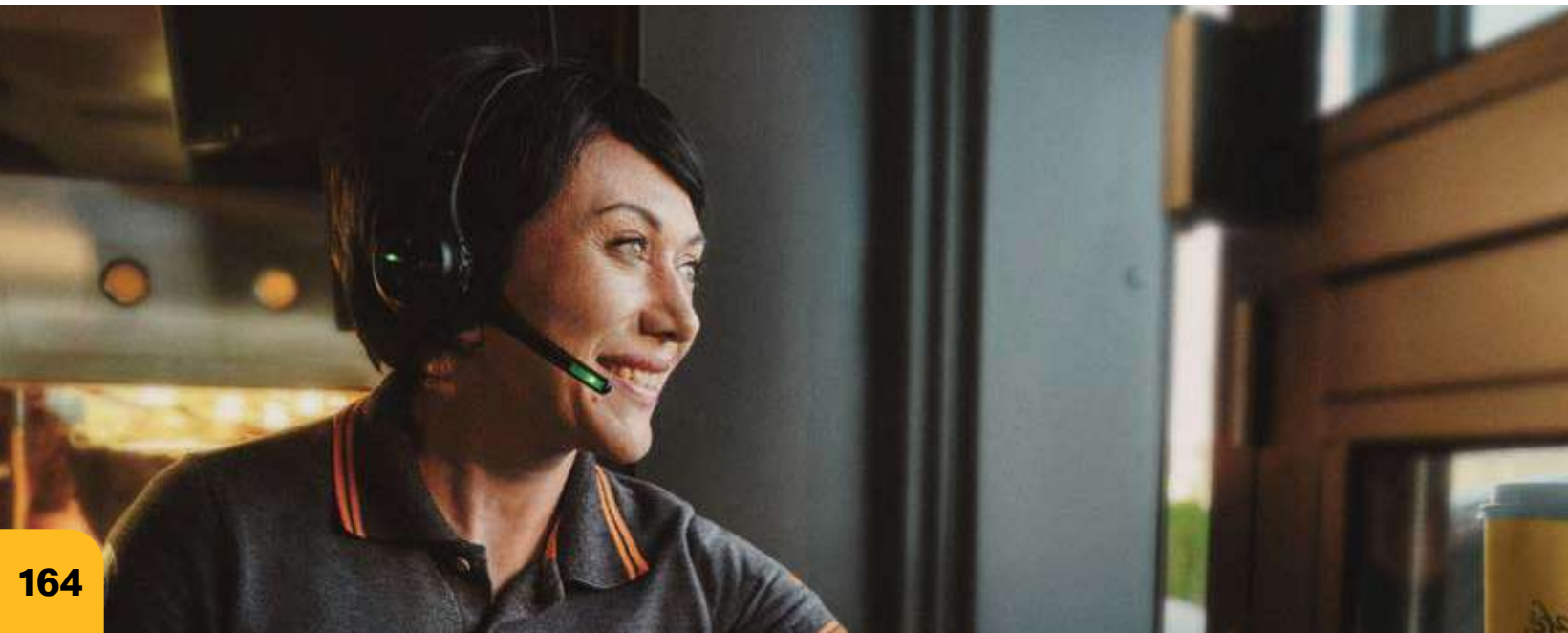
The compensation of McDonald's Service Center employees consists of two basic components: a monthly base salary resulting from the employment contract and an annual bonus that depends on the level of achievement of individual targets and business goals of the Company. The rules for setting employee compensations in Poland comply with local legislation and take into account McDonald's global standards.

The process of setting employee compensations begins with a benefits and compensation manager collecting data on each employee. This includes an employee's pay increase history, position, pay range

for the position, market median based on employee compensation reports and guidelines for percentage increases based on position and annual evaluation.

Then the supervisor, using the recommendations of the benefits and compensation manager, prepares recommendations for evaluations and salary increases. The final stage is the calibration process conducted in meetings involving the President of the Management Board, the HR director, the benefits and compensation manager and the department head. External consultants are not involved in the employee compensation setting process.

A compensation review is conducted once a year, and compensation rules are clearly defined and communicated. We also regularly conduct employee compensation surveys to ensure that employees are compensated in a competitive manner.



Employee benefits

Benefits available to Service Center employees include:

- ✓ **additional medical care**
- ✓ **life insurance**
- ✓ **ADD insurance**
- ✓ **foreign travel insurance**
- ✓ **Nais benefit platform**
- ✓ **gym cards**
- ✓ **prepaid gift cards**
- ✓ **company events for employees and their families**
- ✓ **company cars**

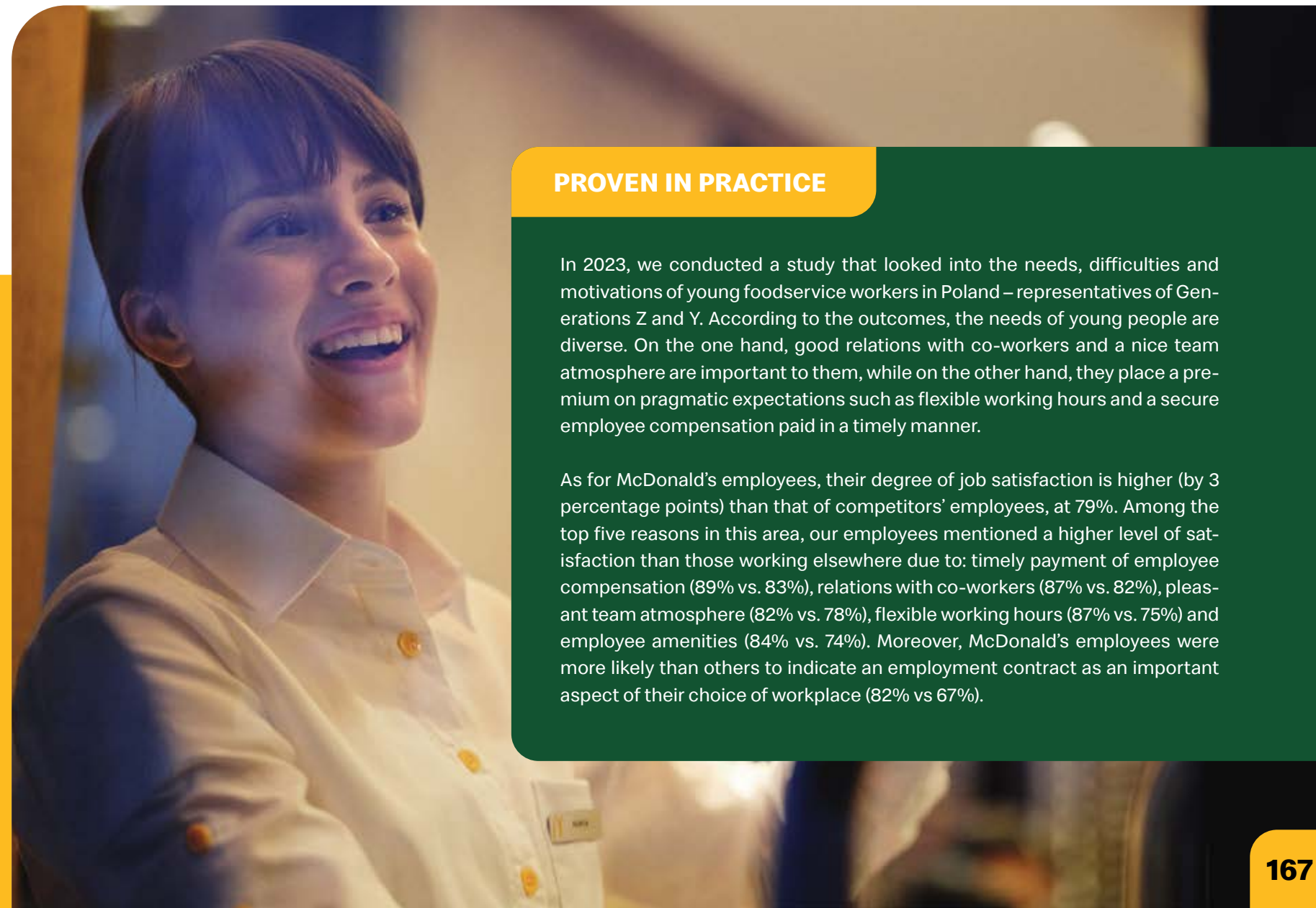
We offer those of our employees who have found themselves in difficult life situations support in the form of financial aid. Individual benefits are granted depending on the role in the organization, responsibility, experience, knowledge and skills of the employee.

Ratio of compensation of lowest-level employees to the minimum wage	Women	Men
Monthly compensation of lowest-level employees in PLN in 2023	PLN 3,753	PLN 3,786
Statutory minimum monthly compensation in PLN in 2023	PLN 3,545	PLN 3,545
Ratio of compensation of lowest-level employees to the minimum wage	106%	107%

Additional medical care is covered for Service Center employees, corporate restaurant managers, supervisors and hospitality leaders.

Group insurance covers office workers and restaurant managers.

Financial assistance is available to all McDonald's Poland employees affected by difficult life situations.



PROVEN IN PRACTICE

In 2023, we conducted a study that looked into the needs, difficulties and motivations of young foodservice workers in Poland – representatives of Generations Z and Y. According to the outcomes, the needs of young people are diverse. On the one hand, good relations with co-workers and a nice team atmosphere are important to them, while on the other hand, they place a premium on pragmatic expectations such as flexible working hours and a secure employee compensation paid in a timely manner.

As for McDonald's employees, their degree of job satisfaction is higher (by 3 percentage points) than that of competitors' employees, at 79%. Among the top five reasons in this area, our employees mentioned a higher level of satisfaction than those working elsewhere due to: timely payment of employee compensation (89% vs. 83%), relations with co-workers (87% vs. 82%), pleasant team atmosphere (82% vs. 78%), flexible working hours (87% vs. 75%) and employee amenities (84% vs. 74%). Moreover, McDonald's employees were more likely than others to indicate an employment contract as an important aspect of their choice of workplace (82% vs 67%).

Wellbeing of employees

No work environment, regardless of industry or other considerations, is free of challenges related to employees' psychological wellbeing. It is crucial for McDonald's Poland that employees who face mental challenges receive suitable support.

We conduct internal educational activities and open dialogue with our employees, demonstrating to them that mental health is not a taboo subject and that they are not alone when coping with more difficult moments in their lives. In each restaurant, information is posted about the employee support line, ava-

ilable in Polish, English and Ukrainian. We also clearly indicate possible options for supporting employees, depending on their individual needs. In the same place, they may find the contact information for the person who provides support on labor law issues, for the restaurant manager, the employer, the People Department of the Service Center, and the address of an e-mail box that provides the opportunity to report any issues in an anonymous manner. All of this generates positive changes in employee attitudes and openness in conversations about mental health.



Every employer within our system also has the opportunity to take advantage of the support of specialists in partnership with McDonald's. We offer verified, customized support packages that include contact with a psychologist, crisis support and other forms of assistance.

PROVEN IN PRACTICE

Closer to Yourself Program

Closer to Yourself is an initiative aimed at raising awareness and support for mental health in workplaces. The program promotes open conversations about mental health issues and provides tools and resources to help employees cope with such challenges. In 2023, McDonald's Poland became a partner of the "Closer to Yourself – Mental Health and Empathy at Work" campaign and report. Our experts shared their experiences and best practices related to wellbeing during open discussions and in the report. Our employees also had the opportunity to participate in webinars held by the campaign organizer.

We practice a culture of appreciation on a daily basis. Also, we devote one day of the year to the opportunity for all employees to celebrate their teamwork together and express gratitude to other team members. This is **Appreciation Day**, which we hold around the world and celebrate successes and achievements together.

Every year, we also celebrate International Women's Day, highlighting our support for **gender equality**. In our organization, the majority of employees are women, but both women and men have the same access to knowledge, development or promotions. In 2023, we celebrated this aspect under the slogan #EmbraceEquity, emphasizing the importance of equality and fairness.

On a daily basis, Workplace is our main tool for internal communication – dedicated primarily to restaurant employees. We also use it to create awareness about what wellbeing is. We engage our communities in the promotion of a culture of wellbeing and share best practices in the areas of wellbeing and appreciation.

We have established a group of wellbeing ambassadors and influencers (12 employees and managers from across Poland) with whom we work together on our initiatives.

We also take care of the **wellbeing** of Service Center employees. Every first and third Tuesday of the month, fresh vegetables await in the office kitchen. We also promote the idea of power breaks, which provide employees with a dose of exercise during working hours.

Also, we are implementing the ProgressJA program within the framework of which office employees on the second Tuesday of each month are afforded four hours free from meetings and other commitments so that they may consciously devote this time to seeking developmental inspiration. In turn, all Fridays from 12:00 noon onward are a time without meetings, so that everyone may finish the current week's tasks and quietly enjoy the weekend.

We support a culture of appreciation. Every day, we celebrate small and large successes both individually and as a team. Our appreciation code called “10 Ways to Appreciate” takes into account rewards, individual conversations, constructive feedback, tailored words of appreciation for employees, sharing positive information, cooperation and showing trust, etc. It is a kind of compass that indicates how to build a culture of appreciation in diverse teams.



Work safety

[GRI 403-1] • [GRI 403-2] • [GRI 403-3] • [GRI 403-5] • [GRI 403- 7] • [GRI 403-8] • [GRI 403- 9] [GRI 403-10] • [GRI 3-3]

We are committed to ensuring that every person employed by McDonald's Poland and our franchisees' organizations may perform their duties in a manner that is completely safe for their health and emotional wellbeing. To this end, based on generally applicable regulations and on the guidelines of the international ISO 45001 standard, the Occupational Health and Safety Department and the Security Department have developed a number of detailed procedures and instructions. They define, for instance, the process of identifying hazards, handling emergency situations (such as guest aggression or assault), rules for planning and implementing corrective actions, actions to be taken after accidents, training and instruction. These regulations apply to all employees, and compliance is consistently enforced.

We have identified particularly hazardous types of work and defined the ways in which it should be performed. All our workplaces have occupational risk analysis sheets, prepared using the qualitative Risk Score method, and preventive measures assigned to them. We update the results of the risk assessment on an ongoing basis, adapting them to new equipment or changes in procedures and to the conclusions of our accident reviews. In 2023, we included remote work in the list of reviewed areas.

We make changes to procedures and new protective measures on an as-needed basis – recommendations in this area are prepared by the **Occupational Health and Safety Committee**, which takes into account the experience of other workplaces and other factors. We also make sure that all equipment and installations are inspected in a timely manner by authorized services.

Inspection visits by occupational health and safety specialists, carried out in our restaurants throughout 2023, confirmed:

.01

proper technical condition of buildings, premises and equipment

.02

correct amount of fire extinguishing agents and equipment

.03

no major deficiencies related to personal protective equipment

The Company has not implemented a certified occupational health and safety management system, but its practices in place are subject to annual internal audits based on the requirements of the ISO 45001 standard.

PROVEN IN PRACTICE

We are gradually increasing the impact by the people we employ on occupational safety solutions. During visits to restaurants, for instance on the occasion of training sessions, our external specialists provide their input and gather feedback from the teams on an ongoing basis. If an issue affects the entire organization, comments are also addressed to the Occupational Health and Safety Department.

Any identified risks resulting from working conditions may be reported by our staff to both their immediate superiors and OHS services in any way they choose: in person, by phone, by e-mail or through the internal Workplace communication platform.

In 2023:

.01

we began adapting workstations equipped with screen monitors to fulfill the requirements of the revised regulations

.02

we expanded provisions concerning people with disabilities in the evacuation procedure

.03

we equipped restaurant facilities with maps showing the locations of firefighting equipment



Occupational health and safety training and education

We fully comply with the obligations imposed by the labor law regarding occupational health and safety training. For restaurant employees, initial training consists of:

- general instruction delivered by external and internal experts,
- on-the-job instruction delivered by restaurant management and covering the hazards associated with specific activities and how to mitigate them, such as the proper use of personal protective equipment.

Service Center employees receive initial training in the form of self-directed learning. This means that they study the e-learning materials on their own and then take an exam to test their knowledge, while the role of the occupational health and safety specialist is to oversee the whole process and provide additional information if necessary.

Periodic training for restaurant staff and managers as well as Service Center employees is carried out by internal experts in accordance with existing programs.

” Each person starting their career at McDonald's Poland is provided with a set of necessary information on the rights and obligations of employees and the employer in the occupational health and safety area. We pay special attention to the obligation to refrain from work in a situation of danger to health or life, so, for example, in the event of equipment failure, failure to provide protective equipment or lack of adequate job training.”

Piotr Gremplewski
OHS SPECIALIST/FIRE PROTECTION INSPECTOR

Accidents and occupational diseases

In 2023, our employees **did not suffer a single serious accident** and no collective accidents occurred. Service Center employees, like restaurant employees, are informed during training about their obligation to report any incidents of this nature.

Employees of corporate restaurants

	Number of workplace accidents	Number of person-hours	Lost time injury frequency rate (LTIFR)*
2023	66	5,316,931	12.41
2022	71	6,087,094	11.72
2021	61	5,093,411	11.98
2020	46	5,195,522	8.85

* Number of accidents per 1 million person-hours. Data collected on the basis of the reporting records kept.

Service Center employees

There were no accidents among office workers in 2022-2023.

Employees of franchise restaurants

Due to the legal structure, we do not collect data on franchise restaurants

Types of injuries to restaurant employees in 2023.

- mechanical injuries, including bruises and cuts: 50
- burns: 16

On an ongoing basis, we analyze accidents involving our staff and **take appropriate corrective measures:** at the office or restaurant level (for example, by applying anti-slip tape on stairs), or across the country if necessary. The effectiveness of the measures we have taken is then monitored and evaluated.

In 2023, **no cases of occupational diseases**, or work-induced ill health, were reported among our staff. However, a diagnosis of carpal tunnel syndrome was reported in a person employed at McDonald's Poland between November 2009 and April 2011, but

PROVEN IN PRACTICE

Near the first aid kit, which is legally located in each of our restaurants, a list of employees who have attended a course in basic premedical first aid methods is posted. In accordance with recommendations, at least one such person should work on each shift.

without indicating how (and at which workplace during that person's career) working conditions may have contributed to the ailment.

Franchise restaurants, with the help of coordinators, receive ongoing instructions with new practices, solutions and up-to-date health and safety studies, such as a comprehensive study of Occupational Risk Analysis or job-specific occupational health and safety manuals. Furthermore, in special cases, we also provide contact information for a psychologist with whom we have an established long-term relationship.



Diversity

[GRI 3-3] • [GRI 406-1]

The McDonald's Poland team is diverse in terms of age, education level, life experiences and social roles. They also represent many nationalities, ethnic groups and cultures, diverse gender identities, psychosexual orientations and worldviews. Neuroatypical people and individuals with limited physical or intellectual abilities also work in our restaurants. Each of them may count on kindness, respect and protection from discrimination, with full respect for their right to privacy. We consider the internal diversity of our teams to serve as a great value and strength of McDonald's – through it, we learn empathy and we inspire and develop each other, including our guests in a culture of openness.



Our diversity, equity and inclusion (DEI) efforts are comprehensive, structured and extend well beyond regulatory obligations. We conduct them in accordance with McDonald's global approach, guided by local priorities, updated annually to accommodate the needs of the business and the changing environment. The actions we take in this area focus on the following 3 main aspects:

.01
economic opportunities

.02
fostering a culture of inclusion and belonging

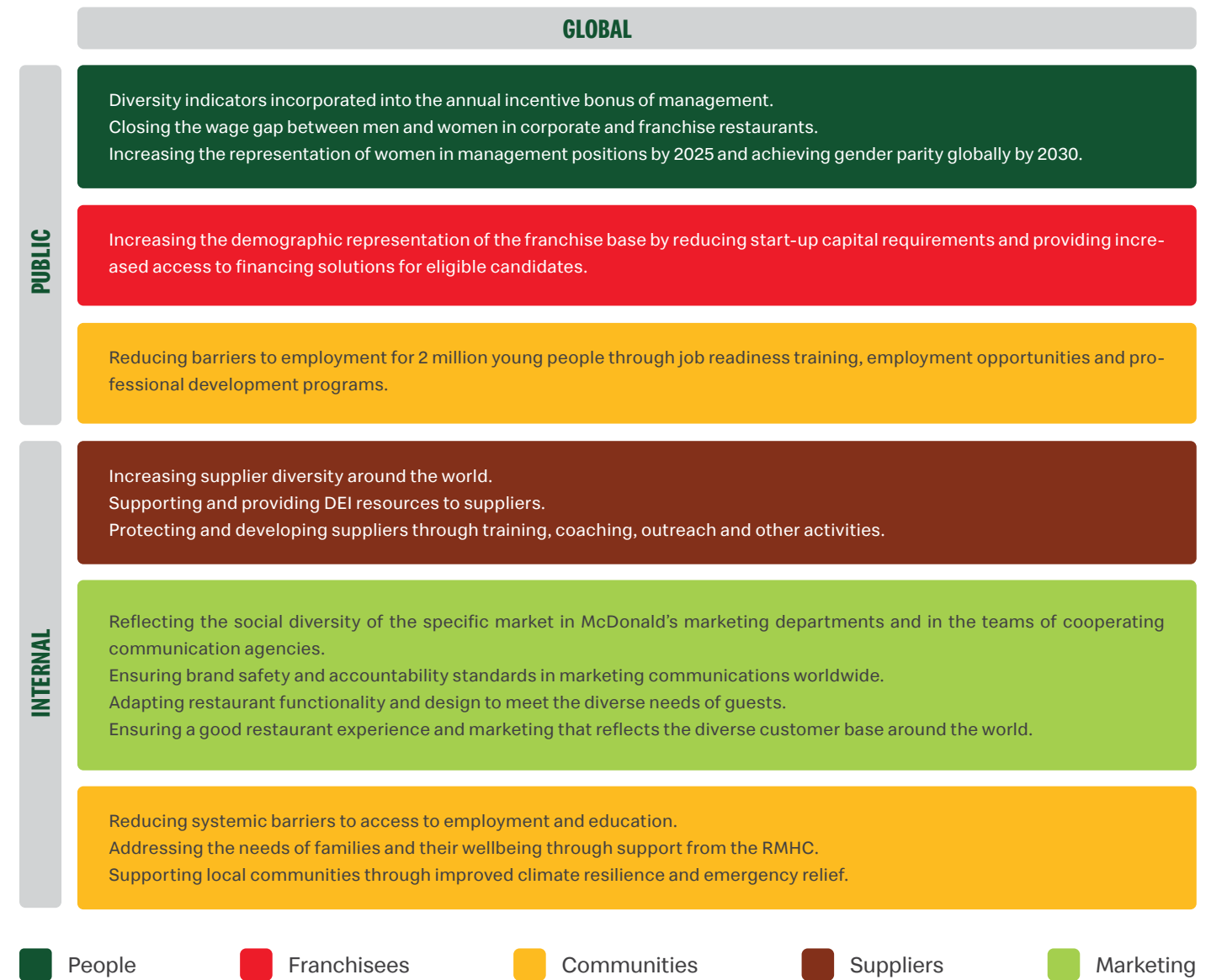
.03
removing barriers to economic development

In the *"Human resources"* section, we present figures on selected dimensions of McDonald's workforce diversity.

In 2023, the global competence center for DEI created guidelines for our understanding of diversity, equity and inclusiveness. By attaching even more strategic importance to this domain, the center included all expert areas within the McDonald's System in the spectrum of activities.

Key areas contributing to shaping the understanding and importance of DEI have been identified and intertwined with our public and internal commitments. Owing to this, the defined areas of influence provide a compass for the organization in each market.

Public and internal commitments in the DEI area (global)



■ People
 ■ Franchisees
 ■ Communities
 ■ Suppliers
 ■ Marketing

We recognize the fact that creating welcoming spaces where every employee and guest may feel comfortable is important. At the same time, however, this is not an easy task and requires continuous attentiveness and openness. All of us, including our restaurant employees and managers, sometimes lack knowledge about how to deal with people with special needs. It also happens that team members succumb to unconscious prejudices or fear of otherness. That is why we organize **sensitization training in equity and diversity issues**, and present model behaviors and inclusive communication language. During workshops, employees learn intergenerational and intercultural cooperation and how to respond to aggressive behaviors, hurtful stereotypes or

inappropriate jokes. Examples of such training include Inclusive Leadership to People Managers – for those at the director level – and Safety, Respect and Openness in the Workplace – which is mandatory for all restaurant employees and, in an expanded version, for those at the managerial level.

Building a safe, open and inclusive work environment is also included in onboarding training for new hires. Furthermore, employees and franchisees interested in DEI issues may use our educational materials: a thematic sub-site on the intranet and an e-learning course available on our training platform.

PROVEN IN PRACTICE

Since 2020, McDonald's Poland has been a signatory to the Diversity Charter, an international initiative supported by the European Commission. Joining the Charter entails public commitment to the following (without limitation):

- integrating diversity management, age management and the principle of gender equality into all relevant policies and procedures,
- systemically addressing discrimination and workplace harassment,
- raising awareness and knowledge of employees in the DEI area,
- informing stakeholders about the diversity management model adopted and the outcomes achieved,
- promoting and disseminating diversity management.



The website dedicated to the Diversity Charter is available at www.bit.ly/karta-roznorodnosci

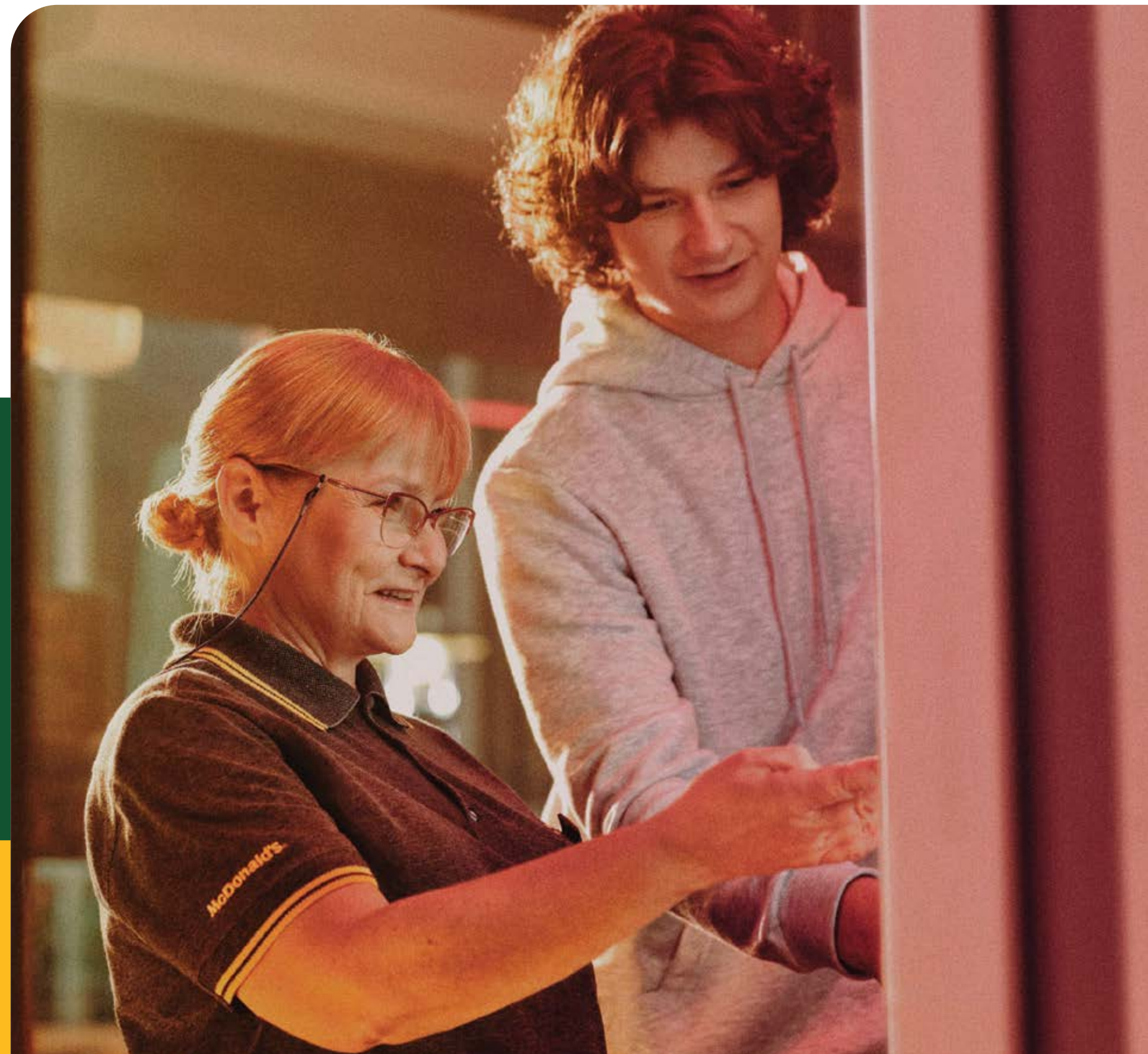
Learn more



A summary of McDonald's Corporation's DEI activities in 2022–2023 is available at www.bit.ly/golden-opportunities



and the Company publishes detailed information on its management of this sphere at www.bit.ly/mcd-roznorodnosc



An inclusive organization

We are a company that is friendly to members of groups whose functioning in the labor market is challenging.

People with disabilities

The basis in this area is the absolute adaptation of a person's duties to the recommendations of the occupational physician. In order for this process to run smoothly, we insist on very precise descriptions of the tasks performed in each job. Our priority is the safety of our employees, meaning that due to the higher risks associated with working in the kitchen, people with disabilities are mostly assigned room duties.

We provide support at every stage – from the hiring process to daily work. Examples of such measures include allowing people with intellectual disabilities to work with a coach or parent, and providing selected training in a tailored form, such as in sign language.

The nature of work in McDonald's restaurants, in particular the fact that it is based on strictly defined procedures, makes it easy for deaf employees to find their place in our teams.

We cater to this group by ensuring the participation of a sign language interpreter in the recruitment process. Newly hired deaf employees are often trained by deaf instructors, and in some restaurants we have designated people responsible for working with this group of employees.

We refer to our system of working in restaurants as 'silent production.' Its essence lies in eliminating the need for verbal communication. All production workstations are equipped with screens on which the orders to be processed appear. An employee prepares them, and when finished – deletes them from the screen.

Verbal communication is also not necessary on the part of our guests – self-service checkouts or apps may be used to place and receive orders.

„ We want everyone to feel comfortable in our restaurants – both guests and employees. To address language barriers and some of the barriers associated with certain disabilities, we have introduced a system for producing and issuing orders based on messages that appear on the screens. Such solutions make our restaurants even more friendly. I am proud that for many people with disabilities, including hearing disabilities, working at McDonald's is an opportunity for stable employment and social integration. „

Marta Stachniuk
MANAGER, PEOPLE FIELD LEADER



PROVEN IN PRACTICE

In one of our restaurants, we introduced a special solution that enables our deaf employee to interact with guests. On a daily basis, this employee uses a special communication board that shows products from the McCafe menu. Owing to this simple solution, a member of our team is able to fulfill his ambitions by expanding the scope of work in the restaurant.

We take into account the special needs of people with disabilities, who collectively make up 7% of our team.

Moms at work

The ability to work under a flexible schedule is especially appreciated by moms who work in our restaurants. We absolutely respect their right to return after maternity leave to the position they previously held and their right to career development and advancement. We realize that this is not common in the restaurant market, but we are committed to setting the highest standards in this area.

Concern for inclusiveness does not bypass our franchisees either. All over the world, McDonald's is actively increasing the share of women among restaurant managers. Poland is no different in this respect. Our goal is for women to make up 45% of total franchisees in 2025. At yearend 2023, this share was 34%.



Hiring foreigners

Among them, people with Ukrainian, Belarusian and Indian citizenship dominate. We take a number of measures to support the process of their hiring and adaptation. Command of the Polish language is not a prerequisite for finding a job at McDonald's. All documents necessary in this area and training for new hires are also available in English and Ukrainian. In the hiring process, we are guided by the Responsible and Ethical Recruitment Policy – this document, which is an appendix to the work regulations, lays down the principles by which migrant workers are assured security when applying for a job (including the prohibition of collecting fees from recruits or the prohibition of keeping or retaining their identity documents, any deposits or other forms of security as a condition of employment). The high quality of solutions in this area is overseen by a person charged with responsibilities for creating, implementing and maintaining high standards related to the hiring of foreigners in corporate restaurants.

Foreigners are an important group, accounting for 17% of our employees.

PROVEN IN PRACTICE

A great example of our approach to the hiring of foreigners is the initiative of one of McDonald's Poland franchisees, Arkadiusz Jakubowski. Foreigners hired for work in one of the 8 restaurants he runs in and around Tri-City may count on comprehensive support in the difficult beginnings of life in a new country. Until they adapt to their new surroundings and are ready to look for their own place, the franchisee offers them accommodation in specially designed houses. Also, communication in English is mandatory during restaurant shifts involving at least several non-Polish-speaking employees.

Non-discrimination

We consistently apply a zero tolerance policy against discrimination to both our employees and guests. Mutual respect is our most important value.

We do not accept inappropriate or offensive comments, such as those based on a person's origin or skin color. We reserve the right to refuse service to people who are hostile. In our restaurants, everyone and at all times must feel safe and welcome.

Not only in our restaurants, but also in the Service Center and distribution centers, the Statement of Principles Against Workplace Harassment, Discrimination, Violence and Other Inappropriate Behaviors, consistent with McDonald's global Statement of Principles Against Discrimination, Harassment and Retaliation, applies without exceptions. We encourage our employees to inform us of any breaches of these Statements, guaranteeing confidentiality (anonymous contact is also possible) and protection from any adverse consequences of their notifications, provided that they are submitted in good faith. At the same time, we are reinforcing a culture of speaking openly about any incidents that are at odds with our values. For more information on reporting any irregularities, see the section "[Responsible internal governance](#)."

Addressing unequal treatment is also the foundation of our global set of principles – titled the People Brand Standards, which in the employee context apply to all franchisees. The Standards are applicable to all HR processes, from employee hiring to employee development to termination. These guidelines are implemented and reviewed annually in all restaurants within our system.

Guaranteeing equitable treatment, equal opportunities and freedom from harassment are among the pillars of our human rights policy. For more information about this area, see the section "[Responsible internal governance](#)." We also enforce responsible conduct in this area with our suppliers. For more on this topic, see the section "[Sustainable supply chain](#)."

0 confirmed cases of discrimination in our organization in 2023



Supporting growth

[GRI 3-3] • [GRI 404-1] • [GRI 404-2] • [GRI 404-3]

We are a leader of the foodservice industry not only in terms of the rate at which our business grows, but also in caring for the comprehensive development of our employees. We offer them training on a variety of topics – both in-house, using the knowledge and skills of experienced team members, and conducted by external experts.

We promote internal advancement, taking place in accordance with the career paths set out, and we look for people to work in the Service Center first among those employed in our network's restaurants.

At McDonald's, everyone has the opportunity to improve their competence and be promoted to a higher position. We believe in leveling the playing field and we focus on activities aimed at specific groups. An example is the financing of studies for a group of talented employees without a university degree.

PROVEN IN PRACTICE

We support the careers of young members of our teams who, for economic reasons, are unable to pursue higher education. Since 2018, we have been participating in a global McDonald's program called Youth Opportunity, aimed at employees at the beginning of their careers. As part of the program, we have made it possible for employees selected through an internal recruitment process to earn a bachelor's degree by financing their participation in the QSR (quick service restaurants) Management study program, which we are carried out jointly with Kozminski University in 2019–2022.

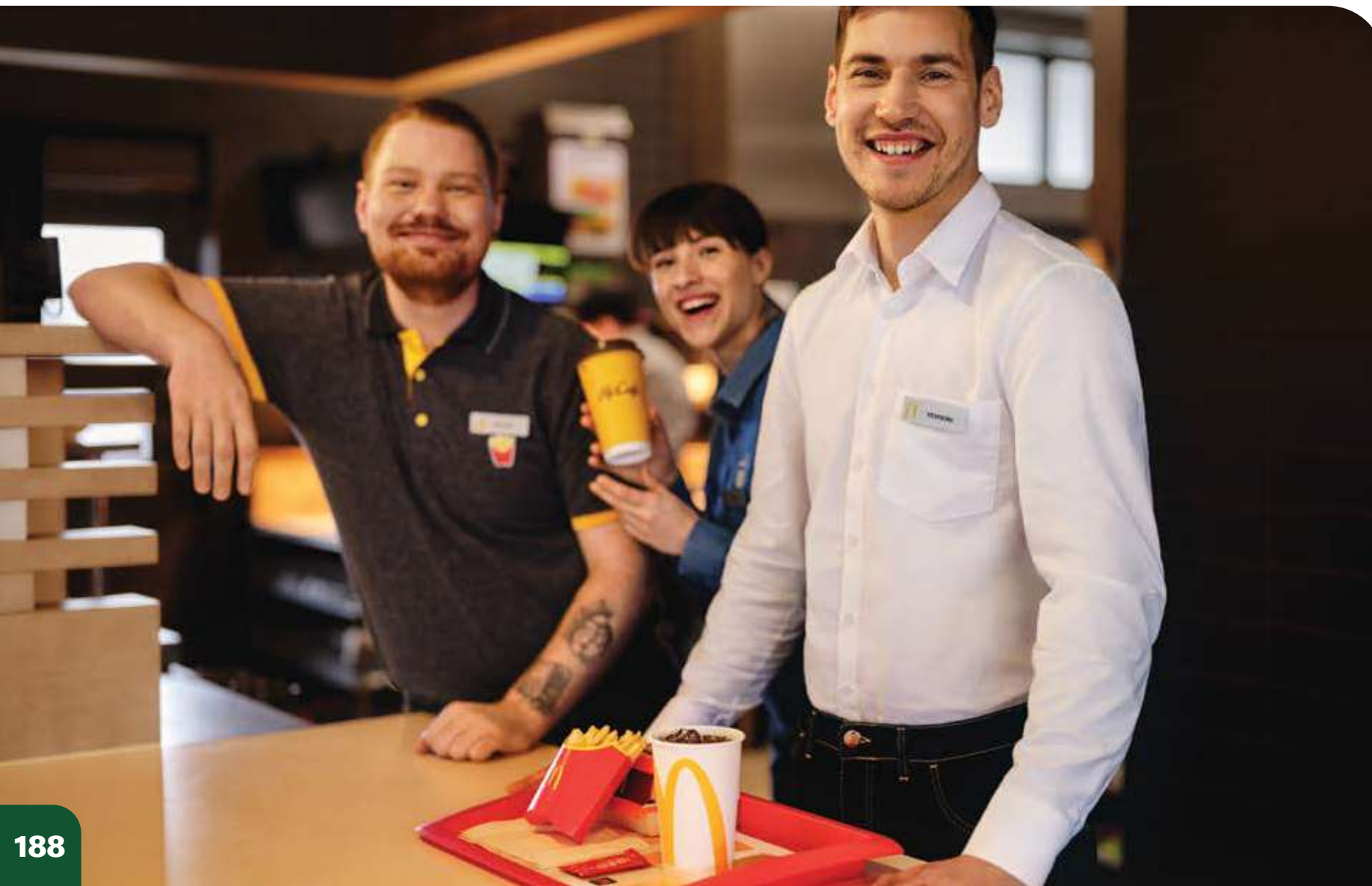
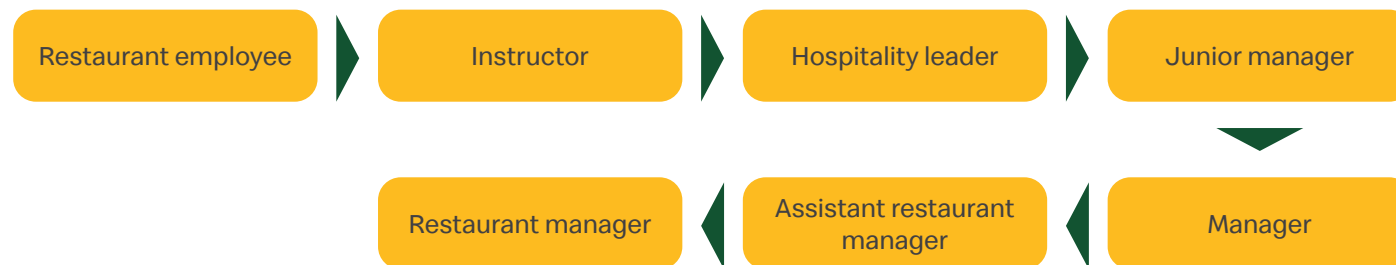
The study program, which prepared students for future management positions, included theoretical and practical knowledge in many areas, including team management, logistics, finance, marketing and environmental protection. Knowledge was transferred during classes and lectures at the university and during workshops and internships at McDonald's.



Training for restaurant employees

People who start working in the restaurants of our network are trained in the production area and in guest service. Both these training courses last at least two days and are conducted using the look, try and check method. They are delivered by internal instructors – experienced team members distinguished by their knowledge of operational standards and communication skills.

Career path at McDonald's



We identify employees with leadership potential

and encourage them to participate in a comprehensive, several months long program to develop the skills necessary for the restaurant manager position. In 2023, 150 individuals participated in the sixth edition of the Talent Development Program – more than twice as many as in 2021.

93,75%

of McDonald's Poland corporate restaurant managers were promoted from lower positions as at the end of 2023.

5556

participants in all workshops held as part of the Leadership Development Program in 2023*

* Each person was able to attend more than one of 6 different classes.

We are also investing in executives

as demonstrated by the Leadership Development Program implemented since 2018. It combines knowledge acquisition in the training room through workshops led by the L&D team and certified internal trainers from licensing organizations, self-study using online platforms and practical exercises in the restaurant.

Training materials for restaurant employees created by various McDonald's departments may be found on the internal Workplace communication platform and on the following training platforms:

Fred@McD

includes interactive manuals for trainees to help them prepare for training, and for their supervisors.

McCampus

contains e-learning courses and information on employee progress.

Average number of training hours* per restaurant employee in 2023:

By job type			
	Corporate restaurants	Franchise restaurants	Total restaurants
Management personnel**	168	141	144
Middle-level staff***	63	79	77
Lower-level staff****	99	118	115
TOTAL	93	109	107

* 1 training hour = 60 minutes. A set of initial training, including on-the-job instruction, is included.
 ** Restaurant managers.
 *** Assistant restaurant managers, managers and junior managers.
 **** Employees, instructors, hospitality leaders.

By gender			
	Corporate restaurants	Franchise restaurants	Total restaurants
Women	92	108	106
Men	95	112	110

Training for Service Center employees

We also provide this group with a broad range of development activities, including workshops and training conducted by internal and external trainers, Career Days, coaching and mentoring sessions, and discussion and inspiration panels. Some of these are one-time meetings, others last up to several months and are conducted both on-site and online.

People employed at our Service Center may follow different career paths. Some of them change positions to parallel ones, are sometimes seconded to work in other markets or global corporate structures, or participate in interdepartmental projects. For lower positions in the Service Center, we are eager to recruit young talent from our restaurants.

Average number of training hours per Service Center employee in 2023*:

Employee	Hours
Women	18
Men	16
Managers	20
Middle-level staff	14
Average	17

* Occupational health and safety training and ad hoc classes organized by units other than the Learning & Development Department are not included.

PROVEN IN PRACTICE

At McDonald's, everyone is offered an equal opportunity to grow. There is no shortage of inspiring growth stories among our employees. One of them was shared by **Krzysztof from the restaurant team in Knurów**.

I decided to find a job that, due to its flexible schedule, could be combine with my daytime studies. It turned out that the best possible choice was McDonalds. After only a dozen months, I was offered training to become an instructor and share the knowledge and skills I had gained with others. At McDonald's, the opportunity for advancement is at your fingertips. No one here is surprised by instructors in their twenties or by 18 or 19-year-old restaurant managers.





Training programs for Service Center employees implemented in 2023

Program name	Scope and formula	Type and number of participants
Inspire	<p>Program for so-called People Leaders, or people who manage or want to manage teams. It has a formula of a four-month development path, consisting of two elements:</p> <ul style="list-style-type: none"> • three workshops at the McDonald's Training Center, • self-study between sessions, using materials available in the digital Leader Library (short videos, tools to practice the knowledge learned). <p>Selected topics:</p> <ul style="list-style-type: none"> • how to manage emotions and help others in stressful situations, • how to be a good example for your team, • how to build trusting relationships in a team, • how to provide effective feedback, • how to prepare for and conduct difficult conversations, • how to build an inclusive work environment. 	17 People Leaders

Program name	Scope and formula	Type and number of participants
People Manager Connections	Training for leaders to increase their competence in leading others through organizational change.	49 People Leaders
Global Best Mentoring Program	Global program that pairs participants with mentoring colleagues from other countries. Lasts 8 months and includes at least 6 one-on-one meetings and inspirational webinars with invited guests.	v
ProgressJA	Series of webinars aimed at the entire Service Center team to inspire continuous development. In 2023, it included meetings such as "Good goals – or what kind of goals?", "Change as an integral part of our lives – make friends with change" and "Procrastination – how to deal with it."	All interested employees of the Service Center
ProgressJa in English	Individual classes with a teacher for employees whose daily duties require English language skills (approx. 90 hours per year).	35 people with English proficiency below B2 level

Training for franchisees

Since 2022, the number of our franchisees has been increasing by about 10 people per year. This presents us with a challenge and at the same time a responsibility to adequately prepare candidates for the role they take on for a minimum of 20 years.

We thoroughly prepare all franchisee candidates to run a restaurant. Training lasts between 9 and 12 months (depending on how many hours per week the person is able to devote). It takes place at a McDonald's location, where future franchisees perform tasks specific to each position in the restaurant. They also develop leadership competencies in a workshop format.

The various stages of training end with a test verifying knowledge of our procedures and standards, and an additional element of recruitment before training is the Harrison Assessment competency test. It allows the candidate's competencies to be examined in the most important areas crucial to successful res-

taurant management and to identify desirable and undesirable traits. The outcomes of the test are confronted during training and we reinforce the focus on development areas.

We also support individuals who are licensed as restaurant managers in the development of their leadership competencies and in strategic and innovative thinking. We provide them with consultations, training and workshops (which may last several months) and opportunities to participate in working groups. Several times a year, we organize sessions to inspire franchisees to reflect on their chosen team management style.



PROVEN IN PRACTICE

One of the tools for supporting franchisees in their leadership roles and in scaling the business is training through the McAcademy development program. This is a series of onsite or online meetings that improves licensees' competencies in various areas. Its second edition, McAcademy 2.0, was held in 2023, under the slogan "Versatility of leadership." Its participants attended meetings with external experts, media workshops, etc.

Feedback and support in development planning

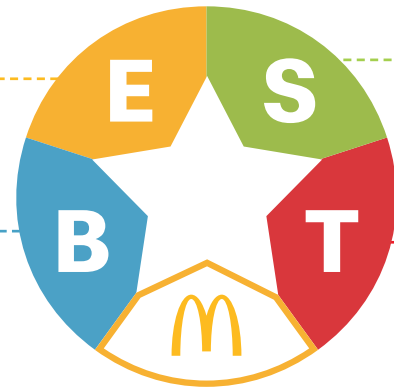
Once a year, employees of the Service Center and corporate restaurants are invited to meetings on their further development. These are **used to discuss employees' career aspirations and to support the development of an individual plan to enable its achievement**, known as the BEST Action Plan. It is based on the BEST competency model and identifies which competencies need to be strengthened and what actions need to be taken to achieve the goal.

Executive competences

- Ensuring consistency of activities with goals, priorities and strategy

Strategic competences

- Planning future activities based on a review of facts, data and information on guest needs



Key indicators of success

- Curiosity: open to continuous development, regardless of the position held
- Flexibility: in the way of thinking and acting (ability to adapt to changing circumstances), noticing patterns and trends (applying them to new, unfamiliar situations)
- Perseverance: taking on challenges with energy and optimism
- Relationality: building trust and earning the respect of others

Competencies related to building and developing teams

- Developing employees and teams
- Transparent communication
- Helping others overcome barriers on the road to change

76% of Service Center employees had career discussions with their superior in 2023.



ABOUT THIS REPORT



About this report

[GRI 2-2] • [GRI 2-3] • [GRI 2-4] • [GRI 2-5] • [GRI 2-29] • [GRI 3-1] • [GRI 3-2]

This publication is the second ESG report of McDonald's Poland Sp. z o.o. The first one was published in August 2022. It covers the period from 1 January to 31 December 2023, but to provide the necessary context, selected information for other periods is also included (such cases are clearly indicated). The figures presented herein may differ from the information presented in previous reports. For up-to-date data, please refer to the McDonald's Poland ESG Report 2023. The report describes the environmental, social and managerial dimensions of the organization's business. Unless otherwise noted in the text, the information and figures presented herein pertain to the Company's overall activities carried out within:

.01 its owned restaurants

Franchisees operate independent businesses and McDonald's Poland does not have access to some of the data on the restaurants they operate.

The scope of this publication overlaps with that of the Company's financial statements in the area of corporate restaurant operations and administrative activities, while the franchisees are independent businesses.

This document has been prepared in accordance with GRI Standards 2021, in cooperation with an **independent consulting firm**; it has been subjected to an **external review**. Amendments have been made to previously published data on the Company's carbon footprint and

.02 restaurants owned by its franchisees

emissions intensity – updated values may be found in the section *"On the path towards carbon neutrality."* Since the publication of the previous report, no significant changes have occurred in the line and form of McDonald's Poland's business or in the Company's ownership and structure.

.03 Service Center – a unit providing business support



The Company intends to prepare subsequent such reports every other year.

Defining the content of the publication

The topics for this document were selected in a materiality analysis process carried out in April and May 2024. It consisted of **examining the expectations of the organization's environment and employees** regarding what aspects of sustainability should be described herein.

For this purpose, the Company invited representatives of selected groups to complete an online survey (the main selection criterion was the strength of interactions, both actual and potential).

Stakeholders included in the materiality survey

- Service Center employees
- restaurant employees
- business customers/guests
- franchisees
- local administration
- local suppliers
- local communities
- non-governmental organizations
- companies operating in the industry
- business partners
- media

Participants in the survey assessed 31 issues deemed potentially relevant by the Company based on Global Reporting Initiative standards and industry specifics. A total of 479 people participated in the survey, with the highest number of responses obtained from Service Center and restaurant employees – 107 and 233, respectively.

average score from the employee survey and the average score given by other stakeholders. The arithmetic mean of all scores was taken as the cutoff point, that is topics rated above average were classified as significant.

The list of topics covered by our disclosures contains of 17 items. It includes 7 issues from the environmental area, 3 issues from the business area, 6 issues from the labor area and 1 issue from the social area.

Final scores for each topic were calculated using a weighted average, with 50% weight each given to the

Topics identified as being significant to McDonald's Poland:

- Economic performance (revenues, costs, wages, taxes, dividends, state aid)*
- Reliable and transparent information to customers; ethical marketing and sales
- Purchasing from local suppliers*
- Employment conditions (benefits, parental leave, employee turnover)*
- Employee health and safety
- Training and support for employee development*
- Diversity and equal opportunity in access to positions; equal pay for men and women*
- Counteracting potential cases of discrimination*
- Compensation of entry-level employees (relative to minimum wage)*
- Materials consumed by the Company*
- Waste minimization and recycling
- Energy consumption and ways to reduce it*
- Water consumption and ways to reduce it*
- Greenhouse gas emissions and ways to reduce them*
- Sustainable food production (beef, poultry, fish, coffee, oil, vegetable products)*
- Counteracting food waste
- Assessment of the health and safety impacts of products and services on customers

* - Issues not identified as significant in McDonald's Poland's 2021 ESG report.

Contact for the report:
Katarzyna Kucisz-Rosłoń, Senior Manager, Impact Team, McDonald's Poland
e-mail: katarzyna.kucisz-roslon@pl.mcd.com

GRI content index

McDonald's Poland Sp. z o.o. has prepared this report in accordance with GRI standards for the period from 1 January 2023 to 31 December 2023.

GRI 1: FOUNDATION 2021

GRI disclosure number	GRI disclosure name	Reporting option	Location in the report/commentary
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GRI 2: General Disclosures 2021

2-1	Organizational details	Full	Briefly about us
2-2	Entities included in the organization's sustainability reporting	Full	About this report
2-3	Reporting period, frequency and contact point	Full	About this report / Briefly about us
2-4	Restatements of information	Full	About this report
2-5	External assurance	Full	About this report
2-6	Activities, value chain and other business relationships	Full	Our products / Key suppliers / Briefly about us / We focus on cooperation
2-7	Employees	Full	HR
2-8	Workers who are not employees	Full	HR
2-9	Governance structure and composition	Full	Responsible internal governance
2-10	Nomination and selection of the highest governance body	Partial	Responsible internal governance
2-11	Chair of the highest governance body	Full	Responsible internal governance

GRI disclosure number	GRI disclosure name	Reporting option	Location in the report/commentary
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2-12	Role of the highest governance body in overseeing the management of impacts	Full	Sustainability management / Responsible internal governance
2-13	Delegation of responsibility for managing impacts	Full	Sustainability management / Responsible internal governance
2-14	Role of the highest governance body in sustainability reporting	Full	Responsible internal governance
2-15	Conflicts of interest	Full	Responsible internal governance / We focus on cooperation
2-16	Communication of critical concerns	Full	Sustainability management
2-17	Collective knowledge of the highest governance body	Full	Sustainability management
2-18	Evaluation of the performance of the highest governance body	Full	Responsible internal governance
2-19	Compensation policies	Full	Remuneration and employee benefits
2-20	Process to determine remuneration	Full	Remuneration and employee benefits
2-21	Annual total compensation indicator	None	Unable to obtain data
2-22	Statement on sustainable development strategy	Full	Interview with the President of the Management Board
2-23	Policy commitments	Full	Strategic goals / We act ethically / Values and mission
2-24	Embedding policy commitments	Full	Strategic goals / Our impact
2-25	Processes to remediate negative impacts	Partial	Our impact / Sustainability management
2-26	Mechanisms for seeking advice and raising concerns	Full	Responsible internal governance
2-27	Compliance with laws and regulations	Full	Responsible internal governance

GRI disclosure number	GRI disclosure name	Reporting option	Location in the report/commentary
2-28	Membership associations	Full	We focus on cooperation
2-29	Approach to stakeholder engagement	Full	About this report / We focus on cooperation
2-30	Collective bargaining agreements	Full	No collective bargaining agreements in the organization
GRI 3: Material Topics 2021			
3-1	Process to determine material topics	Full	About this report
3-2	List of material topics	Full	About this report
GRI 201: Economic Performance 2016			
3-3	Management of material topics	Full	Remuneration and employee benefits
202-1	Ratios of standard entry-level wages by gender, comparison with local minimum wage.	Full	Remuneration and employee benefits
GRI 202: Market Presence 2016			
3-3	Zarządzanie kluczowymi obszarami	Pełny	Wynagrodzenia i benefity
202-1	Stosunki standardowego wynagrodzenia na poziomie podstawowym z podziałem na płeć, porównanie z lokalną płacą minimalną.	Pełny	Wynagrodzenia i benefity
GRI 204: Procurement Practices 2016			
3-3	Management of material topics	Full	Key suppliers
204-1	Percentage of spending on local suppliers in major business locations	Full	Key suppliers

GRI disclosure number	GRI disclosure name	Reporting option	Location in the report/commentary
GRI 205: Anti-corruption 2016			
205-1	Operations assessed for risks related to corruption	Partial	Responsible internal governance
205-2	Communication and training about anti-corruption policies and procedures	Partial	Responsible internal governance
205-3	Confirmed incidents of corruption and actions taken	Full	Responsible internal governance
GRI 301: Materials 2016			
3-3	Management of material topics	Full	Sustainable restaurant solutions / Packaging strategy
301-1	Materials used by weight or volume	Full	Sustainable restaurant solutions / Packaging strategy
301-3	Reclaimed products and their packaging materials	Partial	Packaging strategy
GRI 302: Energy 2016			
3-3	Management of material topics	Full	On the path towards carbon neutrality
302-1	Energy consumption within the organization	Full	On the path towards carbon neutrality
GRI 303: Water and Effluents 2018			
3-3	Management of material topics	Full	Sustainable restaurant solutions
303-3	Water withdrawal	Partial	Sustainable restaurant solutions
GRI 305: Emissions 2016			
3-3	Management of material topics	Full	On the path towards carbon neutrality
305-1	Direct (Scope 1) GHG emissions	Full	On the path towards carbon neutrality

GRI disclosure number	GRI disclosure name	Reporting option	Location in the report/commentary
305-2	Energy indirect (Scope 2) GHG emissions	Full	On the path towards carbon neutrality
305-3	Other indirect (Scope 3) GHG emissions	Full	On the path towards carbon neutrality
305-4	GHG emissions intensity	Full	On the path towards carbon neutrality
305-5	Reduction of GHG emissions	Full	On the path towards carbon neutrality
GRI 306: Waste 2020			
3-3	Management of material topics	Full	Sustainable restaurant solutions
306-3	Waste generated	Full	Sustainable restaurant solutions
GRI 308: Supplier Environmental Assessment 2016			
308-1	New suppliers that were screened using environmental criteria	Partial	Sustainable supply chain
GRI 401: Employment 2016			
3-3	Management of material topics	Full	HR
401-1	Total number and rate of new employee hires and rate of employee turnover by age group, gender and region	Full	HR
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	Partial	Remuneration and employee benefits
GRI 403: Occupational Health and Safety 2018			
3-3	Management of material topics	Full	Work safety
403-1	Occupational health and safety management system	Full	Work safety

GRI disclosure number	GRI disclosure name	Reporting option	Location in the report/commentary
403-2	Hazard identification, risk assessment, and incident investigation	Full	Work safety
403-3	Occupational health services	Full	Work safety
403-5	Worker training on occupational health and safety	Full	Work safety
403-6	Promotion of worker health	Full	Work safety
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Full	Work safety
403-8	Workers covered by an occupational health and safety management system	Full	Work safety
403-9	Work-related injuries, occupational disease, lost days and absenteeism rates and number of work-related fatalities by region and gender	Full	Work safety
403-10	Work-related ill health	Full	Work safety
GRI 404: Training and Education 2016			
3-3	Management of material topics	Full	Supporting growth
404-1	Average hours of training per year per employee by gender and by employee category	Full	Supporting growth
404-2	Programs for upgrading employee skills and transition assistance programs	Full	Supporting growth
404-3	Percentage of employees receiving regular performance and career development reviews	Full	Supporting growth
GRI 405: Diversity and Equal Opportunity 2016			
3-3	Management of material topics	Full	Sustainable restaurant solutions
306-3	Waste generated	Full	Sustainable restaurant solutions

GRI disclosure number	GRI disclosure name	Reporting option	Location in the report/commentary
GRI 406: Non-discrimination 2016			
3-3	Management of material topics	Full	Diversity
406-1	Total number of discrimination cases and corrective measures taken in this regard	Full	Diversity
GRI 414: Supplier Social Assessment 2016			
414-1	New suppliers that were screened using social criteria	Partial	Sustainable supply chain
GRI 417: Marketing and Labeling 2016			
3-3	Management of material topics	Full	Product safety and quality
417-2	Incidents of non-compliance concerning product and service information and labeling	Full	Product safety and quality
417-3	Incidents of non-compliance concerning marketing communications	Full	We act ethically
GRI 418: Customer Privacy 2018			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Full	Responsible internal governance
Topic: Sustainable food production			
3-3	Management of material topics	Full	Sustainable supply chain
Own indicator 1	Certification of key products	Full	Sustainable supply chain
Topic: Counteracting food waste			
3-3	Management of material topics	Full	On the path towards carbon neutrality
Own indicator 2	Organizational solutions to minimize food waste	Full	On the path towards carbon neutrality



Ernst & Young Audyt Polska
 spółka z ograniczoną odpowiedzialnością sp. k.
 Rondo ONZ 1
 00-124 Warszawa

+48 (0) 22 557 70 00
 +48 (0) 22 557 70 01
 warszawa@pl.ey.com
 www.ey.com/pl

Independent limited assurance report

To the Management Board of McDonald's Polska Sp. z o. o.

Scope

We have been engaged by McDonald's Polska Sp. z o.o. (the "Company") to perform limited assurance engagement in relation to selected non-financial information presented in the McDonald's Polska ("the Company") "Report ESG 2023 (the "Report") prepared based on GRI Guidance issued by Global Reporting Initiative.

The following non-financial information (GRI indicators) in the Report were subject to verification: GRI 2-1, GRI 2-2, GRI 2-3, GRI 2-4, GRI 2-5, GRI 2-6, GRI 2-7, GRI 2-8, GRI 2-9, GRI 2-11, GRI 2-12, GRI 2-13, GRI 2-14, GRI 2-16, GRI 2-17, GRI 2-18, GRI 2-19, GRI 2-20, GRI 2-22, GRI 2-23, GRI 2-24, GRI 2-26, GRI 2-27, GRI 2-28, GRI 2-29, GRI 2-30, GRI 3-1, GRI 3-2, GRI 3-3, GRI 205-3, GRI 301-1, GRI 302-1, GRI 401-1, GRI 403-1, GRI 403-5, GRI 403-9, GRI 405-1, GRI 406-1, GRI 417-3 („Selected Information”).

The subject to our verification was only the Selected Information and other than as described in the preceding paragraph which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on the Report as a whole.

Management's responsibility

The Company's Management is responsible for preparation and presentation of the Report in accordance with GRI, in all material respects. This responsibility includes establishing and maintaining internal controls and making estimates that are relevant to the preparation and presentation of the Report, such that it is free from material misstatement, whether due to fraud or error.

Our responsibility

Our responsibility is to express a limited assurance conclusion on the presentation of the Selected Information included in the Report subject to our attestation service based on the evidence we have obtained.

We conducted our engagement in accordance with the *International Standard on Assurance Engagements 3000 Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*. Those standards require that we act in accordance with ethical requirements, as well as, plan and perform our engagement to obtain limited assurance about whether, in all material respects, the Selected Information is presented in accordance with GRI.

translation of a document originally issued in Polish



Ernst & Young Audyt Polska
spółka z ograniczoną odpowiedzialnością sp. k.
Rondo ONZ 1
00-124 Warszawa

+48 (0) 22 557 70 00
+48 (0) 22 557 70 01
warszawa@pl.ey.com
www.ey.com/pl

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

Our Independence and Quality Management

Our firm applies International Standard on Quality Management 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We comply with the requirements of independence and other requirements of professional ethics in accordance with the provisions of the International Ethics Standards Board for Accountants issued by the International Ethics Standards Board for Accountants (IESBA), which defines key principles of fairness, objectivity, professional competence, due care and confidentiality and professional conduct.

Summary of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Report and applying analytical and other appropriate procedures. Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls.

Our procedures performed with respect to the Selected Information were designed to obtain a limited level of assurance on which to base our conclusion and included:

- analysis and identification of Selected Information included in the Report;
- interviews with persons responsible for reporting non-financial information contained in the Report;
- comparing of Selected Information included in the Report with the received Company's documentation.



Ernst & Young Audyt Polska
spółka z ograniczoną odpowiedzialnością sp. k.
Rondo ONZ 1
00-124 Warszawa

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+48 (0) 22 557 70 01
warszawa@pl.ey.com
www.ey.com/pl

Conclusion

Based on our procedures and the evidence obtained, we have not identified anything that would indicate that the Selected Information defined in the *Scope* paragraph above are not in all material respects in line with the guidance of GRI.

Tomasz Michalak, Partner

Ernst & Young Audyt Polska spółka z ograniczoną odpowiedzialnością sp. k.

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