Press Release





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McDonald's Sets Global Goal to Reduce Barriers to Employment for Two-Million Youth; Invests \$2 Million in Chicago's Workforce; and Pledges to offer 43,000 apprenticeships across Europe

CHICAGO, III., August 22, 2018 – Today, McDonald's Corporation announced a new initiative called *Youth Opportunity*, with a global goal to reduce barriers to employment for two-million young people by 2025 through pre-employment job readiness training, employment opportunities and workplace development programs. As part of this goal, McDonald's is also joining the Global Initiative on Decent Jobs for Youth, led by the International Labour Organization (ILO), to help accelerate global efforts to tackle the youth employment challenge.

To kick off this initiative, the company will distribute \$1 million in grants to local community organizations in Chicago to deliver job readiness training for young people who have less access to opportunities. McDonald's will distribute a further \$1 million in grant money to Skills for Chicagoland's Future to develop a new apprenticeship program with City Colleges of Chicago. In Europe, McDonald's and participating Franchisees have also pledged to offer 43,000 apprenticeships by 2025 as one of the workplace development programs people can access.

"With 64 million young people unemployed worldwide, the youth employment challenge is vast and affects all countries. This new initiative by McDonald's has the potential to support many young women and men, especially in disadvantaged areas, with relevant skills for employability and targeted strategies to boost their transition into quality jobs — jobs that protect their rights and support their development. We welcome McDonald's decision to join the Global Initiative on Decent Jobs for Youth, whose goal is to bring positive change and hope to young people's lives through positive action. Such efforts are vital in helping us meet the UN Sustainable Development Goals," said Sukti Dasgupta, Chief, Employment and Labour Market Policies Branch, ILO.

"Around the world, too many young people are finding that, through no fault of their own, there are barriers to entry into the workplace. We believe this needs to change," said David Fairhurst, McDonald's Executive Vice President and Chief People Officer. "That is why McDonald's and participating Franchisees are expanding our existing world-class workplace training and education programs to go beyond those that we hire. Together, we will leverage our scale for good and help these young people to develop the core workplace skills they need to get a job and the opportunities they need to kick-start their career and achieve their true potential – whether at McDonald's or elsewhere."

Pre-employment Training

In partnership with local community organizations and the International Youth Foundation (IYF), which has over two decades experience in youth development around the world, McDonald's will offer a new pre-employment work-readiness and soft skills training program, designed to help young people develop the competencies employers are looking for in entry-level employees. McDonald's is piloting this initiative in Chicago, with **the goal of reducing barriers to employment for 4,000 young people in the city**, before rolling it out to select cities in the U.S. from 2019. In Latin America, Arcos Dorados – a McDonald's Franchisee – aims to reach 180,000 young people through existing pre-employment training programs, while other participating global markets will roll out the initiative through locally-relevant programs and partners from 2019.

"McDonald's investment in youth development stands to make a real impact in the United States and around the world in providing young people with both skills and opportunities for employment," said Susan Reichle, President, IYF.

McDonald's is bringing together four trusted community organizations – After School Matters, Skills for Chicagoland's Future, Phalanx Family Services and Central States SER – who will pair relevant skills training programs with a specialized version of IYF's *Passport to Success* curriculum, developed in partnership with McDonald's. Participants will learn valuable soft skills such as self-awareness and management, communication skills, problem solving and conflict management. In addition to being considered for job opportunities at McDonald's and Franchisee restaurants, graduates from the training will have the chance to pursue opportunities with potential employers across a variety of industries like healthcare, supply chain logistics and IT.

Employment Opportunities and Workplace Development Programs

Through the *Youth Opportunity* initiative, the company and participating franchisees want to attract a diverse pool of talent to their restaurants. They will continue to **provide job opportunities that young people need to kick-start their career** and to develop critical soft skills, such as teamwork, hospitality and decision making. Employees can also go on to access development programs, including **Hamburger University**, which has prepared more than 360,000 students for leadership positions in the restaurant industry, and **Archways to Opportunity**, which has awarded over \$26 million in high school and college tuition assistance to over 18,800 U.S. restaurant employees.

In Europe, McDonald's, including participating franchisees, has pledged to offer 43,000 apprenticeships by 2025 as one of the career development opportunities that young people can access. The apprenticeships combine workplace training and study, enabling people to gain practical work experience and new skills that will last a lifetime - all while earning money at the same time. These apprenticeships will be offered in the UK, Germany, the Netherlands, Italy and Switzerland, with the aim of expanding apprenticeships to other markets in the future. Through this pledge, McDonald's is also joining the European Alliance for Apprenticeships to help promote and improve access to vocational training for young people.

In the U.S., the company will grant \$1 million to Skills for Chicagoland's Future in support of a new apprenticeship program with City Colleges of Chicago. The program builds on City Colleges of Chicago's mission to deliver a quality, affordable education, work-based learning opportunities and a path to upward mobility for its students. Kicking off this fall, the pilot will enable 40 students to earn an associate degree in business while working toward a restaurant management role. The grant from McDonald's will provide scholarships to pay for time spent in class by any student who is an employee of a McDonald's franchisee. As part of this initiative, McDonald's has also joined the Chicago Apprenticeship Network to continue best practice sharing with other companies that are committed to expanding professional advancement through apprenticeships.

"There continues to be a disconnect between employers struggling to find qualified candidates and young adults looking for jobs. With its Youth Opportunity Initiative, McDonald's is sending a clear signal that they are investing in young people and their career pathways. We are proud to partner with McDonald's to identify and place young people into jobs as well as provide them job readiness services and connect them to mentoring resources to provide a holistic program to support them. This

approach puts the focus on an individual's potential – not their circumstance – and empowers Chicago's youth to turn that potential into achievement," said Marie Trzupek Lynch, founding President and CEO of Skills for Chicagoland's Future.

"Working with McDonald's and companies across Chicago, we are helping to create a more inclusive workforce and a more inclusive Chicago economy that allows people from all neighborhoods to contribute their abundant talents to our city," said Juan Salgado, Chancellor, City Colleges of Chicago. "With this work-based learning opportunity, McDonald's offers our students an invaluable chance to build work experience, professional connections, and align their academic and career paths on the way to earning their degree."

"Working with McDonald's and companies across Chicago, we are helping to create a more inclusive workforce and a more inclusive Chicago economy that allows people from all neighborhoods to contribute their abundant talents to our city," said Juan Salgado, Chancellor, City Colleges of Chicago. "With this work-based learning opportunity, McDonald's offers our students an invaluable chance to build work experience, professional connections, and align their academic and career paths on the way to earning their degree."

Young adults interested in applying to this new Chicago apprenticeship program should visit <u>www.scfjobs.com/mcdonalds</u>.

About Scale for Good

Youth Opportunity is the fifth McDonald's commitment, launched between 2017 and 2018, dedicated to using the company's <u>Scale for Good</u>. It follows bold pledges to drive beef sustainability, improve packaging and reduce waste, cut greenhouse gas emissions, and offer more balanced choices and recommended food groups for Happy Meals.

About McDonald's

McDonald's is the world's leading global foodservice retailer with over 37,000 locations in 120 markets around the world. Over 90 percent of McDonald's restaurants worldwide are owned and operated by independent local businessmen and women.

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About our partners

International Youth Foundation

International Youth Foundation (IYF) is a globally recognized NGO that has led and sustained coordinated action to harness the talent and potential of the world's youth for more than 25 years. IYF has a long standing record of successfully working with corporations and organizations to prepare young people to succeed as citizens and employees.

Decent Jobs for Youth

Decent Jobs for Youth is the global initiative, led by the International Labour Organization, to tackle the issue of youth employment and to ensure that young people have access to decent work, in line with the 2030 Agenda for Sustainable Development. Launched in 2016, with endorsement from the executive heads of the United Nations, Decent Jobs for Youth brings together the resources and expertise of diverse partners to maximize the positive impact of investments in youth employment.

European Alliance for Apprenticeships

The European Alliance for Apprenticeships is a platform which brings together governments with other key stakeholders, like businesses, social partners, vocational education and training (VET) providers, youth representatives and think tanks, under the common goal of strengthening the quality, supply and image of apprenticeships in Europe.

Chicago Apprenticeship Network

Created by Aon and Accenture in 2017, the network convenes companies from across Chicago who are committed to expanding professional advancement through apprenticeship programs. The group

fosters exchange of ideas, key learnings and best practices in the city to create programs that deliver sustainable outcomes for students and employers alike.

Skills for Chicagoland's Future

Skills for Chicagoland's Future (Skills) is a non-profit organization focused on providing Chicagoland's employers with a talent pipeline. Skills works closely with more than 50 employer partners across Chicagoland to understand and meet their hiring needs while creating employment opportunities and economic mobility for underemployed and unemployed job seekers.

City Colleges of Chicago

City Colleges of Chicago prepares more than 80,000 students annually with a quality, affordable education leading to transfer, careers, and a path to upward mobility. City Colleges encompasses seven colleges: Richard J. Daley College, Kennedy-King College, Malcolm X College, Olive-Harvey College, Harry S Truman College, Wilbur Wright College and Harold Washington College, five satellite sites: Dawson Technical Institute, South Chicago Learning Center, Arturo Velasquez Institute, Wright-Humboldt Park, and the Westside Learning Center, along with the Washburne Culinary & Hospitality Institute. For more information about City Colleges of Chicago, or for registration information, call (773) COLLEGE or visit www.ccc.edu.

After School Matters

After School Matters (ASM) is a Chicago-based non-profit organization that aims to positively develop Chicago students through innovative out-of-school programming. Today, ASM is the largest after school service provider in Chicago, reaching 17,000 students in over 419 sites throughout the city.

Phalanx Family Services

Phalanx Family Services (PFS) is a non-profit based who has been working with adults and youth living in the South Side of Chicago since 2002. PFS helps young people in economically and socially disadvantaged communities secure good, entry-level jobs.

Central States SER

Central States SER (CSSER) is a non-profit organization based in the Little Village neighborhood of Chicago whose mission is to promote the economic self-sufficiency and upward mobility of low income residents through education and employment. For over 30 years CSSER has been providing personalized services to approximately 12,000 marginalized and disadvantaged individuals to help them achieve their academic and career goals.

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