

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

Form 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2022

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number: 001-36786

RESTAURANT BRANDS INTERNATIONAL INC.

(Exact Name of Registrant as Specified in its Charter)

Canada
(State or Other Jurisdiction of
Incorporation or Organization)

98-1202754
(I.R.S. Employer
Identification No.)

130 King Street West, Suite 300
Toronto, Ontario
(Address of Principal Executive Offices)

M5X 1E1
(Zip Code)

(905) 339-6011
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbols</u>	<u>Name of each exchange on which registered</u>
Common Shares, without par value	QSR	New York Stock Exchange Toronto Stock Exchange

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

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Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
Emerging growth company	<input type="checkbox"/>		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of April 26, 2022, there were 308,777,102 common shares of the Registrant outstanding.

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RESTAURANT BRANDS INTERNATIONAL INC. AND SUBSIDIARIES

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PART I — Financial Information**Item 1. Financial Statements**

RESTAURANT BRANDS INTERNATIONAL INC. AND SUBSIDIARIES
Condensed Consolidated Balance Sheets
(In millions of U.S. dollars, except share data)
(Uunaudited)

	As of	
	March 31, 2022	December 31, 2021
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 895	\$ 1,087
Accounts and notes receivable, net of allowance of \$27 and \$18, respectively	593	547
Inventories, net	108	96
Prepays and other current assets	90	86
Total current assets	1,686	1,816
Property and equipment, net of accumulated depreciation and amortization of \$1,014 and \$979, respectively	2,023	2,035
Operating lease assets, net	1,137	1,130
Intangible assets, net	11,451	11,417
Goodwill	6,050	6,006
Net investment in property leased to franchisees	82	80
Other assets, net	743	762
Total assets	\$ 23,172	\$ 23,246
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts and drafts payable	\$ 637	\$ 614
Other accrued liabilities	917	947
Gift card liability	169	221
Current portion of long-term debt and finance leases	105	96
Total current liabilities	1,828	1,878
Long-term debt, net of current portion	12,903	12,916
Finance leases, net of current portion	337	333
Operating lease liabilities, net of current portion	1,074	1,070
Other liabilities, net	1,689	1,822
Deferred income taxes, net	1,380	1,374
Total liabilities	19,211	19,393
Shareholders' equity:		
Common shares, no par value; Unlimited shares authorized at March 31, 2022 and December 31, 2021; 308,684,403 shares issued and outstanding at March 31, 2022; 309,025,068 shares issued and outstanding at December 31, 2021	2,059	2,156
Retained earnings	804	791
Accumulated other comprehensive income (loss)	(573)	(710)
Total Restaurant Brands International Inc. shareholders' equity	2,290	2,237
Noncontrolling interests	1,671	1,616
Total shareholders' equity	3,961	3,853
Total liabilities and shareholders' equity	\$ 23,172	\$ 23,246

See accompanying notes to condensed consolidated financial statements.

RESTAURANT BRANDS INTERNATIONAL INC. AND SUBSIDIARIES

Condensed Consolidated Statements of Operations

(In millions of U.S. dollars, except per share data)

(Unaudited)

	Three Months Ended March 31,	
	2022	2021
Revenues:		
Sales	\$ 609	\$ 507
Franchise and property revenues	615	548
Advertising revenues and other services	227	205
Total revenues	<u>1,451</u>	<u>1,260</u>
Operating costs and expenses:		
Cost of sales	494	401
Franchise and property expenses	130	116
Advertising expenses and other services	247	237
General and administrative expenses	133	104
(Income) loss from equity method investments	13	2
Other operating expenses (income), net	(16)	(42)
Total operating costs and expenses	<u>1,001</u>	<u>818</u>
Income from operations	450	442
Interest expense, net	127	124
Income before income taxes	323	318
Income tax expense	53	47
Net income	<u>270</u>	<u>271</u>
Net income attributable to noncontrolling interests (Note 13)	87	92
Net income attributable to common shareholders	<u>\$ 183</u>	<u>\$ 179</u>
Earnings per common share		
Basic	\$ 0.59	\$ 0.59
Diluted	\$ 0.59	\$ 0.58
Weighted average shares outstanding (in millions):		
Basic	309	306
Diluted	458	465

See accompanying notes to condensed consolidated financial statements.

RESTAURANT BRANDS INTERNATIONAL INC. AND SUBSIDIARIES

Condensed Consolidated Statements of Comprehensive Income (Loss)

(In millions of U.S. dollars)

(Unaudited)

	Three Months Ended March 31,	
	2022	2021
Net income	\$ 270	\$ 271
Foreign currency translation adjustment	57	54
Net change in fair value of net investment hedges, net of tax of \$25 and \$20	(35)	29
Net change in fair value of cash flow hedges, net of tax of \$(60) and \$(33)	161	95
Amounts reclassified to earnings of cash flow hedges, net of tax of \$(7) and \$(8)	21	24
Gain (loss) recognized on other, net of tax of \$0 and \$0	1	1
Other comprehensive income (loss)	205	203
Comprehensive income (loss)	475	474
Comprehensive income (loss) attributable to noncontrolling interests	152	160
Comprehensive income (loss) attributable to common shareholders	<u>\$ 323</u>	<u>\$ 314</u>

See accompanying notes to condensed consolidated financial statements.

RESTAURANT BRANDS INTERNATIONAL INC. AND SUBSIDIARIES

Condensed Consolidated Statement of Shareholders' Equity

(In millions of U.S. dollars, except shares and per share data)

(Unaudited)

	Issued Common Shares		Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Noncontrolling Interest	Total
	Shares	Amount				
Balances at December 31, 2021	309,025,068	\$ 2,156	\$ 791	\$ (710)	\$ 1,616	\$ 3,853
Stock option exercises	87,177	3	—	—	—	3
Share-based compensation	—	24	—	—	—	24
Issuance of shares	906,260	13	—	—	—	13
Dividends declared (\$0.54 per share)	—	—	(167)	—	—	(167)
Dividend equivalents declared on restricted stock units	—	3	(3)	—	—	—
Distributions declared by Partnership on Partnership exchangeable units (\$0.54 per unit)	—	—	—	—	(78)	(78)
Exchange of Partnership exchangeable units for RBI common shares	1,525,900	21	—	(3)	(18)	—
Repurchase of RBI common shares	(2,860,002)	(161)	—	—	—	(161)
Restaurant VIE contributions (distributions)	—	—	—	—	(1)	(1)
Net income	—	—	183	—	87	270
Other comprehensive income (loss)	—	—	—	140	65	205
Balances at March 31, 2022	308,684,403	\$ 2,059	\$ 804	\$ (573)	\$ 1,671	\$ 3,961

See accompanying notes to condensed consolidated financial statements.

RESTAURANT BRANDS INTERNATIONAL INC. AND SUBSIDIARIES

Condensed Consolidated Statement of Shareholders' Equity

(In millions of U.S. dollars, except shares and per share data)

(Unaudited)

	Issued Common Shares		Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Noncontrolling Interest	Total
	Shares	Amount				
Balances at December 31, 2020	304,718,749	\$ 2,399	\$ 622	\$ (854)	\$ 1,554	\$ 3,721
Stock option exercises	530,963	20	—	—	—	20
Share-based compensation	—	22	—	—	—	22
Issuance of shares	1,636,858	9	—	—	—	9
Dividends declared (\$0.53 per share)	—	—	(163)	—	—	(163)
Dividend equivalents declared on restricted stock units	—	3	(3)	—	—	—
Distributions declared by Partnership on Partnership exchangeable units (\$0.53 per unit)	—	—	—	—	(82)	(82)
Exchange of Partnership exchangeable units for RBI common shares	72,671	1	—	—	(1)	—
Restaurant VIE contributions (distributions)	—	—	—	—	1	1
Net income	—	—	179	—	92	271
Other comprehensive income (loss)	—	—	—	135	68	203
Balances at March 31, 2021	306,959,241	\$ 2,454	\$ 635	\$ (719)	\$ 1,632	\$ 4,002

See accompanying notes to condensed consolidated financial statements.

RESTAURANT BRANDS INTERNATIONAL INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows
(In millions of U.S. dollars)
(Unaudited)

	Three Months Ended March 31,	
	2022	2021
Cash flows from operating activities:		
Net income	\$ 270	\$ 271
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	49	49
Amortization of deferred financing costs and debt issuance discount	7	7
(Income) loss from equity method investments	13	2
(Gain) loss on remeasurement of foreign denominated transactions	(21)	(43)
Net (gains) losses on derivatives	18	20
Share-based compensation and non-cash incentive compensation expense	27	26
Deferred income taxes	(16)	14
Other	9	(8)
Changes in current assets and liabilities, excluding acquisitions and dispositions:		
Accounts and notes receivable	(46)	24
Inventories and prepaids and other current assets	(22)	(4)
Accounts and drafts payable	18	19
Other accrued liabilities and gift card liability	(91)	(117)
Tenant inducements paid to franchisees	(2)	—
Other long-term assets and liabilities	21	6
Net cash provided by operating activities	234	266
Cash flows from investing activities:		
Payments for property and equipment	(10)	(15)
Net proceeds from disposal of assets, restaurant closures, and franchisings	4	11
Settlement/sale of derivatives, net	3	2
Other investing activities, net	4	(5)
Net cash (used for) provided by investing activities	1	(7)
Cash flows from financing activities:		
Proceeds from long-term debt	1	—
Repayments of long-term debt and finance leases	(21)	(27)
Payment of dividends on common shares and distributions on Partnership exchangeable units	(241)	(239)
Repurchase of common shares	(161)	—
Proceeds from stock option exercises	3	20
(Payments) proceeds from derivatives	(6)	(16)
Other financing activities, net	(1)	1
Net cash (used for) provided by financing activities	(426)	(261)
Effect of exchange rates on cash and cash equivalents	(1)	5
Increase (decrease) in cash and cash equivalents	(192)	3
Cash and cash equivalents at beginning of period	1,087	1,560
Cash and cash equivalents at end of period	<u>\$ 895</u>	<u>\$ 1,563</u>
Supplemental cash flow disclosures:		
Interest paid	\$ 75	\$ 72
Income taxes paid	\$ 42	\$ 96

See accompanying notes to condensed consolidated financial statements.

RESTAURANT BRANDS INTERNATIONAL INC. AND SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements

(Unaudited)

Note 1. Description of Business and Organization

Restaurant Brands International Inc. (the “Company”, “RBI”, “we”, “us” or “our”) is a Canadian corporation that serves as the sole general partner of Restaurant Brands International Limited Partnership (“Partnership”). We franchise and operate quick service restaurants serving premium coffee and other beverage and food products under the *Tim Hortons®* brand (“Tim Hortons” or “TH”), fast food hamburgers principally under the *Burger King®* brand (“Burger King” or “BK”), chicken under the *Popeyes®* brand (“Popeyes” or “PLK”) and sandwiches under the *Firehouse Subs®* brand (“Firehouse” or “FHS”). We are one of the world’s largest quick service restaurant, or QSR, companies as measured by total number of restaurants. As of March 31, 2022, we franchised or owned 5,320 Tim Hortons restaurants, 19,266 Burger King restaurants, 3,771 Popeyes restaurants and 1,219 Firehouse Subs restaurants, for a total of 29,576 restaurants, and operate in more than 100 countries. Approximately 100% of current system-wide restaurants are franchised.

All references to “\$” or “dollars” are to the currency of the United States unless otherwise indicated. All references to “Canadian dollars” or “C\$” are to the currency of Canada unless otherwise indicated.

Note 2. Basis of Presentation and Consolidation

We have prepared the accompanying unaudited condensed consolidated financial statements (the “Financial Statements”) in accordance with the rules and regulations of the Securities and Exchange Commission (the “SEC”) for interim financial information. Accordingly, they do not include all of the information and footnotes required by accounting principles generally accepted in the United States of America (“U.S. GAAP”) for complete financial statements. Therefore, the Financial Statements should be read in conjunction with the audited consolidated financial statements contained in our Annual Report on Form 10-K filed with the SEC and Canadian securities regulatory authorities on February 23, 2022.

The Financial Statements include our accounts and the accounts of entities in which we have a controlling financial interest, the usual condition of which is ownership of a majority voting interest. Investments in other affiliates that are owned 50% or less where we have significant influence are accounted for by the equity method. All material intercompany balances and transactions have been eliminated in consolidation.

We are the sole general partner of Partnership and, as such we have the exclusive right, power and authority to manage, control, administer and operate the business and affairs and to make decisions regarding the undertaking and business of Partnership, subject to the terms of the amended and restated limited partnership agreement of Partnership (the “partnership agreement”) and applicable laws. As a result, we consolidate the results of Partnership and record a noncontrolling interest in our condensed consolidated balance sheets and statements of operations with respect to the remaining economic interest in Partnership we do not hold.

We also consider for consolidation entities in which we have certain interests, where the controlling financial interest may be achieved through arrangements that do not involve voting interests. Such an entity, known as a variable interest entity (“VIE”), is required to be consolidated by its primary beneficiary. The primary beneficiary is the entity that possesses the power to direct the activities of the VIE that most significantly impact its economic performance and has the obligation to absorb losses or the right to receive benefits from the VIE that are significant to it. Our maximum exposure to loss resulting from involvement with VIEs is attributable to accounts and notes receivable balances, outstanding loan guarantees and future lease payments, where applicable.

As our franchise and master franchise arrangements provide the franchise and master franchise entities the power to direct the activities that most significantly impact their economic performance, we do not consider ourselves the primary beneficiary of any such entity that might be a VIE.

Tim Hortons has historically entered into certain arrangements in which an operator acquires the right to operate a restaurant, but Tim Hortons owns the restaurant’s assets. We perform an analysis to determine if the legal entity in which operations are conducted is a VIE and consolidate a VIE entity if we also determine Tim Hortons is the entity’s primary beneficiary (“Restaurant VIEs”). As of March 31, 2022 and December 31, 2021, we determined that we are the primary beneficiary of 45 and 46 Restaurant VIEs, respectively, and accordingly, have consolidated the results of operations, assets and

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liabilities, and cash flows of these Restaurant VIEs in our Financial Statements. Material intercompany accounts and transactions have been eliminated in consolidation.

In the opinion of management, all adjustments (consisting of normal recurring adjustments) necessary for a fair presentation have been included in the Financial Statements. The results for interim periods are not necessarily indicative of the results that may be expected for any other interim period or for the full year.

The preparation of consolidated financial statements in conformity with U.S. GAAP and related rules and regulations of the SEC requires our management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and the related disclosure of contingent assets and liabilities. Actual results could differ from these estimates.

The carrying amounts for cash and cash equivalents, accounts and notes receivable and accounts and drafts payable approximate fair value based on the short-term nature of these amounts.

Certain prior year amounts in the accompanying Financial Statements and notes to the Financial Statements have been reclassified in order to be comparable with the current year classification. These consist of the year-to-date March 31, 2021 reclassification of technology fee revenues from Franchise and property revenues to Advertising revenues and other services and technology expenses from General and administrative expenses to Advertising expenses and other services, both of which were not significant for the three months ended March 31, 2021. These reclassifications did not arise as a result of any changes to accounting policies and relate entirely to presentation with no effect on previously reported net income.

Note 3. New Accounting Pronouncements

Accounting Relief for the Transition Away from LIBOR and Certain other Reference Rates – In March 2020 and as clarified in January 2021, the Financial Accounting Standards Board (“FASB”) issued guidance which provides optional expedients and exceptions for applying U.S. GAAP to contracts, hedging relationships, and other transactions that reference LIBOR or another reference rate expected to be discontinued because of reference rate reform. This amendment is effective as of March 12, 2020 through December 31, 2022. The expedients and exceptions provided by this new guidance do not apply to contract modifications made and hedging relationships entered into or evaluated after December 31, 2022, except for hedging relationships existing as of December 31, 2022, that an entity has elected certain optional expedients for and that are retained through the end of the hedging relationships. During the third quarter of 2021, we adopted certain of the expedients as it relates to hedge accounting as certain of our debt agreements and hedging relationships bear interest at variable rates, primarily U.S. dollar LIBOR. The adoption of and future elections under this new guidance did not and are not expected to have a material impact on our Financial Statements. We will continue to monitor the discontinuance of LIBOR on our debt agreements and hedging relationships.

Lessors—Certain Leases with Variable Lease Payments – In July 2021, the FASB issued guidance that requires lessors to classify and account for a lease with variable lease payments that do not depend on a reference index or a rate as an operating lease if (a) the lease would have been classified as a sales-type lease or a direct financing lease in accordance with lease classification criteria and (b) the lessor would have otherwise recognized a day-one loss. This amendment is effective in 2022 with early adoption permitted. This guidance may be applied either retrospectively to leases that commenced or were modified on or after the adoption of lease guidance we adopted in 2019 or prospectively to leases that commence or are modified on or after the date that this new guidance is applied. The adoption of this new guidance during the three months ended March 31, 2022 did not have a material impact on our Financial Statements.

Note 4. Firehouse Acquisition

On December 15, 2021, we completed the acquisition of Firehouse Subs (the “Firehouse Acquisition”) which complements RBI’s existing portfolio. Like RBI’s other brands, the *Firehouse Subs* brand is managed independently, while benefiting from the global scale and resources of RBI. The Firehouse Acquisition was accounted for as a business combination using the acquisition method of accounting.

Total consideration in connection with the Firehouse Acquisition was \$1,018 million, subject to potential further post-closing adjustments. The consideration was funded through cash on hand and \$533 million of incremental borrowings under our senior secured term loan facility.

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Fees and expenses related to the Firehouse Acquisition and related financings (“FHS Transaction costs”) totaled \$1 million during the three months ended March 31, 2022, consisting of professional fees, compensation related expenses and integration costs which are classified as general and administrative expenses in the accompanying condensed consolidated statements of operations.

During the three months ended March 31, 2022, we adjusted our preliminary estimate of the fair value of net assets acquired. The preliminary allocation of consideration to the net tangible and intangible assets acquired is presented in the table below (in millions):

	December 15, 2021
Total current assets	\$ 21
Property and equipment	4
<i>Firehouse Subs</i> brand	768
Operating lease assets	9
Total liabilities	(48)
Total identifiable net assets	754
Goodwill	264
Total consideration	\$ 1,018

The adjustments to the preliminary estimate of net assets acquired and a decrease in total consideration resulted in a corresponding increase in estimated goodwill due to the following changes to preliminary estimates of fair values and allocation of purchase price (in millions):

	Increase (Decrease) in Goodwill
Change in:	
Operating lease assets	\$ (9)
Total liabilities	35
Total consideration	(15)
Total increase in goodwill	\$ 11

The purchase price allocation reflects preliminary fair value estimates based on management's analysis, including preliminary work performed by third-party valuation specialists. We will continue to obtain information to assist in determining the fair value of net assets acquired during the measurement period.

The *Firehouse Subs* brand has been assigned an indefinite life and, therefore, will not be amortized, but rather tested annually for impairment. Goodwill attributable to the Firehouse Acquisition will be amortized and deductible for tax purposes. Goodwill is considered to represent the value associated with the workforce and synergies anticipated to be realized as a combined company. We have not yet allocated goodwill related to the Firehouse Acquisition to reporting units for goodwill impairment testing purposes. Goodwill will be allocated to reporting units when the purchase price allocation is finalized during the measurement period.

The results of operations of Firehouse Subs have been included in our unaudited condensed consolidated financial statements for the three months ended March 31, 2022. The Firehouse Acquisition is not material to our unaudited condensed consolidated financial statements, and therefore, supplemental pro forma financial information for 2021 related to the acquisition is not included herein.

Note 5. Leases

Property revenues consist primarily of lease income from operating leases and earned income on direct financing leases and sales-type leases with franchisees as follows (in millions):

	Three Months Ended March 31,	
	2022	2021
Lease income - operating leases		
Minimum lease payments	\$ 113	\$ 113
Variable lease payments	73	66
Amortization of favorable and unfavorable income lease contracts, net	—	1
Subtotal - lease income from operating leases	186	180
Earned income on direct financing and sales-type leases	2	2
Total property revenues	\$ 188	\$ 182

Note 6. Revenue Recognition

Contract Liabilities

Contract liabilities consist of deferred revenue resulting from initial and renewal franchise fees paid by franchisees, as well as upfront fees paid by master franchisees, which are generally recognized on a straight-line basis over the term of the underlying agreement. We may recognize unamortized upfront fees when a contract with a franchisee or master franchisee is modified and is accounted for as a termination of the existing contract. We classify these contract liabilities as Other liabilities, net in our condensed consolidated balance sheets. The following table reflects the change in contract liabilities between December 31, 2021 and March 31, 2022 (in millions):

Contract Liabilities	TH	BK	PLK	FHS	Consolidated
Balance at December 31, 2021	\$ 65	\$ 410	\$ 56	\$ —	\$ 531
Effect of business combination	—	—	—	8	8
Recognized during period and included in the contract liability balance at the beginning of the year	(2)	(11)	(2)	—	(15)
Increase, excluding amounts recognized as revenue during the period	3	9	3	—	15
Impact of foreign currency translation	—	(4)	—	—	(4)
Balance at March 31, 2022	<u>\$ 66</u>	<u>\$ 404</u>	<u>\$ 57</u>	<u>\$ 8</u>	<u>\$ 535</u>

The following table illustrates estimated revenues expected to be recognized in the future related to performance obligations that are unsatisfied (or partially unsatisfied) as of March 31, 2022 (in millions):

Contract liabilities expected to be recognized in	TH	BK	PLK	FHS	Consolidated
Remainder of 2022	\$ 8	\$ 26	\$ 3	\$ 1	\$ 38
2023	10	33	4	2	49
2024	9	32	4	1	46
2025	8	32	4	1	45
2026	7	31	3	1	42
Thereafter	24	250	39	2	315
Total	<u>\$ 66</u>	<u>\$ 404</u>	<u>\$ 57</u>	<u>\$ 8</u>	<u>\$ 535</u>

Disaggregation of Total Revenues

Total revenues consist of the following (in millions):

	Three Months Ended March 31,	
	2022	2021
Sales	\$ 609	\$ 507
Royalties	403	346
Property revenues	188	182
Franchise fees and other revenue	24	20
Advertising revenues and other services	227	205
Total revenues	<u><u>\$ 1,451</u></u>	<u><u>\$ 1,260</u></u>

Note 7. Earnings per Share

An economic interest in Partnership common equity is held by the holders of Class B exchangeable limited partnership units (the “Partnership exchangeable units”), which is reflected as a noncontrolling interest in our equity. See Note 13, *Shareholders’ Equity*.

Basic and diluted earnings per share is computed using the weighted average number of shares outstanding for the period. We apply the treasury stock method to determine the dilutive weighted average common shares represented by outstanding equity awards, unless the effect of their inclusion is anti-dilutive. The diluted earnings per share calculation assumes conversion of 100% of the Partnership exchangeable units under the “if converted” method. Accordingly, the numerator is also adjusted to include the earnings allocated to the holders of noncontrolling interests.

The following table summarizes the basic and diluted earnings per share calculations (in millions, except per share amounts):

	Three Months Ended March 31,	
	2022	2021
Numerator:		
Net income attributable to common shareholders - basic	\$ 183	\$ 179
Add: Net income attributable to noncontrolling interests	86	91
Net income available to common shareholders and noncontrolling interests - diluted	<u><u>\$ 269</u></u>	<u><u>\$ 270</u></u>
Denominator:		
Weighted average common shares - basic	309	306
Exchange of noncontrolling interests for common shares (Note 13)	145	155
Effect of other dilutive securities	4	4
Weighted average common shares - diluted	<u><u>458</u></u>	<u><u>465</u></u>
Basic earnings per share (a)	\$ 0.59	\$ 0.59
Diluted earnings per share (a)	\$ 0.59	\$ 0.58
Anti-dilutive securities outstanding	4	5

(a) Earnings per share may not recalculate exactly as it is calculated based on unrounded numbers.

Note 8. Intangible Assets, net and Goodwill

Intangible assets, net and goodwill consist of the following (in millions):

	As of					
	March 31, 2022			December 31, 2021		
	Gross	Accumulated Amortization	Net	Gross	Accumulated Amortization	Net
Identifiable assets subject to amortization:						
Franchise agreements	\$ 718	\$ (295)	\$ 423	\$ 722	\$ (290)	\$ 432
Favorable leases	101	(62)	39	104	(63)	41
Subtotal	<u>819</u>	<u>(357)</u>	<u>462</u>	<u>826</u>	<u>(353)</u>	<u>473</u>
Indefinite-lived intangible assets:						
<i>Tim Hortons</i> brand	\$ 6,757	\$ —	\$ 6,757	\$ 6,695	\$ —	\$ 6,695
<i>Burger King</i> brand	2,109	—	2,109	2,126	—	2,126
<i>Popeyes</i> brand	1,355	—	1,355	1,355	—	1,355
<i>Firehouse Subs</i> brand	768	—	768	768	—	768
Subtotal	<u>10,989</u>	<u>—</u>	<u>10,989</u>	<u>10,944</u>	<u>—</u>	<u>10,944</u>
Intangible assets, net			<u><u>\$ 11,451</u></u>			<u><u>\$ 11,417</u></u>
Goodwill						
Tim Hortons segment	\$ 4,344			\$ 4,306		
Burger King segment	596			601		
Popeyes segment	846			846		
Firehouse Subs segment	264			253		
Total	<u>\$ 6,050</u>			<u>\$ 6,006</u>		

Amortization expense on intangible assets totaled \$10 million for the three months ended March 31, 2022 and 2021. The change in the brands and goodwill balances during the three months ended March 31, 2022 was due to the impact of foreign currency translation and the impact of adjustments to the preliminary allocation of consideration to the net tangible and intangible assets acquired in the Firehouse Acquisition.

Note 9. Equity Method Investments

The aggregate carrying amount of our equity method investments was \$181 million and \$194 million as of March 31, 2022 and December 31, 2021, respectively, and is included as a component of Other assets, net in our accompanying condensed consolidated balance sheets.

Except for the following equity method investments, no quoted market prices are available for our other equity method investments. The aggregate market value of our 15.5% equity interest in Carrols Restaurant Group, Inc. based on the quoted market price on March 31, 2022 was approximately \$21 million. The aggregate market value of our 9.4% equity interest in BK Brasil Operação e Assessoria a Restaurantes S.A. based on the quoted market price on March 31, 2022 was approximately \$41 million. We have evaluated recent declines in the market value of these equity method investments and concluded they are not other than temporary and as such no impairments have been recognized at March 31, 2022.

We have equity interests in entities that own or franchise Tim Hortons, Burger King and Popeyes restaurants. Franchise and property revenues recognized from franchisees that are owned or franchised by entities in which we have an equity interest consist of the following (in millions):

	Three Months Ended March 31,	
	2022	2021
Revenues from affiliates:		
Royalties	\$ 88	\$ 65
Advertising revenues and other services	16	13
Property revenues	7	8
Franchise fees and other revenue	4	4
Total	\$ 115	\$ 90

At March 31, 2022 and December 31, 2021, we had \$50 million and \$48 million, respectively, of accounts receivable, net from our equity method investments which were recorded in Accounts and notes receivable, net in our condensed consolidated balance sheets.

With respect to our TH business, the most significant equity method investment is our 50% joint venture interest with The Wendy's Company (the "TIMWEN Partnership"), which jointly holds real estate underlying Canadian combination restaurants. Distributions received from this joint venture were \$3 million during the three months ended March 31, 2022 and 2021.

We recognized \$4 million of rent expense associated with the TIMWEN Partnership during the three months ended March 31, 2022 and 2021.

(Income) loss from equity method investments reflects our share of investee net income or loss and non-cash dilution gains or losses from changes in our ownership interests in equity investees.

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Note 10. Other Accrued Liabilities and Other Liabilities, net

Other accrued liabilities (current) and Other liabilities, net (noncurrent) consist of the following (in millions):

	As of	
	March 31, 2022	December 31, 2021
Current:		
Dividend payable	\$ 244	\$ 241
Interest payable	89	63
Accrued compensation and benefits	46	99
Taxes payable	127	106
Deferred income	45	48
Accrued advertising expenses	37	43
Restructuring and other provisions	91	90
Current portion of operating lease liabilities	144	140
Other	94	117
Other accrued liabilities	<u>\$ 917</u>	<u>\$ 947</u>
Noncurrent:		
Taxes payable	\$ 543	\$ 533
Contract liabilities	535	531
Derivatives liabilities	422	575
Unfavorable leases	62	65
Accrued pension	48	47
Deferred income	47	37
Other	32	34
Other liabilities, net	<u>\$ 1,689</u>	<u>\$ 1,822</u>

Note 11. Long-Term Debt

Long-term debt consists of the following (in millions):

	As of	
	March 31, 2022	December 31, 2021
Term Loan B	\$ 5,230	\$ 5,243
Term Loan A	1,250	1,250
3.875% First Lien Senior Notes due 2028	1,550	1,550
3.50% First Lien Senior Notes due 2029	750	750
5.75% First Lien Senior Notes due 2025	500	500
4.375% Second Lien Senior Notes due 2028	750	750
4.00% Second Lien Senior Notes due 2030	2,900	2,900
TH Facility and other	175	173
Less: unamortized deferred financing costs and deferred issue discount	<u>(131)</u>	<u>(138)</u>
Total debt, net	12,974	12,978
Less: current maturities of debt	(71)	(62)
Total long-term debt	<u>\$ 12,903</u>	<u>\$ 12,916</u>

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Revolving Credit Facility

As of March 31, 2022, we had no amounts outstanding under our senior secured revolving credit facility (the “Revolving Credit Facility”), had \$2 million of letters of credit issued against the Revolving Credit Facility, and our borrowing availability under our Revolving Credit Facility was \$998 million. Funds available under the Revolving Credit Facility may be used to repay other debt, finance debt or equity repurchases, fund acquisitions or capital expenditures and for other general corporate purposes. We have a \$125 million letter of credit sublimit as part of the Revolving Credit Facility, which reduces our borrowing availability thereunder by the cumulative amount of outstanding letters of credit.

TH Facility

One of our subsidiaries entered into a non-revolving delayed drawdown term credit facility in a total aggregate principal amount of C\$225 million with a maturity date of October 4, 2025 (the “TH Facility”). The interest rate applicable to the TH Facility is the Canadian Bankers’ Acceptance rate plus an applicable margin equal to 1.40% or the Prime Rate plus an applicable margin equal to 0.40%, at our option. Obligations under the TH Facility are guaranteed by four of our subsidiaries, and amounts borrowed under the TH Facility are secured by certain parcels of real estate. As of March 31, 2022, we had outstanding C\$214 million under the TH Facility with a weighted average interest rate of 2.33%.

RE Facility

One of our subsidiaries entered into a non-revolving delayed drawdown term credit facility in a total aggregate principal amount of \$50 million with a maturity date of October 12, 2028 (the “RE Facility”). The interest rate applicable to the RE Facility is, at our option, either (i) a base rate, subject to a floor of 0.50%, plus an applicable margin of 0.50% or (ii) Adjusted Term SOFR (Adjusted Term SOFR is calculated as Term SOFR plus a margin based on duration), subject to a floor of 0.00%, plus an applicable margin of 1.50%. Obligations under the RE Facility are guaranteed by four of our subsidiaries, and amounts borrowed under the RE Facility are secured by certain parcels of real estate. As of March 31, 2022, we had approximately \$1 million outstanding under the RE Facility with a weighted average interest rate of 1.77%.

Restrictions and Covenants

As of March 31, 2022, we were in compliance with all applicable financial debt covenants under our senior secured term loan facilities and Revolving Credit Facility (together the "Credit Facilities"), the TH Facility, the RE Facility, and the indentures governing our Senior Notes.

Fair Value Measurement

The following table presents the fair value of our variable rate term debt and senior notes, estimated using inputs based on bid and offer prices that are Level 2 inputs, and principal carrying amount (in millions):

	As of	
	March 31, 2022	December 31, 2021
Fair value of our variable term debt and senior notes	\$ 12,370	\$ 12,851
Principal carrying amount of our variable term debt and senior notes	12,930	12,943

Interest Expense, net

Interest expense, net consists of the following (in millions):

	Three Months Ended March 31,	
	2022	2021
Debt (a)	\$ 115	\$ 113
Finance lease obligations	5	5
Amortization of deferred financing costs and debt issuance discount	7	7
Interest income	—	(1)
Interest expense, net	\$ 127	\$ 124

(a) Amount includes \$11 million and \$12 million benefit during the three months ended March 31, 2022 and 2021, respectively, related to the quarterly net settlements of our cross-currency rate swaps and amortization of the Excluded Component as defined in Note 14, *Derivatives*.

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Note 12. Income Taxes

Our effective tax rate was 16.6% for the three months ended March 31, 2022. The effective tax rate during this period reflects the mix of income from multiple tax jurisdictions, the impact of internal financing arrangements and favorable structural changes.

Our effective tax rate was 14.7% for the three months ended March 31, 2021. The effective tax rate during this period reflects the mix of income from multiple tax jurisdictions, the impact of internal financing arrangements and the excess tax benefits from equity-based compensation.

Note 13. Shareholders' Equity

Noncontrolling Interests

The holders of Partnership exchangeable units held an economic interest of approximately 31.7% and 31.9% in Partnership common equity through the ownership of 143,467,558 and 144,993,458 Partnership exchangeable units as of March 31, 2022 and December 31, 2021, respectively.

During the three months ended March 31, 2022, Partnership exchanged 1,525,900 Partnership exchangeable units, pursuant to exchange notices received. In accordance with the terms of the partnership agreement, Partnership satisfied the exchange notices by exchanging these Partnership exchangeable units for the same number of newly issued RBI common shares. The exchanges represented increases in our ownership interest in Partnership and were accounted for as equity transactions, with no gain or loss recorded in the accompanying condensed consolidated statement of operations. Pursuant to the terms of the partnership agreement, upon the exchange of Partnership exchangeable units, each such Partnership exchangeable unit is automatically deemed cancelled concurrently with the exchange.

Share Repurchases

On July 28, 2021, our Board of Directors approved a share repurchase program that allows us to purchase up to \$1,000 million of our common shares until August 10, 2023. For the three months ended March 31, 2022, we repurchased and cancelled 2,860,002 of common shares for \$161 million and as of March 31, 2022 had \$288 million remaining under the authorization.

Accumulated Other Comprehensive Income (Loss)

The following table displays the changes in the components of accumulated other comprehensive income (loss) ("AOCI") (in millions):

	Derivatives	Pensions	Foreign Currency Translation	Accumulated Other Comprehensive Income (Loss)
Balance at December 31, 2021	\$ 136	\$ (21)	\$ (825)	\$ (710)
Foreign currency translation adjustment	—	—	57	57
Net change in fair value of derivatives, net of tax	126	—	—	126
Amounts reclassified to earnings of cash flow hedges, net of tax	21	—	—	21
Gain (loss) recognized on other, net of tax	—	1	—	1
Amounts attributable to noncontrolling interests	(46)	—	(22)	(68)
Balance at March 31, 2022	<u><u>\$ 237</u></u>	<u><u>\$ (20)</u></u>	<u><u>\$ (790)</u></u>	<u><u>\$ (573)</u></u>

Note 14. Derivative Instruments

Disclosures about Derivative Instruments and Hedging Activities

We enter into derivative instruments for risk management purposes, including derivatives designated as cash flow hedges, derivatives designated as net investment hedges and those utilized as economic hedges. We use derivatives to manage our exposure to fluctuations in interest rates and currency exchange rates.

Interest Rate Swaps

At March 31, 2022, we had outstanding receive-variable, pay-fixed interest rate swaps with a total notional value of \$3,500 million to hedge the variability in the interest payments on a portion of our senior secured term loan facilities (the “Term Loan Facilities”), including any subsequent refinancing or replacement of the Term Loan Facilities, beginning August 31, 2021 through the termination date of October 31, 2028. Additionally, at March 31, 2022, we also had outstanding receive-variable, pay-fixed interest rate swaps with a total notional value of \$500 million to hedge the variability in the interest payments on a portion of our Term Loan Facilities effective September 30, 2019 through the termination date of September 30, 2026. At inception, all of these interest rate swaps were designated as cash flow hedges for hedge accounting. The unrealized changes in market value are recorded in AOCI and reclassified into interest expense during the period in which the hedged forecasted transaction affects earnings.

During 2021, we extended the maturity of our \$3,500 million receive-variable, pay-fixed interest rate swaps. The extension of the term resulted in a de-designation and re-designation of the interest rate swaps and the swaps continue to be accounted for as a cash flow hedge for hedge accounting. In connection with the de-designation, we recognized a net unrealized loss of \$143 million in AOCI and this amount gets reclassified into Interest expense, net as the original forecasted transaction affects earnings. The amount of pre-tax losses in connection with this net unrealized loss in AOCI as of March 31, 2022 that we expect to be reclassified into interest expense within the next 12 months is \$28 million.

We had previously extended the term of our \$3,500 million receive-variable, pay-fixed interest rate swaps in 2019. The extension of the term resulted in a de-designation and re-designation of the interest rate swaps and the swaps continue to be accounted for as a cash flow hedge for hedge accounting. In connection with the de-designation, we recognized a net unrealized loss of \$213 million in AOCI and this amount gets reclassified into Interest expense, net as the original forecasted transaction affects earnings. The amount of pre-tax losses in connection with this net unrealized loss in AOCI as of March 31, 2022 that we expect to be reclassified into interest expense within the next 12 months is \$50 million.

Cross-Currency Rate Swaps

To protect the value of our investments in our foreign operations against adverse changes in foreign currency exchange rates, we hedge a portion of our net investment in one or more of our foreign subsidiaries by using cross-currency rate swaps. At March 31, 2022, we had outstanding cross-currency rate swap contracts between the Canadian dollar and U.S. dollar and the Euro and U.S. dollar that have been designated as net investment hedges of a portion of our equity in foreign operations in those currencies. The component of the gains and losses on our net investment in these designated foreign operations driven by changes in foreign exchange rates are economically partly offset by movements in the fair value of our cross-currency swap contracts. The fair value of the swaps is calculated each period with changes in fair value reported in AOCI, net of tax. Such amounts will remain in AOCI until the complete or substantially complete liquidation of our investment in the underlying foreign operations.

At March 31, 2022, we had outstanding fixed-to-fixed cross-currency rate swaps to partially hedge the net investment in our Canadian subsidiaries. At inception, these cross-currency rate swaps were designated as a hedge and are accounted for as net investment hedges. These swaps are contracts to exchange quarterly fixed-rate interest payments we make on the Canadian dollar notional amount of C\$6,754 million for quarterly fixed-rate interest payments we receive on the U.S. dollar notional amount of \$5,000 million through the maturity date of June 30, 2023.

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At March 31, 2022, we had outstanding cross-currency rate swaps in which we pay quarterly fixed-rate interest payments on the Euro notional value of €1,108 million and receive quarterly fixed-rate interest payments on the U.S. dollar notional value of \$1,200 million. At inception, these cross-currency rate swaps were designated as a hedge and are accounted for as a net investment hedge. During 2018, we extended the term of the swaps from March 31, 2021 to the maturity date of February 17, 2024. The extension of the term resulted in a re-designation of the hedge and the swaps continue to be accounted for as a net investment hedge. Additionally, at March 31, 2022, we also had outstanding cross-currency rate swaps in which we receive quarterly fixed-rate interest payments on the U.S. dollar notional value of \$400 million, entered during 2018, and \$500 million, entered during 2019, through the maturity date of February 17, 2024 and \$150 million, entered during 2021, through the maturity date of October 31, 2028. At inception, these cross-currency rate swaps were designated as a hedge and are accounted for as a net investment hedge.

The fixed-to-fixed cross-currency rate swaps hedging Canadian dollar and Euro net investments utilized the forward method of effectiveness assessment prior to March 15, 2018. On March 15, 2018, we de-designated and subsequently re-designated the outstanding fixed to fixed cross-currency rate swaps to prospectively use the spot method of hedge effectiveness assessment. Additionally, as a result of adopting new hedge accounting guidance during 2018, we elected to exclude the interest component (the “Excluded Component”) from the accounting hedge without affecting net investment hedge accounting and elected to amortize the Excluded Component over the life of the derivative instrument. The amortization of the Excluded Component is recognized in Interest expense, net in the condensed consolidated statement of operations. The change in fair value that is not related to the Excluded Component is recorded in AOCI and will be reclassified to earnings when the foreign subsidiaries are sold or substantially liquidated.

Foreign Currency Exchange Contracts

We use foreign exchange derivative instruments to manage the impact of foreign exchange fluctuations on U.S. dollar purchases and payments, such as coffee purchases made by our Canadian Tim Hortons operations. At March 31, 2022, we had outstanding forward currency contracts to manage this risk in which we sell Canadian dollars and buy U.S. dollars with a notional value of \$203 million with maturities to May 2023. We have designated these instruments as cash flow hedges, and as such, the unrealized changes in market value of effective hedges are recorded in AOCI and are reclassified into earnings during the period in which the hedged forecasted transaction affects earnings.

Credit Risk

By entering into derivative contracts, we are exposed to counterparty credit risk. Counterparty credit risk is the failure of the counterparty to perform under the terms of the derivative contract. When the fair value of a derivative contract is in an asset position, the counterparty has a liability to us, which creates credit risk for us. We attempt to minimize this risk by selecting counterparties with investment grade credit ratings and regularly monitoring our market position with each counterparty.

Credit-Risk Related Contingent Features

Our derivative instruments do not contain any credit-risk related contingent features.

Quantitative Disclosures about Derivative Instruments and Fair Value Measurements

The following tables present the required quantitative disclosures for our derivative instruments, including their estimated fair values (all estimated using Level 2 inputs) and their location on our condensed consolidated balance sheets (in millions):

	Gain or (Loss) Recognized in Other Comprehensive Income (Loss)	
	Three Months Ended March 31,	
	2022	2021
Derivatives designated as cash flow hedges⁽¹⁾		
Interest rate swaps	\$ 223	\$ 129
Forward-currency contracts	\$ (2)	\$ (1)
Derivatives designated as net investment hedges		
Cross-currency rate swaps	\$ (60)	\$ 9

(1) We did not exclude any components from the cash flow hedge relationships presented in this table.

	Location of Gain or (Loss) Reclassified from AOCI into Earnings	Gain or (Loss) Reclassified from AOCI into Earnings		
		Three Months Ended March 31,		
		2022	2021	
Derivatives designated as cash flow hedges				
Interest rate swaps	Interest expense, net	\$ (29)	\$ (30)	
Forward-currency contracts	Cost of sales	\$ 1	\$ (2)	
	Location of Gain or (Loss) Recognized in Earnings	Gain or (Loss) Recognized in Earnings (Amount Excluded from Effectiveness Testing)		
		Three Months Ended March 31,		
		2022	2021	
Derivatives designated as net investment hedges				
Cross-currency rate swaps	Interest expense, net	\$ 11	\$ 12	
Fair Value as of				
	March 31, 2022	December 31, 2021	Balance Sheet Location	
Assets:				
Derivatives designated as cash flow hedges				
Interest rate	\$ 20	\$ —	Other assets, net	
Foreign currency	1	2	Prepays and other current assets	
Derivatives designated as net investment hedges				
Foreign currency	27	23	Other assets, net	
Total assets at fair value	\$ 48	\$ 25		
Liabilities:				
Derivatives designated as cash flow hedges				
Interest rate	\$ 4	\$ 220	Other liabilities, net	
Foreign currency	2	—	Other accrued liabilities	
Derivatives designated as net investment hedges				
Foreign currency	418	355	Other liabilities, net	
Total liabilities at fair value	\$ 424	\$ 575		

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Note 15. Other Operating Expenses (Income), net

Other operating expenses (income), net consist of the following (in millions):

	Three Months Ended March 31,	
	2022	2021
Net losses (gains) on disposal of assets, restaurant closures, and refranchisings	\$ 2	\$ (2)
Litigation settlements (gains) and reserves, net	1	2
Net losses (gains) on foreign exchange	(21)	(43)
Other, net	2	1
Other operating expenses (income), net	\$ (16)	\$ (42)

Net losses (gains) on disposal of assets, restaurant closures, and refranchisings represent sales of properties and other costs related to restaurant closures and refranchisings. Gains and losses recognized in the current period may reflect certain costs related to closures and refranchisings that occurred in previous periods.

Net losses (gains) on foreign exchange is primarily related to revaluation of foreign denominated assets and liabilities.

Note 16. Commitments and Contingencies

Litigation

From time to time, we are involved in legal proceedings arising in the ordinary course of business relating to matters including, but not limited to, disputes with franchisees, suppliers, employees and customers, as well as disputes over our intellectual property.

On October 5, 2018, a class action complaint was filed against Burger King Worldwide, Inc. ("BKW") and Burger King Corporation ("BKC") in the U.S. District Court for the Southern District of Florida by Jarvis Arrington, individually and on behalf of all others similarly situated. On October 18, 2018, a second class action complaint was filed against RBI, BKW and BKC in the U.S. District Court for the Southern District of Florida by Monique Michel, individually and on behalf of all others similarly situated. On October 31, 2018, a third class action complaint was filed against BKC and BKW in the U.S. District Court for the Southern District of Florida by Geneva Blanchard and Tiffany Miller, individually and on behalf of all others similarly situated. On November 2, 2018, a fourth class action complaint was filed against RBI, BKW and BKC in the U.S. District Court for the Southern District of Florida by Sandra Muster, individually and on behalf of all others similarly situated. These complaints have been consolidated and allege that the defendants violated Section 1 of the Sherman Act by incorporating an employee no-solicitation and no-hiring clause in the standard form franchise agreement all Burger King franchisees are required to sign. Each plaintiff seeks injunctive relief and damages for himself or herself and other members of the class. On March 24, 2020, the Court granted BKC's motion to dismiss for failure to state a claim and on April 20, 2020 the plaintiffs filed a motion for leave to amend their complaint. On April 27, 2020, BKC filed a motion opposing the motion for leave to amend. The court denied the plaintiffs motion for leave to amend their complaint in August 2020 and the plaintiffs appealed this ruling. Oral arguments for the appeal were heard in September 2021 and the parties await a ruling on the appeal. While we currently believe these claims are without merit, we are unable to predict the ultimate outcome of this case or estimate the range of possible loss, if any.

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On June 30, 2020, a class action complaint was filed against Restaurant Brands International Inc., Restaurant Brands International Limited Partnership and The TDL Group Corp. in the Quebec Superior Court by Steve Holcman, individually and on behalf of all Quebec residents who downloaded the Tim Hortons mobile application. On July 2, 2020, a Notice of Action related to a second class action complaint was filed against Restaurant Brands International Inc., in the Ontario Superior Court by Ashley Sitko and Ashley Cadeau, individually and on behalf of all Canadian residents who downloaded the Tim Hortons mobile application. On August 31, 2020, a notice of claim was filed against Restaurant Brands International Inc. in the Supreme Court of British Columbia by Wai Lam Jacky Law on behalf of all persons in Canada who downloaded the Tim Hortons mobile application or the Burger King mobile application. On September 30, 2020, a notice of action was filed against Restaurant Brands International Inc., Restaurant Brands International Limited Partnership, The TDL Group Corp., Burger King Worldwide, Inc. and Popeyes Louisiana Kitchen, Inc. in the Ontario Superior Court of Justice by William Jung on behalf of a to be determined class. All of the complaints allege that the defendants violated the plaintiff's privacy rights, the Personal Information Protection and Electronic Documents Act, consumer protection and competition laws or app-based undertakings to users, in each case in connection with the collection of geolocation data through the Tim Hortons mobile application, and in certain cases, the Burger King and Popeyes mobile applications. Each plaintiff seeks injunctive relief and monetary damages for himself or herself and other members of the class. These cases are in preliminary stages and we intend to vigorously defend against these lawsuits, but we are unable to predict the ultimate outcome of any of these cases or estimate the range of possible loss, if any.

On October 26, 2020, City of Warwick Municipal Employees Pension Fund, a purported stockholder of Restaurant Brands International Inc., individually and putatively on behalf of all other stockholders similarly situated, filed a lawsuit in the Supreme Court of the State of New York County of New York naming RBI and certain of our officers, directors and shareholders as defendants alleging violations of Sections 11, 12(a)(2) and 15 of the Securities Act of 1933, as amended, in connection with certain offerings of securities by an affiliate in August and September 2019. The complaint alleges that the shelf registration statement used in connection with such offering contained certain false and/or misleading statements or omissions. The complaint seeks, among other relief, class certification of the lawsuit, unspecified compensatory damages, rescission, pre-judgement and post-judgement interest, costs and expenses. On December 18, 2020 the plaintiffs filed an amended complaint and on February 16, 2021 RBI filed a motion to dismiss the complaint. The plaintiffs filed a brief in opposition to the motion on April 19, 2021 and RBI filed a reply in May 2021. The motion to dismiss was heard in April 2022 and the motion to dismiss was denied in May 2022. We intend to vigorously defend. While we believe these claims are without merit, we are unable to predict the ultimate outcome of this case or estimate the range of possible loss, if any.

In April 2022, Burger King Corporation was served with two separate purported class action complaints relating to per- and polyfluoralkyl ("PFAS") in packaging. Hussain vs. Burger King Corporation was filed on April 13, 2022 in the U.S. District Court for the Northern District of California, and Cooper v. Burger King Corporation was filed on April 14, 2022 in the U.S. District Court for the Southern District of Florida. Both complaints allege that certain food products sold by Burger King Corporation are not safe for human consumption due to the packaging containing allegedly unsafe PFAS and that consumers were misled by the labelling, marketing and packaging claims asserted by Burger King Corporation regarding the safety and sustainability of the packaging and are seeking compensatory, statutory and punitive damages, injunctive relief, corrective action, and attorneys' fees. While we currently believe these claims are without merit, we are unable to predict the ultimate outcome of these cases or estimate the range of possible loss, if any.

Other Disputes

In early 2022, we entered into negotiations to resolve business disputes that arose during 2021 with counterparties to the master franchise agreements for Burger King and Popeyes in China. Based on these discussions, we have paid approximately \$100 million, \$72 million of which was recorded as Litigation settlements and reserves, net in 2021. The majority of this amount relates to Popeyes, resolves our disputes and allows us to move forward in the market with a new master franchisee. Additionally, pursuant to this agreement we and our partner have made equity contributions to the Burger King business in China.

Note 17. Segment Reporting

As stated in Note 1, *Description of Business and Organization*, we manage four brands. Under the *Tim Hortons* brand, we operate in the donut/coffee/tea category of the quick service segment of the restaurant industry. Under the *Burger King* brand, we operate in the fast food hamburger restaurant category of the quick service segment of the restaurant industry. Under the *Popeyes* brand, we operate in the chicken category of the quick service segment of the restaurant industry. Under the *Firehouse Subs* brand, we operate in the specialty subs category of the quick service segment of the restaurant industry. Our business generates revenue from the following sources: (i) franchise and advertising revenues and other services, consisting primarily of royalties and advertising fund contributions based on a percentage of sales reported by franchise restaurants and franchise fees paid by franchisees; (ii) property revenues from properties we lease or sublease to franchisees; and (iii) sales at restaurants owned by us (“Company restaurants”). In addition, our TH business generates revenue from sales to franchisees related to our supply chain operations, including manufacturing, procurement, warehousing and distribution, as well as sales to retailers. We manage each of our brands as an operating segment and each operating segment represents a reportable segment.

The following tables present revenues, by segment and by country (in millions):

	Three Months Ended March 31,	
	2022	2021
Revenues by operating segment:		
TH	\$ 829	\$ 710
BK	443	407
PLK	148	143
FHS	31	—
Total revenues	\$ 1,451	\$ 1,260
	Three Months Ended March 31,	
	2022	2021
Revenues by country (a):		
Canada	\$ 747	\$ 638
United States	521	478
Other	183	144
Total revenues	\$ 1,451	\$ 1,260

(a) Only Canada and the United States represented 10% or more of our total revenues in each period presented.

Our measure of segment income is Adjusted EBITDA. Adjusted EBITDA represents earnings (net income or loss) before interest expense, net, loss on early extinguishment of debt, income tax (benefit) expense, and depreciation and amortization, adjusted to exclude (i) the non-cash impact of share-based compensation and non-cash incentive compensation expense, (ii) (income) loss from equity method investments, net of cash distributions received from equity method investments, (iii) other operating expenses (income), net and, (iv) income/expenses from non-recurring projects and non-operating activities. For the periods referenced, income/expenses from non-recurring projects and non-operating activities included (i) non-recurring fees and expense incurred in connection with the Firehouse Acquisition consisting of professional fees, compensation related expenses and integration costs (“FHS Transaction costs”); and (ii) costs from professional advisory and consulting services associated with certain transformational corporate restructuring initiatives that rationalize our structure and optimize cash movements, including services related to significant tax reform legislation, regulations and related restructuring initiatives (“Corporate restructuring and tax advisory fees”).

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Adjusted EBITDA is used by management to measure operating performance of the business, excluding these non-cash and other specifically identified items that management believes are not relevant to management's assessment of our operating performance. A reconciliation of segment income to net income consists of the following (in millions):

	Three Months Ended March 31,	
	2022	2021
Segment income:		
TH	\$ 231	\$ 207
BK	229	217
PLK	56	56
FHS	14	—
Adjusted EBITDA	530	480
Share-based compensation and non-cash incentive compensation expense	27	26
FHS Transaction costs	1	—
Corporate restructuring and tax advisory fees	3	1
Impact of equity method investments (a)	16	4
Other operating expenses (income), net	(16)	(42)
EBITDA	499	491
Depreciation and amortization	49	49
Income from operations	450	442
Interest expense, net	127	124
Income tax expense	53	47
Net income	\$ 270	\$ 271

(a) Represents (i) (income) loss from equity method investments and (ii) cash distributions received from our equity method investments. Cash distributions received from our equity method investments are included in segment income.

Note 18. Subsequent Events

Dividends

On April 6, 2022, we paid a cash dividend of \$0.54 per common share to common shareholders of record on March 23, 2022. On such date, Partnership also made a distribution in respect of each Partnership exchangeable unit in the amount of \$0.54 per exchangeable unit to holders of record on March 23, 2022.

Subsequent to March 31, 2022, our board of directors declared a cash dividend of \$0.54 per common share, which will be paid on July 6, 2022 to common shareholders of record on June 22, 2022. Partnership will also make a distribution in respect of each Partnership exchangeable unit in the amount of \$0.54 per Partnership exchangeable unit, and the record date and payment date for distributions on Partnership exchangeable units are the same as the record date and payment date set forth above.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

You should read the following discussion together with our unaudited condensed consolidated financial statements and the related notes thereto included in Part I, Item 1 "Financial Statements" of this report.

The following discussion includes information regarding future financial performance and plans, targets, aspirations, expectations, and objectives of management, which constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and forward-looking information within the meaning of Canadian securities laws as described in further detail under "Special Note Regarding Forward-Looking Statements" set forth below. Actual results may differ materially from the results discussed in the forward-looking statements. Please refer to the risks and further discussion in the "Special Note Regarding Forward-Looking Statements" below.

We prepare our financial statements in accordance with accounting principles generally accepted in the United States ("U.S. GAAP" or "GAAP"). However, this Management's Discussion and Analysis of Financial Condition and Results of Operations also contains certain non-GAAP financial measures to assist readers in understanding our performance. Non-GAAP financial measures either exclude or include amounts that are not reflected in the most directly comparable measure calculated and presented in accordance with GAAP. Where non-GAAP financial measures are used, we have provided the most directly comparable measures calculated and presented in accordance with U.S. GAAP, a reconciliation to GAAP measures and a discussion of the reasons why management believes this information is useful to it and may be useful to investors.

Operating results for any one quarter are not necessarily indicative of results to be expected for any other quarter or for the fiscal year and our key business measures, as discussed below, may decrease for any future period. Unless the context otherwise requires, all references in this section to "RBI", the "Company", "we", "us" or "our" are to Restaurant Brands International Inc. and its subsidiaries, collectively.

Overview

We are one of the world's largest quick service restaurant ("QSR") companies with over \$35 billion in annual system-wide sales and over 29,000 restaurants in more than 100 countries as of March 31, 2022. Our *Tim Hortons®*, *Burger King®*, *Popeyes®*, and *Firehouse Subs®* brands have similar franchised business models with complementary daypart mixes and product platforms. Our four iconic brands are managed independently while benefiting from global scale and sharing of best practices.

Tim Hortons restaurants are quick service restaurants with a menu that includes premium blend coffee, tea, espresso-based hot and cold specialty drinks, fresh baked goods, including donuts, *Timbits®*, bagels, muffins, cookies and pastries, grilled paninis, classic sandwiches, wraps, soups, and more. Burger King restaurants are quick service restaurants that feature flame-grilled hamburgers, chicken, and other specialty sandwiches, french fries, soft drinks, and other affordably-priced food items. Popeyes restaurants are quick service restaurants featuring a unique "Louisiana" style menu that includes fried chicken, fried shrimp, and other seafood, red beans and rice, and other regional items. Firehouse Subs restaurants are quick service restaurants featuring hot and hearty subs piled high with quality meats and cheese as well as chopped salads, chili and soups, signature and other sides, soft drinks and local specialties.

Commencing upon the acquisition of Firehouse Subs in December 2021, we have four operating and reportable segments: (1) Tim Hortons ("TH"); (2) Burger King ("BK"); (3) Popeyes Louisiana Kitchen ("PLK"); and (4) Firehouse Subs ("FHS"). Our business generates revenue from the following sources: (i) franchise and advertising revenues and other services, consisting primarily of royalties and advertising fund contributions based on a percentage of sales reported by franchise restaurants and franchise fees paid by franchisees; (ii) property revenues from properties we lease or sublease to franchisees; and (iii) sales at restaurants owned by us ("Company restaurants"). In addition, our TH business generates revenue from sales to franchisees related to our supply chain operations, including manufacturing, procurement, warehousing, and distribution, as well as sales to retailers.

In September 2021, we announced targets to reduce greenhouse gas emissions by 50% by 2030, as approved by the Science Based Targets initiative, as well as a commitment to achieving net-zero emissions by 2050. While most of the impact is from scope 3 emissions that are not under our direct control, reaching these targets will require us to devote resources to support changes by suppliers and franchisees.

COVID-19

The global crisis resulting from the spread of coronavirus (“COVID-19”) impacted our global restaurant operations for the three months ended March 31, 2022 and 2021, though in 2022 the impact was more modest than in the prior year.

During the three months ended March 31, 2022 and 2021, substantially all restaurants remained open, some with limited operations, such as drive-thru, takeout and delivery (where applicable), reduced, if any, dine-in capacity, and/or restrictions on hours of operation. Certain markets periodically required temporary closures while implementing government mandated lockdown orders. For example, while most regions have eased restrictions, increases in cases and new variants at the beginning of 2022 caused certain markets to re-impose temporary restrictions as a result of government mandates. We expect local conditions to continue to dictate limitations on restaurant operations, capacity, and hours of operation.

During the three months ended March 31, 2022, COVID-19 contributed to labor challenges, which in some regions resulted in reduced operating hours and service modes at select restaurants as well as supply chain pressures.

With the pandemic affecting consumer behavior, the importance of digital sales, including delivery, has grown. We expect to continue to support enhancements of our digital and marketing capabilities.

War in Ukraine

Burger King entered Russia ten years ago through a joint venture, of which we own a 15% minority stake that we've recently announced intentions to dispose. Burger King is our only brand with restaurants in Russia, and in 2021, represented 2.0% of consolidated system-wide sales, 2.9% of consolidated restaurant count excluding Firehouse Subs, 4.5% of consolidated net restaurant growth, 0.6% of consolidated revenues, and 1.7% of consolidated Adjusted EBITDA. During the first quarter of 2022, we shared a number of actions that we have taken to date as a result of the tragic events related to Russia's military invasion of Ukraine. We have suspended all corporate support for the Russian market, including operations, marketing, and supply chain support in addition to refusing approvals for new investment and expansion. While we currently include Russia within reported key business metrics, we do not expect to recognize any profits in 2022.

Operating Metrics

We evaluate our restaurants and assess our business based on the following operating metrics:

- System-wide sales growth refers to the percentage change in sales at all franchise restaurants and Company restaurants (referred to as system-wide sales) in one period from the same period in the prior year.
- Comparable sales refers to the percentage change in restaurant sales in one period from the same prior year period for restaurants that have been open for 13 months or longer for TH, BK and FHS and 17 months or longer for PLK. Additionally, if a restaurant is closed for a significant portion of a month, the restaurant is excluded from the monthly comparable sales calculation.
- System-wide sales growth and comparable sales are measured on a constant currency basis, which means the results exclude the effect of foreign currency translation (“FX Impact”). For system-wide sales growth and comparable sales, we calculate the FX Impact by translating prior year results at current year monthly average exchange rates.
- Unless otherwise stated, system-wide sales growth, system-wide sales and comparable sales are presented on a system-wide basis, which means they include franchise restaurants and Company restaurants. System-wide results are driven by our franchise restaurants, as approximately 100% of system-wide restaurants are franchised. Franchise sales represent sales at all franchise restaurants and are revenues to our franchisees. We do not record franchise sales as revenues; however, our royalty revenues and advertising fund contributions are calculated based on a percentage of franchise sales.
- Net restaurant growth refers to the net increase in restaurant count (openings, net of permanent closures) over a trailing twelve month period, divided by the restaurant count at the beginning of the trailing twelve month period.

These metrics are important indicators of the overall direction of our business, including trends in sales and the effectiveness of each brand's marketing, operations and growth initiatives.

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Results of Operations for the Three Months Ended March 31, 2022 and 2021

Tabular amounts in millions of U.S. dollars unless noted otherwise. Segment income may not calculate exactly due to rounding.

<i>Consolidated</i>	Three Months Ended March 31,		Variance	FX Impact (a)	Variance Excluding FX Impact
	2022	2021			
Revenues:					
Sales	\$ 609	\$ 507	\$ 102	\$ —	\$ 102
Franchise and property revenues	615	548	67	(8)	75
Advertising revenues and other services	227	205	22	—	22
Total revenues	1,451	1,260	191	(8)	199
Operating costs and expenses:					
Cost of sales	494	401	(93)	—	(93)
Franchise and property expenses	130	116	(14)	—	(14)
Advertising expenses and other services	247	237	(10)	—	(10)
General and administrative expenses	133	104	(29)	1	(30)
(Income) loss from equity method investments	13	2	(11)	—	(11)
Other operating expenses (income), net	(16)	(42)	(26)	(3)	(23)
Total operating costs and expenses	1,001	818	(183)	(2)	(181)
Income from operations	450	442	8	(10)	18
Interest expense, net	127	124	(3)	—	(3)
Income before income taxes	323	318	5	(10)	15
Income tax expense	53	47	(6)	1	(7)
Net income	\$ 270	\$ 271	\$ (1)	\$ (9)	\$ 8

- (a) We calculate the FX Impact by translating prior year results at current year monthly average exchange rates. We analyze these results on a constant currency basis as this helps identify underlying business trends, without distortion from the effects of currency movements.

TH Segment

	Three Months Ended March 31,		Variance	FX Impact (a)	Variance Excluding FX Impact
	2022	2021			
Revenues:					
Sales	\$ 566	\$ 473	\$ 93	\$ —	\$ 93
Franchise and property revenues	206	190	16	—	16
Advertising revenues and other services	57	47	10	—	10
Total revenues	829	710	119	—	119
Cost of sales	453	370	(83)	—	(83)
Franchise and property expenses	81	81	—	—	—
Advertising expenses and other services	67	62	(5)	—	(5)
Segment G&A	29	24	(5)	—	(5)
Segment depreciation and amortization (b)	29	31	2	—	2
Segment income (c)	231	207	24	—	24

- (b) Segment depreciation and amortization consists of depreciation and amortization included in cost of sales, franchise and property expenses and advertising expenses and other services.

- (c) TH segment income includes \$3 million of cash distributions received from equity method investments for the three months ended March 31, 2022 and 2021.

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BK Segment	Three Months Ended March 31,		Variance	FX Impact (a)	Variance Excluding FX Impact
	2022	2021			
Revenues:					
Sales	\$ 16	\$ 16	\$ —	\$ —	\$ —
Franchise and property revenues	318	289	29	(8)	37
Advertising revenues and other services	109	102	7	—	7
Total revenues	443	407	36	(8)	44
Cost of sales	17	16	(1)	—	(1)
Franchise and property expenses	45	33	(12)	—	(12)
Advertising expenses and other services	119	118	(1)	—	(1)
Segment G&A	45	35	(10)	1	(11)
Segment depreciation and amortization (b)	12	12	—	—	—
Segment income	229	217	12	(7)	19

PLK Segment	Three Months Ended March 31,		Variance	FX Impact (a)	Variance Excluding FX Impact
	2022	2021			
Revenues:					
Sales	\$ 17	\$ 18	\$ (1)	\$ —	\$ (1)
Franchise and property revenues	71	69	2	—	2
Advertising revenues and other services	60	56	4	—	4
Total revenues	148	143	5	—	5
Cost of sales	16	15	(1)	—	(1)
Franchise and property expenses	2	2	—	—	—
Advertising expenses and other services	61	57	(4)	—	(4)
Segment G&A	15	14	(1)	—	(1)
Segment depreciation and amortization (b)	2	2	—	—	—
Segment income	56	56	—	—	—

	Three Months Ended March 31, 2022
Revenues:	
Sales	\$ 10
Franchise and property revenues	20
Advertising revenues and other services	1
Total revenues	31
Cost of sales	8
Franchise and property expenses	2
Segment G&A	8
Segment income	14

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Key Business Metrics	Three Months Ended March 31,	
	2022	2021
System-wide sales growth		
TH	12.9 %	(4.9)%
BK	16.5 %	1.8 %
PLK	4.1 %	7.0 %
Consolidated (a)	13.7 %	1.4 %
FHS (b)	7.4 %	27.0 %
System-wide sales		
TH	\$ 1,556	\$ 1,379
BK	\$ 5,818	\$ 5,173
PLK	\$ 1,383	\$ 1,344
FHS	\$ 272	\$ —
Consolidated (a)	\$ 9,029	\$ 7,896
FHS (b)	\$ —	\$ 254
Comparable sales		
TH	8.4 %	(2.3)%
BK	10.3 %	0.7 %
PLK	(3.0)%	1.5 %
FHS (b)	4.2 %	24.2 %
As of March 31,		
	2022	2021
Net restaurant growth		
TH	6.7 %	1.3 %
BK	3.1 %	(0.8)%
PLK	7.9 %	4.8 %
Consolidated (a)	4.4 %	0.2 %
FHS (b)	1.8 %	1.7 %
Restaurant count		
TH	5,320	4,987
BK	19,266	18,691
PLK	3,771	3,495
FHS	1,219	\$ —
Consolidated	29,576	27,173
FHS (b)	—	1,198

(a) Consolidated system-wide sales growth and consolidated net restaurant growth do not include the results of Firehouse Subs for all of the periods presented. Consolidated system-wide sales do not include the results of Firehouse Subs for 2021.

(b) 2021 Firehouse Subs figures are shown for informational purposes only, consistent with its fiscal calendar.

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Comparable Sales

For TH and BK, restaurant operations were less impacted by COVID-19 during the three months ended March 31, 2022 than in the same period in 2021, resulting in significant increases in system-wide sales growth and comparable sales during the three months ended March 31, 2022.

TH comparable sales were 8.4% during the three months ended March 31, 2022, including Canada comparable sales of 10.1%.

BK comparable sales were 10.3% during the three months ended March 31, 2022, including rest of the world comparable sales of 20.1% and relatively flat U.S. comparable sales.

PLK comparable sales were (3.0)% during the three months ended March 31, 2022, including U.S. comparable sales of (4.6)%.

FHS comparable sales were 4.2% during the three months ended March 31, 2022, including U.S. comparable sales of 4.5%.

Sales and Cost of Sales

Sales include TH supply chain sales and sales from Company restaurants. TH supply chain sales represent sales of products, supplies and restaurant equipment, as well as sales to retailers. Sales from Company restaurants, including sales by our consolidated TH Restaurant VIEs, represent restaurant-level sales to our guests.

Cost of sales includes costs associated with the management of our TH supply chain, including cost of goods, direct labor and depreciation, as well as the cost of products sold to retailers. Cost of sales also includes food, paper and labor costs of Company restaurants, including our consolidated TH Restaurants VIEs.

During the three months ended March 31, 2022, the increase in sales was driven by an increase of \$93 million in our TH segment and the inclusion of FHS of \$10 million, partially offset by a decrease of \$1 million in our PLK segment. The increase in our TH segment was driven by an increase in supply chain sales due to an increase in system-wide sales as well as increases in commodity prices and an increase in sales to retailers.

During the three months ended March 31, 2022, the increase in cost of sales was driven by an increase of \$83 million in our TH segment, the inclusion of FHS of \$8 million, an increase of \$1 million in our BK segment, and an increase of \$1 million in our PLK segment. The increase in our TH segment was driven by an increase in supply chain sales as well as increases in commodity prices and an increase in sales to retailers.

Franchise and Property

Franchise and property revenues consist primarily of royalties earned on franchise sales, rents from real estate leased or subleased to franchisees, franchise fees, and other revenue. Franchise and property expenses consist primarily of depreciation of properties leased to franchisees, rental expense associated with properties subleased to franchisees, amortization of franchise agreements, and bad debt expense (recoveries).

During the three months ended March 31, 2022, the increase in franchise and property revenues was driven by an increase of \$37 million in our BK segment, the inclusion of FHS of \$20 million, an increase of \$16 million in our TH segment, and an increase of \$2 million in our PLK segment, partially offset by an unfavorable FX Impact of \$8 million. The increases were primarily driven by increases in royalties in our TH, BK and PLK segments, and increases in rent in our TH segment, as a result of increases in system-wide sales.

During the three months ended March 31, 2022, the increase in franchise and property expenses was driven by an increase of \$12 million in our BK segment and the inclusion of FHS of \$2 million. The increase in our BK segment was primarily related to bad debt expenses in the current year, primarily related to Russia, compared to bad debt recoveries in the prior year.

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Advertising and other services

Advertising revenues and other services consist primarily of advertising contributions earned on franchise sales and are based on a percentage of system-wide sales and intended to fund advertising expenses. Other services consists primarily of fees that partially offset expenses related to technology initiatives. Advertising expenses and other services consist primarily of expenses relating to marketing, advertising and promotion, including market research, production, advertising costs, sales promotions, social media campaigns, technology initiatives, depreciation and amortization and other related support functions for the respective brands. We manage advertising expenses to equal advertising revenues in the long term, however in some periods there may be a mismatch in the timing of revenues and expense.

During the three months ended March 31, 2022, the increase in advertising revenues and other services was driven by an increase of \$10 million in our TH segment, an increase of \$7 million in our BK segment, an increase of \$4 million in our PLK segment, and the inclusion of FHS of \$1 million. The increases in our TH, BK and PLK segments were primarily driven by increases in system-wide sales.

During the three months ended March 31, 2022, the increase in advertising expenses and other services was driven by an increase of \$5 million in our TH segment, an increase of \$4 million in our PLK segment, and an increase of \$1 million in our BK segment.

General and Administrative Expenses

Our general and administrative expenses consisted of the following:

Segment G&A:					Variance	
	Three Months Ended March 31,				\$	%
	2022	2021			Favorable / (Unfavorable)	
TH	\$ 29	\$ 24	\$ (5)		(20.8)%	
BK	45	35	(10)		(28.6)%	
PLK	15	14	(1)		(7.1)%	
FHS	8	—	(8)		NM	
Share-based compensation and non-cash incentive compensation expense	27	26	(1)		(3.8)%	
Depreciation and amortization	5	4	(1)		(25.0)%	
FHS Transaction costs	1	—	(1)		NM	
Corporate restructuring and tax advisory fees	3	1	(2)		NM	
General and administrative expenses	<u>\$ 133</u>	<u>\$ 104</u>	<u>\$ (29)</u>		<u>(27.9)%</u>	

NM - not meaningful

Segment general and administrative expenses (“Segment G&A”) consist primarily of salary and employee-related costs for non-restaurant employees, professional fees, information technology systems, and general overhead for our corporate offices. Segment G&A excludes share-based compensation and non-cash incentive compensation expense, depreciation and amortization, FHS Transaction costs and Corporate restructuring and tax advisory fees.

During the three months ended March 31, 2022, the increase in Segment G&A for our TH, BK and PLK segments was primarily driven by higher salary and employee-related costs for non-restaurant employees, largely a result of hiring across a number of key areas.

In connection with the Firehouse Subs acquisition, we incurred certain non-recurring fees and expenses (“FHS Transaction costs”) consisting of professional fees, compensation related expenses and integration costs. We expect to incur additional FHS Transaction costs during the remainder of 2022.

In connection with certain transformational corporate restructuring initiatives that rationalize our structure and optimize cash movement within our structure, including services related to significant tax reform legislation, regulations and related restructuring initiatives, we incurred expenses primarily from professional advisory and consulting services (“Corporate

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restructuring and tax advisory fees"). We expect to incur additional Corporate restructuring and tax advisory fees during the remainder of 2022.

(Income) Loss from Equity Method Investments

(Income) loss from equity method investments reflects our share of investee net income or loss and non-cash dilution gains or losses from changes in our ownership interests in equity method investees.

The change in (income) loss from equity method investments during the three months ended March 31, 2022 was primarily driven by an increase in equity method investment net losses that we recognized during the current year.

Other Operating Expenses (Income), net

Our other operating expenses (income), net were comprised of the following:

	Three Months Ended March 31,	
	2022	2021
Net losses (gains) on disposal of assets, restaurant closures, and refranchisings	\$ 2	(2)
Litigation settlements (gains) and reserves, net	1	2
Net losses (gains) on foreign exchange	(21)	(43)
Other, net	2	1
Other operating expenses (income), net	\$ (16)	\$ (42)

Net losses (gains) on disposal of assets, restaurant closures, and refranchisings represent sales of properties and other costs related to restaurant closures and refranchisings. Gains and losses recognized in the current period may reflect certain costs related to closures and refranchisings that occurred in previous periods.

Net losses (gains) on foreign exchange is primarily related to revaluation of foreign denominated assets and liabilities.

Interest Expense, net

Our interest expense, net and the weighted average interest rate on our long-term debt were as follows:

	Three Months Ended March 31,	
	2022	2021
Interest expense, net	\$ 127	\$ 124
Weighted average interest rate on long-term debt	4.0 %	4.2 %

During the three months ended March 31, 2022, interest expense, net was consistent year-over-year.

Income Tax Expense

Our effective tax rate was 16.6% and 14.7% for the three months ended March 31, 2022 and 2021, respectively. Our effective tax rate was unfavorably impacted by changes to the relative mix of our income from multiple tax jurisdictions and lower excess tax benefits from equity-based compensation, partially offset by favorable structural changes. There may continue to be some quarter-to-quarter volatility of our effective tax rate as our mix of income from multiple tax jurisdictions and related income forecasts change due to the effects of COVID-19.

On December 28, 2021, the U.S. Treasury Department released final regulations (T.D. 9959, published in the Federal Register on January 4, 2022) restricting the ability to credit certain foreign taxes, applicable prospectively starting January 1, 2022. Due to these new regulations, we released discretely this quarter a portion of the valuation allowance on our foreign tax credit carryforwards. Based on our current analysis, we do not expect these regulations to have a material, ongoing impact as we anticipate being in an excess credit position prospectively.

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Net Income

We reported net income of \$270 million for the three months ended March 31, 2022, compared to net income of \$271 million for the three months ended March 31, 2021. The decrease in net income is primarily due to a \$26 million unfavorable change in the results from other operating expenses (income), net, a \$12 million unfavorable change from the impact of equity method investments, a \$6 million increase in income tax expense, a \$3 million increase in interest expense, net, a \$2 million increase in Corporate restructuring and tax advisory fees, a \$1 million increase in share-based compensation and non-cash incentive compensation expense and \$1 million of FHS transaction costs. These factors were partially offset by a \$24 million increase in TH segment income, the inclusion of FHS segment income of \$14 million, and a \$12 million increase in BK segment income. Amounts above include a total unfavorable FX Impact to net income of \$9 million.

Non-GAAP Reconciliations

The table below contains information regarding EBITDA and Adjusted EBITDA, which are non-GAAP measures. These non-GAAP measures do not have a standardized meaning under U.S. GAAP and may differ from similar captioned measures of other companies in our industry. We believe that these non-GAAP measures are useful to investors in assessing our operating performance, as they provide them with the same tools that management uses to evaluate our performance and is responsive to questions we receive from both investors and analysts. By disclosing these non-GAAP measures, we intend to provide investors with a consistent comparison of our operating results and trends for the periods presented. EBITDA is defined as earnings (net income or loss) before interest expense, net, loss on early extinguishment of debt, income tax (benefit) expense, and depreciation and amortization and is used by management to measure operating performance of the business. Adjusted EBITDA is defined as EBITDA excluding (i) the non-cash impact of share-based compensation and non-cash incentive compensation expense, (ii) (income) loss from equity method investments, net of cash distributions received from equity method investments, (iii) other operating expenses (income), net and, (iv) income/expenses from non-recurring projects and non-operating activities. For the periods referenced, income/expenses from non-recurring projects and non-operating activities included (i) non-recurring fees and expense incurred in connection with the Firehouse Acquisition consisting of professional fees, compensation related expenses and integration costs; and (ii) costs from professional advisory and consulting services associated with certain transformational corporate restructuring initiatives that rationalize our structure and optimize cash movements, including services related to significant tax reform legislation, regulations and related restructuring initiatives. Management believes that these types of expenses are either not related to our underlying profitability drivers or not likely to re-occur in the foreseeable future and the varied timing, size and nature of these projects may cause volatility in our results unrelated to the performance of our core business that does not reflect trends of our core operations.

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Adjusted EBITDA is used by management to measure operating performance of the business, excluding these non-cash and other specifically identified items that management believes are not relevant to management's assessment of our operating performance. Adjusted EBITDA, as defined above, also represents our measure of segment income for each of our four operating segments.

Segment income:					Variance	
	Three Months Ended March 31,				\$	%
	2022	2021			Favorable / (Unfavorable)	
TH	\$ 231	\$ 207	\$ 24		11.7 %	
BK	229	217	12		5.5 %	
PLK	56	56	—		0.3 %	
FHS	14	—	14		NM	
Adjusted EBITDA	530	480	50		10.4 %	
Share-based compensation and non-cash incentive compensation expense	27	26	(1)		(3.8)%	
FHS Transaction costs	1	—	(1)		NM	
Corporate restructuring and tax advisory fees	3	1	(2)		NM	
Impact of equity method investments (a)	16	4	(12)		NM	
Other operating expenses (income), net	(16)	(42)	(26)		61.9 %	
EBITDA	499	491	8		1.6 %	
Depreciation and amortization	49	49	—		—%	
Income from operations	450	442	8		1.8 %	
Interest expense, net	127	124	(3)		(2.4)%	
Income tax expense	53	47	(6)		NM	
Net income	\$ 270	\$ 271	\$ (1)		(0.4)%	

NM - not meaningful

(a) Represents (i) (income) loss from equity method investments and (ii) cash distributions received from our equity method investments. Cash distributions received from our equity method investments are included in segment income.

The increase in Adjusted EBITDA for three months ended March 31, 2022 reflects the increases in segment income in our TH and BK segments, the inclusion of FHS and an unfavorable FX Impact of \$7 million.

The increase in EBITDA for the three months ended March 31, 2022 is primarily due to increases in segment income in our TH and BK segments and the inclusion of FHS, partially offset by an unfavorable change from other operating expenses (income) net, and an unfavorable change from the impact of equity method investments. The increase in EBITDA includes an unfavorable FX Impact of \$10 million.

Liquidity and Capital Resources

Our primary sources of liquidity are cash on hand, cash generated by operations and borrowings available under our Revolving Credit Facility (as defined below). We have used, and may in the future use, our liquidity to make required interest and/or principal payments, to repurchase our common shares, to repurchase Class B exchangeable limited partnership units of Partnership ("Partnership exchangeable units"), to voluntarily prepay and repurchase our or one of our affiliate's outstanding debt, to fund acquisitions such as the Firehouse Acquisition and other investing activities, such as capital expenditures and joint ventures, and to pay dividends on our common shares and make distributions on the Partnership exchangeable units. As a result of our borrowings, we are highly leveraged. Our liquidity requirements are significant, primarily due to debt service requirements.

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As of March 31, 2022, we had cash and cash equivalents of \$895 million and borrowing availability of \$998 million under our senior secured revolving credit facility (the “Revolving Credit Facility”). Based on our current level of operations and available cash, we believe our cash flow from operations, combined with our availability under our Revolving Credit Facility, will provide sufficient liquidity to fund our current obligations, debt service requirements and capital spending over the next twelve months.

On July 28, 2021, our board of directors approved a share repurchase authorization that allows us to purchase up to \$1,000 million of our common shares until August 10, 2023. On August 6, 2021, we announced that the Toronto Stock Exchange (the “TSX”) had accepted the notice of our intention to renew the normal course issuer bid. Under this normal course issuer bid, we are permitted to repurchase up to 30,382,519 common shares for the 12-month period commencing on August 10, 2021 and ending on August 9, 2022, or earlier if we complete the repurchases prior to such date. Share repurchases under the normal course issuer bid will be made through the facilities of the TSX, the New York Stock Exchange (the “NYSE”) and/or other exchanges and alternative Canadian or foreign trading systems, if eligible, or by such other means as may be permitted by the TSX and/or the NYSE under applicable law. Shareholders may obtain a copy of the prior notice, free of charge, by contacting us. During the three months ended March 31, 2022, we repurchased and cancelled 2,860,002 RBI common shares on the open market for \$161 million and as of March 31, 2022 had \$288 million remaining under the authorization. Repurchases under the Company’s authorization will be made in the open market or through privately negotiated transactions.

We generally provide applicable deferred taxes based on the tax liability or withholding taxes that would be due upon repatriation of cash associated with unremitting earnings. We will continue to monitor our plans for such cash and related foreign earnings but our expectation is to continue to provide taxes on unremitting earnings that we expect to distribute.

Debt Instruments and Debt Service Requirements

As of March 31, 2022, our long-term debt consists primarily of borrowings under our Credit Facilities, amounts outstanding under our 3.875% First Lien Senior Notes due 2028, 5.75% First Lien Senior Notes due 2025, 3.50% First Lien Senior Notes due 2029, 4.375% Second Lien Senior Notes due 2028, 4.00% Second Lien Senior Notes due 2030 (together, the “Senior Notes”), TH Facility, RE Facility, and obligations under finance leases. For further information about our long-term debt, see Note 11 to the accompanying unaudited condensed consolidated financial statements included in this report.

As of March 31, 2022, there was \$6,480 million outstanding principal amount under our senior secured term loan facilities (the “Term Loan Facilities” and together with the Revolving Credit Facility, the “Credit Facilities”) with a weighted average interest rate of 2.10%. The interest rate applicable to borrowings under our Term Loan A and Revolving Credit Facility is, at our option, either (i) a base rate, subject to a floor of 1.00%, plus an applicable margin varying from 0.00% to 0.50%, or (ii) Adjusted Term SOFR (Adjusted Term SOFR is calculated as Term SOFR plus a 0.10% adjustment), subject to a floor of 0.00%, plus an applicable margin varying between 0.75% to 1.50%, in each case, determined by reference to a net first lien leverage based pricing grid. The interest rate applicable to borrowings under our Term Loan B is, at our option, either (i) a base rate, subject to a floor of 1.00%, plus an applicable margin of 0.75% or (ii) a Eurocurrency rate, subject to a floor of 0.00%, plus an applicable margin of 1.75%.

Based on the amounts outstanding under the Term Loan Facilities and LIBOR/SOFR (Secured Overnight Financing Rate) as of March 31, 2022, subject to a floor of 0.00%, required debt service for the next twelve months is estimated to be approximately \$138 million in interest payments and \$61 million in principal payments. In addition, based on LIBOR as of March 31, 2022, net cash settlements that we expect to pay on our \$4,000 million interest rate swap are estimated to be approximately \$45 million for the next twelve months. Based on the amounts outstanding at March 31, 2022, required debt service for the next twelve months on all of the Senior Notes outstanding is approximately \$264 million in interest payments. Based on the amounts outstanding under the TH Facility as of March 31, 2022, required debt service for the next twelve months is estimated to be approximately \$4 million in interest payments and \$9 million in principal payments.

Restrictions and Covenants

As of March 31, 2022, we were in compliance with all applicable financial debt covenants under the Credit Facilities, the TH Facility, RE Facility and the indentures governing our Senior Notes.

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Cash Dividends

On April 6, 2022, we paid a dividend of \$0.54 per common share and Partnership made a distribution in respect of each Partnership exchangeable unit in the amount of \$0.54 per Partnership exchangeable unit.

Our board of directors has declared a cash dividend of \$0.54 per common share, which will be paid on July 6, 2022 to common shareholders of record on June 22, 2022. Partnership will also make a distribution in respect of each Partnership exchangeable unit in the amount of \$0.54 per Partnership exchangeable unit, and the record date and payment date for distributions on Partnership exchangeable units are the same as the record date and payment date set forth above.

In addition, because we are a holding company, our ability to pay cash dividends on our common shares may be limited by restrictions under our debt agreements. Although we do not have a formal dividend policy, our board of directors may, subject to compliance with the covenants contained in our debt agreements and other considerations, determine to pay dividends in the future. We expect to pay all dividends from cash generated from our operations.

Outstanding Security Data

As of April 26, 2022, we had outstanding 308,777,102 common shares and one special voting share. The special voting share is held by a trustee, entitling the trustee to that number of votes on matters on which holders of common shares are entitled to vote equal to the number of Partnership exchangeable units outstanding. The trustee is required to cast such votes in accordance with voting instructions provided by holders of Partnership exchangeable units. At any shareholder meeting of the Company, holders of our common shares vote together as a single class with the special voting share except as otherwise provided by law. For information on our share-based compensation and our outstanding equity awards, see Note 14 to the audited consolidated financial statements in Part II, Item 8 of our Annual Report on Form 10-K for the year ended December 31, 2021, filed with the SEC and Canadian securities regulatory authorities on February 23, 2022.

There were 143,460,786 Partnership exchangeable units outstanding as of April 26, 2022. During the three months ended March 31, 2022, Partnership exchanged 1,525,900 Partnership exchangeable units pursuant to exchange notices received. Since December 12, 2015, the holders of Partnership exchangeable units have had the right to require Partnership to exchange all or any portion of such holder's Partnership exchangeable units for our common shares at a ratio of one share for each Partnership exchangeable unit, subject to our right as the general partner of Partnership to determine to settle any such exchange for a cash payment in lieu of our common shares.

Comparative Cash Flows

Operating Activities

Cash provided by operating activities was \$234 million for the three months ended March 31, 2022, compared to \$266 million during the same period in the prior year. The decrease in cash provided by operating activities was driven by an increase in cash used for working capital, partially offset by an increase in segment income in our TH and BK segments, the inclusion of FHS segment income and a decrease in income tax payments.

Investing Activities

Cash provided by investing activities was \$1 million for the three months ended March 31, 2022, compared to cash used for investing activities of \$7 million during the same period in the prior year. This change was driven primarily by proceeds from other investing activities in the current year compared to payments from other investing activities in the prior year.

Financing Activities

Cash used for financing activities was \$426 million for the three months ended March 31, 2022, compared to \$261 million during the same period in the prior year. The change in cash used for financing activities was driven primarily by cash used to repurchase RBI common shares in the current year.

Critical Accounting Policies and Estimates

For information regarding our Critical Accounting Policies and Estimates, see the "Critical Accounting Policies and Estimates" section of "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K, filed with the U.S. Securities and Exchange Commission (the "SEC") on February 23, 2022.

New Accounting Pronouncements

See Note 3 – *New Accounting Pronouncements* in the notes to the accompanying unaudited condensed consolidated financial statements.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

There were no material changes during the three months ended March 31, 2022 to the disclosures made in Part II, Item 7A of our Annual Report on Form 10-K for the year ended December 31, 2021 filed with the SEC and Canadian securities regulatory authorities on February 23, 2022.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

An evaluation was conducted under the supervision and with the participation of management, including the Company's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), of the effectiveness of the Company's disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and Exchange Act Rules 15d-15(e)) as of March 31, 2022. Based on that evaluation, the CEO and CFO concluded that the Company's disclosure controls and procedures were effective as of such date.

Changes in Internal Controls

We are in the process of integrating Firehouse Subs into our overall internal control over financial reporting processes.

Internal Control Over Financial Reporting

The Company's management, including the CEO and CFO, confirm there were no changes in the Company's internal control over financial reporting during the three months ended March 31, 2022 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Special Note Regarding Forward-Looking Statements

Certain information contained in this report, including information regarding future financial performance and plans, targets, aspirations, expectations, and objectives of management, constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and forward-looking information within the meaning of Canadian securities laws. We refer to all of these as forward-looking statements. Forward-looking statements are forward-looking in nature and, accordingly, are subject to risks and uncertainties. These forward-looking statements can generally be identified by the use of words such as "believe", "anticipate", "expect", "intend", "estimate", "plan", "continue", "will", "may", "could", "would", "target", "potential" and other similar expressions and include, without limitation, statements regarding our expectations or beliefs regarding (i) the effects and continued impact of the COVID-19 pandemic on our results of operations, business, liquidity, prospects and restaurant operations and those of our franchisees, including local conditions and government-imposed limitations and restrictions; (ii) our digital and marketing initiatives and expectations regarding further expenditures relating to these initiatives; (iii) our discontinuation of operations in and financial results from Russia; (iv) the incurrence and timing of future FHS Transaction costs and Corporate restructuring and tax advisory fees; (v) our future financial obligations, including annual debt service requirements, capital expenditures and dividend payments, our ability to meet such obligations and the source of funds used to satisfy such obligations; (vi) our goals with respect to reduction in greenhouse gas emissions; (vii) the impact of the resolutions of the dispute in China on our future growth prospects in that market; (viii) certain tax matters, including our estimates with respect to tax matters and their impact on future periods; (ix) the amount of net cash settlements we expect to pay on our derivative instruments; and (x) certain accounting matters.

Our forward-looking statements, included in this report and elsewhere, represent management's expectations as of the date that they are made. Our forward-looking statements are based on assumptions and analyses made by the Company in light of its experience and its perception of historical trends, current conditions and expected future developments, as well as other factors it believes are appropriate in the circumstances. However, these forward-looking statements are subject to a number of risks and uncertainties and actual results may differ materially from those expressed or implied in such statements. Important factors that could cause actual results, level of activity, performance or achievements to differ materially from those expressed or implied by these forward-looking statements include, among other things, risks related to: (1) our substantial indebtedness, which could adversely affect our financial condition and prevent us from fulfilling our obligations; (2) global economic or other business conditions that may affect the desire or ability of our customers to purchase our products, such as the effects of the COVID-19 pandemic, inflationary pressures, high unemployment levels, declines in median income growth, consumer confidence and consumer discretionary spending and changes in consumer perceptions of dietary health and food safety; (3) our relationship with, and the success of, our franchisees and risks related to our fully franchised business model; (4) our franchisees' financial stability and their ability to access and maintain the liquidity necessary to operate their businesses; (5) our supply chain operations; (6) our ownership and leasing of real estate; (7) the effectiveness of our marketing, advertising and digital programs and franchisee support of these programs; (8) significant and rapid fluctuations in interest rates and in the currency exchange markets and the effectiveness of our hedging activity; (9) our ability to successfully implement our domestic and international growth strategy for each of our brands and risks related to our international operations; (10) our reliance on franchisees, including subfranchisees, to accelerate restaurant growth; (11) our ability to resolve disputes with master franchisees; (12) the ability of the counterparties to our credit facilities and derivatives to fulfill their commitments and/or obligations; and (13) changes in applicable tax laws or interpretations thereof, and our ability to accurately interpret and predict the impact of such changes or interpretations on our financial condition and results.

We operate in a very competitive and rapidly changing environment and our inability to successfully manage any of the above risks may permit our competitors to increase their market share and may decrease our profitability. New risk factors emerge from time to time and it is not possible for our management to predict all risk factors, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

Although we believe the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, level of activity, performance or achievements. Moreover, neither we nor any other person assumes responsibility for the accuracy or completeness of any of these forward-looking statements. You should not rely upon forward-looking statements as predictions of future events. Finally, our future results will depend upon various other risks and uncertainties, including, but not limited to, those detailed in Part I, Item 1A "Risk Factors" of our Annual Report on Form 10-K for the year ended December 31, 2021 filed with the SEC and Canadian securities regulatory authorities on February 23, 2022, as well as other materials that we from time to time file with, or furnish to, the SEC or file with Canadian securities regulatory authorities. All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements in this section and elsewhere in this report. Other than as required under securities laws, we do not assume a duty to update these forward-looking statements, whether as a result of new information, subsequent events or circumstances, changes in expectations or otherwise.

Part II – Other Information

Item 1. Legal Proceedings

See Part I, Notes to Condensed Consolidated Financial Statements, Note 16, *Commitments and Contingencies*.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Following are our monthly share repurchases for the first quarter of Fiscal year 2022:

Period	Total Number of Shares Purchased	Total Dollar Value of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (1)	Approximate Dollar Value of Shares that May Yet be Purchased under the Plans or Programs
January 1, 2022 - January 31, 2022	—	\$ —	\$ —	—	\$ 449,428,720
February 1, 2022 - February 28, 2022	868,499	48,907,829	56.31	868,499	400,520,891
March 1, 2022 - March 31, 2022	1,991,503	112,096,363	56.29	1,991,503	288,424,528
	<u>2,860,002</u>	<u>\$ 161,004,192</u>		<u>2,860,002</u>	

(1) In July 2021, the Board of Directors authorized repurchases of up to \$1.0 billion common shares through August 10, 2023 and the open market repurchases of the common shares listed in the table above were made pursuant to that authorization.

Item 5. Other Information.**Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers**

(e) On April 11, 2022, the Compensation Committee approved discretionary awards of 149,452, 124,543, 49,817, 59,780 and 39,853 performance share units, or “PSUs”, to Messrs. Cil, Kobza, Dunnigan, Shear and Curtis, respectively. The performance metrics for the PSUs are based on three-year targets for organic Adjusted EBITDA (weighted 50%), net restaurant growth (weighted 20%) and comparable sales (weighted 30%), in each case on a consolidated basis. The PSUs can be earned based on these components at 50% for threshold performance and at 150% for maximum performance. Additionally, the number of PSUs earned is subject to a multiplier based on the relative total shareholder return of our common shares on the NYSE compared to the performance of the S&P 500 for the period from December 31, 2021 to December 31, 2024. The Compensation Committee established this multiplier to be 50% below the 25th percentile, 100% between the 40th and 60th percentile and 150% at or above the 75th percentile, with linear interpolation between these multipliers. This allows the final payout to range from 25% for threshold performance to 225% at maximum performance. Once earned, the PSUs will cliff vest on February 25, 2025. In addition, if an executive’s service to RBI is terminated (other than due to death or disability) prior to February 25, 2024, he or she will forfeit the entire award. A copy of the form of Performance Award Agreement between RBI and each of the named executive officers is filed herewith as Exhibit 10.36(f). This summary is qualified in its entirety to the full text of the Performance Award Agreement.

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Item 6. Exhibits

<u>Exhibit Number</u>	<u>Description</u>
10.36(f)	Form of Performance Award Agreement (Performance Measures and TSR) under the Amended and Restated 2014 Omnibus Incentive Plan
10.80	Offer Letter dated December 8, 2020 among Burger King Europe GmbH, PLK Europe GmbH, and Tim Hortons Restaurants International GmbH and David Shear
10.81	Tax Equalization Agreement dated April 30, 2021 between Burger King Europe GmbH and David Shear
31.1	Certification of Chief Executive Officer of Restaurant Brands International Inc. pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Chief Financial Officer of Restaurant Brands International Inc. pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certification of Chief Executive Officer of Restaurant Brands International Inc. pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certification of Chief Financial Officer of Restaurant Brands International Inc. pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive File (formatted as Inline XBRL and contained in Exhibit 101)

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

RESTAURANT BRANDS INTERNATIONAL INC.
(Registrant)

Date: May 3, 2022

By: /s/ Matthew Dunnigan

Name: Matthew Dunnigan
Title: Chief Financial Officer
(principal financial officer)
(duly authorized officer)

**RESTAURANT BRANDS INTERNATIONAL INC.
AMENDED AND RESTATED 2014 OMNIBUS INCENTIVE PLAN**

RBI PERFORMANCE AWARD AGREEMENT

Unless defined in this Performance Award Agreement (the “**Award Agreement**”), capitalized terms will have the same meanings ascribed to them in the Restaurant Brands International Inc. Amended and Restated 2014 Omnibus Incentive Plan (as may be amended from time to time, the “**Plan**”).

Pursuant to the terms and conditions of Sections 8 and 10 of the Plan, you have been granted a Performance Award (the “**Award**”) on the following terms and subject to the provisions of the Plan, which is incorporated herein by reference. Unless defined in this Award Agreement, capitalized terms will have the same meanings ascribed to them in the Plan.

Performance Award: Restricted Stock Units (the “Performance Units”) with respect to [] Shares, as adjusted, up or down, to reflect the extent to which the Performance Targets have been achieved,

Grant Date: April 20, 2022

By accepting this Award of Performance Units and agreeing to this Award Agreement, you and the Company agree that this Award of Performance Units is granted under and governed by the terms and conditions of the Plan and the terms and conditions set forth in the attached Exhibit A, and the additional terms and conditions for employees outside the U.S. set forth in Exhibits B and C. Exhibits A, B, and C still constitute part of this Award Agreement.

PARTICIPANT

Name: _____

RESTAURANT BRANDS INTERNATIONAL INC.

By: _____
Name: Jill Granat
Title: General Counsel

EXHIBIT A

TERMS AND CONDITIONS OF THE
PERFORMANCE AWARD**Definitions**

For purposes of this Award Agreement, the following terms shall have the following meanings:

"Adjusted EBITDA" means earnings (net income or loss) before interest expense, net, (gain) loss on early extinguishment of debt, income tax (benefit) expense, and depreciation and amortization ("EBITDA") excluding the impact of share-based compensation and non-cash incentive compensation expense, (income) loss from equity method investments, net of cash distributions received from equity method investments, other operating (income) expenses, net, and all other specifically identified costs associated with non-recurring projects and non-operating activities.

"Cause" means (i) a material breach by you of any of your obligations under any written employment agreement with the Company or any of its Affiliates, (ii) a material violation by you of any of the policies, procedures, rules and regulations of the Company or any of its Affiliates applicable to employees or other service providers generally or to employees or other service providers at your grade level; (iii) the failure by you to reasonably and substantially perform your duties to the Company or its Affiliates (other than as a result of physical or mental illness or injury); (iv) your willful misconduct or gross negligence that has caused or is reasonably expected to result in material injury to the business, reputation or prospects of the Company or any of its Affiliates; (v) your fraud or misappropriation of funds; or (vi) the commission by you of a felony or other serious crime involving moral turpitude; *provided that if you are a party to an employment agreement at the time of termination of your Service and such employment agreement contains a different definition of "cause" (or any derivation thereof), the definition in such employment agreement will control for purposes of this Award Agreement.*

If you are terminated Without Cause and, within the twelve (12) month period subsequent to such termination of your Service, the Company determines that your Service could have been terminated for Cause, subject to anything to the contrary that may be contained in your employment agreement at the time of termination of your Service, your Service will, at the election of the Company, be deemed to have been terminated for Cause, effective as of the date the events giving rise to Cause occurred.

"Closing Stock Price" means the closing quotation on the New York Stock Exchange for the applicable date (or an applicable substitute exchange system determined by the Committee if the Company's common shares are no longer traded on the NYSE).

"Comparable Sales" means the percentage change in restaurant sales in one calendar year from the prior calendar year for restaurants that have been open for 13 months or longer for TH, BK and FHS and 17 months or longer for PLK, measured on a constant currency basis. Additionally, if a restaurant is closed for a significant portion of a month, the restaurant is excluded from the monthly comparable sales calculation.

"Disability" means (i) a physical or mental condition entitling you to benefits under the long-term disability policy of the company covering you or (ii) in the absence of any such policy, a physical or mental condition rendering you unable to perform your

duties for the Company or any Affiliate for a period of six (6) consecutive months or longer; *provided* that if you are a party to an employment agreement at the time of termination of your Service and such employment agreement contains a different definition of “disability” (or any derivation thereof), the definition in such employment agreement will control for purposes of this Award Agreement.

Earned Performance Units” has the meaning set forth in the Section below entitled “Determination of Number of Earned Performance Units”.

“**NRG**” means the net increase in restaurant count (openings, net of permanent closures) over a twelve-month period.

“**Organic Adjusted EBITDA**” means Adjusted EBITDA, excluding the impact of foreign currency exchange rates and excluding the impact of acquisitions and divestitures.

“**Percentage Earned**” has the meaning set forth on Schedule 1 hereto.

“**Performance Measure**” has the meaning set forth on Schedule 1 hereto.

“**Performance Measures Target**” means the Performance Target tied to the Performance Measures as set forth on Schedule 1 hereto.

“**Performance Period**” means the period set forth in Schedule 1 unless earlier terminated due to an Acquisition Event.

“**Performance Target**” means the Performance Measures Target and/or the TSR Percentile Target, as the case may be, as stated on Schedule 1.

“**Performance Units**” means the restricted stock units granted pursuant to this Award.

“**Retirement**” means a termination of Service by you on or after the later of (i) your 55th birthday and (ii) your completion of five years of Service with the Company and/or one of its Affiliates.

“**Target Units**” means the number of Performance Units with respect to the number of Shares reflected in this Agreement that you could receive if each of the applicable Performance Target levels is achieved for the Performance Period. The number of Target Units is set forth on the cover page of this Award Agreement.

“**TSR**” means the appreciation of the per share common stock price of the respective entity for the Performance Period including the impact of dividends paid on one share of the common stock of such entity during the Performance Period, assuming reinvestment of such dividends in such stock (based on the Closing Stock Price of such stock on the ex-dividend date). The appreciation shall be calculated based on (i) the sum of (A) the ending price (equaling the average VWAP for the last month of the Performance Period) plus (B) reinvested dividend amounts, divided by (ii) the initial price (equaling the average VWAP for the month ending on the first day of the Performance Period) and then subtracting the number one as follows:

$$\frac{\text{Average last month price} + \text{reinvested dividends}}{\text{Average initial month price}} - 1$$

"TSR Percentile Ranking" means the percentage that is determined by dividing (a) the number of entities in the Standard & Poor's 500 Index (the "S&P 500") at the beginning of the Performance Period that had a TSR for the Performance Period less than the Company's TSR for the Performance Period, by (b) the total number of entities in the S&P 500 at the beginning of the Performance Period; provided, however, (i) any entity that is not trading during the last month of the Performance Period due to being acquired or going private shall be excluded from the calculation; and (ii) any entity that is not trading during the last month of the Performance Period due to bankruptcy, insolvency, delisting from the applicable exchange or, at the discretion of the Committee, the acquisition of the entity as the result of financial distress, will be deemed to have a TSR at the bottom of the TSR Percentile Ranking calculation.

"TSR Percentile Target" means the Performance Target that is tied to the TSR Percentile Ranking as set forth in Schedule 1 hereto.

"Vesting Date" means February 25, 2025 or such earlier vesting date as may be provided in this Award Agreement.

"VWAP" volume weighted average price on the New York Stock Exchange (or such other applicable exchange) for the applicable date.

"Without Cause" means a termination of your Service by your employer (the **"Employer"**) other than any such termination by your Employer for Cause or due to your death or disability; *provided* that if you are a party to an employment agreement at the time of termination of your Service and such employment agreement contains a different definition of "without cause" (or any derivation thereof), the definition in such employment agreement will control for purposes of this Award Agreement.

Vesting.

The Earned Performance Units will vest on the Vesting Date and will settle in accordance with the section below entitled, "Settlement of Earned Performance Units", subject to the Percentage Earned (prior to applying the TSR Percentage Earned multiplier) being not less than 50% and subject to your continued Service through the Vesting Date and to the Sections below entitled "Determination of Number of Earned Performance Units" and "Termination" below.

No Payment for Shares.

No payment is required for Performance Units or Shares that you receive under this Award.

Nature of Award.

This Award represents the opportunity to receive the number of Shares equal to the Earned Performance Units earned as provided for below under "Determination of Number of Earned Performance Units," subject to the section above entitled "Vesting" and to the sections below entitled "Settlement of Performance Units" and "Termination".

Determination of Number of Earned Performance Units.

The number of Performance Units earned at the end of the Performance Period (the **"Earned Performance Units"**), if any, will be based on the Percentage Earned, as set forth on Schedule 1.

Settlement of Earned Performance Units.

The Company shall deliver to you that number of Shares equal to the aggregate number of Earned Performance Units for the Performance Period, if any, as determined in accordance with the section entitled "Determination of Number of Earned Performance Units" above, on or as soon as practicable (but no later than 60 days) after the Vesting Date, subject to the section entitled "Termination" below. You will have no rights of a shareholder with respect to the Shares until such Shares have been delivered to you.

Adjustment for Certain Events.

If and to the extent that it would not cause a violation of Section 409A of the Code or other applicable law, if any Corporate Event described in Section 5(d)(ii) of the Plan shall occur, the Committee shall make an adjustment as described in such Section 5(d)(ii) in such manner as the Committee may, in its sole discretion, deem appropriate and equitable to prevent substantial dilution or enlargement of the rights provided under this Award.

Acquisition Event

In the event of an Acquisition Event, the Committee shall determine the extent, if any, to which the Performance Measures and the Performance Level have been achieved in accordance with Schedule 1, except that the Performance Period shall be deemed to have ended on the last day prior to the Acquisition Event.

Termination.

Upon termination of your Service (other than as set forth below) prior to the Vesting Date, you will forfeit all of your Performance Units (including your Earned Performance Units) without any consideration due to you. For the purposes of the Plan and this Award Agreement, your Service will not be deemed to be terminated in the event that you transfer employment from the Company to any Affiliate or from an Affiliate to the Company or another Affiliate, as the case may be.

If your Service terminates on or after February 25, 2024 but prior to the Vesting Date Without Cause or by reason of your Retirement, you shall be vested on the Vesting Date in the number of Earned Performance Units, as determined in accordance with the section entitled "Number of Earned Performance Units" above, as if the Earned Performance Units subject to this Award vested 67% on February 25, 2024, and you shall be entitled to receive a number of Shares equal to the number of vested Earned Performance Units in accordance with the section entitled "Settlement of Performance Units". For example, if the number of Earned Performance Units (expressed as a percentage of Target Units) is 100%, and your Service terminates Without Cause or by reason of your Retirement on March 31, 2024, you would be entitled to receive 67% of the Target Units in settlement of your Earned Performance Units. For the avoidance of doubt, if your Service terminates prior to February 25, 2024 Without Cause or by reason of your Retirement, you will forfeit all of your Performance Units (including your Earned Performance Units) without any consideration due for you.

If your Service terminates prior to the Vesting Date by reason of death or Disability, you shall be vested in the number of Earned Performance Units, as if the Earned Performance Units subject to this Award vested 1/3 on each of February 25, 2023, February 25, 2024, and February 25, 2025, respectively, and you shall be entitled to

receive a number of Shares equal to the number of vested Earned Performance Units in accordance with the section entitled “Settlement of Earned Performance Units”. Notwithstanding the foregoing, if your Service terminates on or before the last day of the Performance Period by reason of your death or Disability, then for purposes of determining the number of Shares to be delivered to your Beneficiary or you, your Earned Performance Units shall be equal to the Target Units, based on the applicable vesting percentage in the preceding sentence.

In all other circumstances, your Service terminates on the day you receive written notice of termination or provide notice of resignation. For greater clarity, the date of termination of your Service will not be extended by any period of notice of termination of employment, payment in lieu of notice or severance mandated under local law, whether statutory, contractual or at common law (*e.g.*, active employment would not include a period of “garden leave” or similar period pursuant to local law) regardless of the reason for such termination and whether or not later found to be invalid or in breach of laws in the jurisdiction where you are rendering Service or the terms of your Employment Agreement, if any. The Committee shall have the exclusive discretion to determine the date of termination of your Service for purposes of this Award.

In the event that there is a conflict between the terms of this Award Agreement regarding the effect of a termination of your Service on this Award and the terms of any Employment Agreement, the terms of your Employment Agreement will govern.

Subject to any terms and conditions that the Committee may impose in accordance with Section 13 of the Plan, in the event that a Change in Control occurs and, within twelve (12) months following the date of such Change in Control, your Service is terminated by the Company Without Cause, your Earned Performance Units shall vest in full upon such termination. In such event, the number of your Earned Performance Units, and thus the number of Shares that you would be entitled to receive, shall be calculated in accordance with the sections entitled “Determination of Number of Earned Performance Units”, and “Settlement of Earned Performance Units”; provided, however, that if the Change in Control occurs prior to the expiration of the Performance Period, then for purposes of determining the number of Shares to be delivered to you by reason of your termination, your Earned Performance Units shall be equal to the Target Units. In the event that there is a conflict between the terms of this Award Agreement regarding the effect of a Change in Control on this Award and the terms of any Employment Agreement, the terms of this Award Agreement will govern.

In the event that any Earned Performance Units (or any Performance Units that are deemed to be Earned Performance Units) become vested pursuant to the foregoing provisions upon termination of your Service by reason of your death or Disability, settlement of such Earned Performance Units or deemed Earned Performance Units shall be made on or as soon as practicable (but no later than 60 days) after the date of such termination of your Service; provided, however, that in the event of any such termination for a reason of your death, settlement shall be no later than 2 1/2 months after the last day of the year in which your death occurs. Notwithstanding the foregoing, if your Performance Units constitute “nonqualified deferred compensation” (within the meaning of Section 409A of the Code) that is subject to the requirements of Section 409A of the Code, and you are a “specified employee” (as defined under Section 409A of the Code), then if and to the extent required to comply with Section 409A of the Code, settlement shall be delayed for the first 6 months following your separation from service (within the meaning of Section 409A), or if earlier the date of your death, and instead shall be made upon expiration of such delay period.

Taxes.

Regardless of any action the Company or your Employer takes with respect to any or all income tax, social security or insurance, government sponsored pension plan, unemployment insurance, fringe benefits tax, payroll tax, payment on account or other tax-related withholding ("Tax-Related Items"), you acknowledge that the ultimate liability for all Tax-Related Items legally due by you is and remains your responsibility and that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Award, including the grant, vesting or settlement of Performance Units, the subsequent sale of Shares acquired pursuant to such settlement and the receipt of any dividends or Dividend Equivalents; and (ii) do not commit to structure the terms of the grant or any aspect of this Award to reduce or eliminate your liability for Tax-Related Items.

If you are a U.S. taxpayer and you are or become eligible for Retirement prior to date on which your Award is settled, the value of your Award will be subject to FICA and Medicare taxes in the U.S. upon the earlier of (1) the last day of the Performance Period for which you have Earned Performance Units or (2) the date on which you first become eligible for Retirement, rather than when the Units are settled. The Company may elect, however, pursuant to a rule of administrative convenience, to delay the date on which the FICA and Medicare taxes for Participants eligible for Retirement are determined and withheld until any later date that is within the same calendar year.

Prior to the relevant taxable or tax withholding event, as applicable, you will pay or make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all withholding and payment on account obligations of the Company and/or the Employer. In this regard, you authorize the Company and/or the Employer to withhold all applicable Tax-Related Items legally payable by you from your wages or other cash compensation payable to you by the Company and/or the Employer. Alternatively, or in addition, if permissible under local law, the Company may in its sole and absolute discretion (1) sell or arrange for the sale of Shares that you acquire to meet the withholding obligation for Tax-Related Items (on your behalf pursuant to this authorization without further consent), and/or (2) withhold the amount of Shares necessary to satisfy the Tax-Related Items.

The Company may withhold or account for Tax-Related Items by considering statutory withholding rates or other withholding rates, including maximum rates applicable in your jurisdiction. In the event of over-withholding, you may receive a refund of any over-withheld amount in cash and will have no entitlement to the equivalent in Shares, or if not refunded, you may be able to seek a refund from the applicable tax authorities. In the event of under-withholding, you may be required to pay additional Tax-Related Items directly to the applicable tax authorities or to the Company and/or Employer. If the obligation for Tax-Related Items is satisfied by withholding in Shares, for tax purposes, you are deemed to have been issued the full number of Shares subject to the vested Performance Unit, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items.

Finally, you will pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold as a result of your participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to deliver the Shares if you fail to comply with your obligations in connection with the Tax-Related Items as described in this section.

Dividend Equivalents.

During the Performance Period, you shall be credited with additional Performance Units (based on the Target Units) with respect to the number of Shares having a Fair Market Value as of the applicable dividend payment date equal to the value of any dividends or other distributions that would have been distributed to you if each of the Shares to be delivered to you upon settlement of the Performance Units instead was an issued and outstanding Share owned by you ("Dividend Equivalents"). After the expiration of the Performance Period, the Target Units and the relevant accrued number of Dividend Equivalents shall be collectively adjusted based on the Percentage Earned and rounded to six decimal places. Thereafter, for the remainder of the term of this Award Agreement, you shall be credited with Dividend Equivalents based on the number of Earned Performance Units. The additional Performance Units credited to you as Dividend Equivalents shall be subject to the same terms and conditions under this Award Agreement as the Performance Units to which they relate, and shall vest and be earned and settled (rounded down to the nearest whole number) in the same manner and at the same times as Performance Units to which they relate. Each Dividend Equivalent shall be treated as a separate payment for purposes of Section 409A of the Code.

No Guarantee of Continued Service.

You acknowledge and agree that the vesting of this Award on the Vesting Date is earned only by performing continuing Service (not through the act of being hired or being granted this Award). You further acknowledge and agree that this Award Agreement, the transactions contemplated hereunder and the Vesting Date shall not be construed as giving you the right to be retained in the employ of, or to continue to provide services to, the Company or any Affiliate. Further, the Company or the applicable Affiliate may at any time dismiss you, free from any liability, or any claim under the Plan, unless otherwise expressly provided in any other agreement binding you, the Company or the applicable Affiliate. The receipt of this Award is not intended to confer any rights on you except as set forth in this Award Agreement.

Termination for Cause; Restrictive Covenants.

In consideration for the grant of this Award and for other good and valuable consideration, the sufficiency of which is acknowledged by you, you agree as follows:

Upon (i) a termination of your Service for Cause, (ii) a retroactive termination of your Service for Cause as permitted herein or under your employment agreement, or (iii) a violation of any post-termination restrictive covenant (including, without limitation, non-disclosure, non-competition and/or non-solicitation) contained in your employment agreement, or any separation or termination or similar agreement you may enter into with the Company or one of its Affiliates in connection with termination of your Service, any Award you hold shall be immediately forfeited and the Company may require that you repay (with interest or appreciation (if any), as applicable, determined up to the date payment is made), and you shall promptly repay to the Company, the Fair Market Value (in cash or in Shares) of any Shares received upon the settlement of Performance Units during the period beginning on the date that is one year before the date of your termination and ending on the first anniversary of the date of your termination. The Fair Market Value of any such Shares shall be determined as of the date on which the Performance Units were settled.

Company's Right of Offset.

If you become entitled to a distribution of benefits under this Award, and if at such time you have any outstanding debt, obligation, or other liability representing an

amount owing to the Company or any of its Affiliates, then the Company or its Affiliates, upon a determination by the Committee, and to the extent permitted by applicable law and not causing a violation of Section 409A of the Code, may offset such amount so owing against the amount of benefits otherwise distributable. Such determination shall be made by the Committee.

Acknowledgment of Nature of Award.

In accepting the grant of this Award, you acknowledge that:

- (a) the Plan is established voluntarily by the Company, it is discretionary in nature and may be modified, amended, suspended or terminated by the Company at any time, as provided in the Plan;
- (b) the grant of this Award is voluntary, occasional and discretionary and does not create any contractual or other right to receive future awards of Performance Units, or benefits in lieu of Performance Units even if Performance Units have been awarded in the past, whether or not repeatedly;
- (c) all decisions with respect to future awards, if any, will be at the sole discretion of the Company;
- (d) your participation in the Plan is voluntary;
- (e) this Award and any Shares acquired under the Plan, and the income from and value of same, are not part of normal or expected compensation or salary for any purposes, including, but not limited to, calculation of any severance, resignation, termination, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments;
- (f) the future value of the underlying Shares is unknown and cannot be predicted with certainty;
- (g) if you receive Shares, the value of such Shares acquired upon settlement may increase or decrease in value; and
- (h) no claim or entitlement to compensation or damages arises from termination of this Award, and no claim or entitlement to compensation or damages shall arise from any diminution in value of the Performance Units or Shares received upon settlement of Performance Units resulting from termination of your Service and you irrevocably release the Company, the Employer and their respective Affiliates from any such claim that may arise.

Securities Laws.

By accepting this Award, you acknowledge that Canadian or other applicable securities laws, including, without limitation, U.S. securities laws, and/or the Company's policies regarding trading in its securities may limit or restrict your right to buy or sell Shares, including, without limitation, sales of Shares acquired in connection with this Award. You agree to comply with all Canadian and any other applicable securities law requirements, including, without limitation, any U.S. securities law requirements, and Company policies, as such laws and policies are amended from time to time.

Data Privacy Notice and Consent.

You hereby explicitly and unambiguously consent to the collection, use and transfer, in electronic or other form, of your personal data as described in this Award Agreement by and among, as applicable, the Employer, the Company and its other Affiliates for the exclusive purpose of implementing, administering and managing your participation in the Plan.

You understand that the Company, the Employer and/or other Affiliates may hold certain personal information about you, including, but not limited to, your name, home address, email address and telephone number, date of birth, social insurance or social security number, passport or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Company, details of all Performance Units or any other entitlement to Shares awarded, canceled, vested, unvested or outstanding in your favor ("Data"), for the exclusive purpose of implementing, administering and managing your participation in the Plan.

You understand that Data will be transferred to Solium Capital or such other third party assisting in the implementation, administration and management of the Plan, that these recipients may be located in Canada, the United States or elsewhere, and that the recipient's country may have different data privacy laws and protections than your country. You understand that, if you reside in the European Economic Area, you may request a list with the names and addresses of any potential recipients of Data by contacting your local human resources representative. You authorize the recipients to receive, possess, use, retain and transfer Data, in electronic or other form, for the purposes of implementing, administering and managing your participation in the Plan. You understand that Data will be held only as long as is necessary to implement, administer and manage your participation in the Plan. You understand that, if you reside in the European Economic Area, you may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing your local human resources representative. You understand that refusal or withdrawal of consent may affect your ability to participate in the Plan. Further, you understand that you are providing the consents herein on a purely voluntary basis. If you do not consent, or if you later seek to revoke your consent, your employment status or Service with the Employer will not be affected; the only consequence of refusing or withdrawing your consent is that the Company would not be able to grant you Performance Units or other awards or administer or maintain such awards. For more information on the consequences of your refusal to consent or withdrawal of consent, you understand that you may contact your local human resources representative.

Upon request of the Company or the Employer, you agree to provide a separate executed data privacy consent form (or any other agreements or consents that may be required by the Company and/or the Employer) that the Company and/or the Employer may deem necessary to obtain from you for the purpose of administering your participation in the Plan in compliance with the data privacy laws in your country, either now or in the future. You understand and agree that you will not be able to participate in the Plan if you fail to provide any such consent or agreement requested by the Company and/or the Employer.

Limits on Transferability; Beneficiaries.

This Award shall not be pledged, hypothecated or otherwise encumbered or subject to any lien, obligation or liability to any party, or Transferred, otherwise than by your will or the laws of descent and distribution or to a Beneficiary upon your death, except that this Award may be Transferred to one or more Beneficiaries or other Transferees during your lifetime with the consent of the Committee. A Beneficiary, Transferee, or other person claiming any rights under this Award Agreement shall be subject to all terms and conditions of the Plan and this Award Agreement, except as otherwise determined by the Committee, and to any additional terms and conditions deemed necessary or appropriate by the Committee.

No Transfer to any executor or administrator of your estate or to any Beneficiary by will or the laws of descent and distribution of any rights in respect of this Award shall be effective to bind the Company unless the Committee shall have been furnished with (i) written notice thereof and with a copy of the will and/or such evidence as the Committee may deem necessary to establish the validity of the Transfer and (ii) the written agreement of the Transferee to comply with all the terms and conditions applicable to this Award and any Shares received upon settlement of Performance Units that are or would have been applicable to you.

Section 409A Compliance.

Neither the Plan, nor this Award Agreement is intended to provide for a deferral of compensation that would subject the Performance Units to taxation prior to the issuance of Shares as a result of Section 409A of the Code. Notwithstanding anything to the contrary in the Plan, or this Award Agreement, the Company reserves the right to revise this Award Agreement as it deems necessary or advisable, in its sole discretion and without your consent, to comply with Section 409A of the Code or to otherwise avoid imposition of any additional tax or income recognition under Section 409A of the Code prior to the actual payment of Shares pursuant to this Award.

Notwithstanding the foregoing, the Company does not make any representation to you that the Performance Units awarded pursuant to this Agreement are exempt from, or satisfy, the requirements of Section 409A, and the Company shall have no liability or other obligation to indemnify or hold harmless you or any Beneficiary for any tax, additional tax, interest or penalties that you or any Beneficiary may incur in the event that any provision of this Agreement, or any amendment or modification thereof or any other action taken with respect thereto, is deemed to violate any of the requirements of Section 409A.

Entire Agreement; Governing Law; Jurisdiction; Waiver of Jury Trial.

The Plan, this Award Agreement and, to the extent applicable, your employment agreement or any separation agreement constitute the entire agreement of the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings, representations and agreements (whether oral or written) of the Company and you with respect to the subject matter hereof. This Award Agreement may not be modified in a manner that adversely affects your rights heretofore granted under the Plan, except with your consent or to comply with applicable law or to the extent permitted under other provisions of the Plan. This Award Agreement is governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein, without regard to its principles of conflict of laws.

ANY ACTION OR PROCEEDING AGAINST THE PARTIES RELATING IN ANY WAY TO THIS AWARD OR THE AWARD AGREEMENT MAY BE

BROUGHT EXCLUSIVELY IN THE COURTS OF THE PROVINCE OF ONTARIO, AND YOU IRREVOCABLY SUBMIT TO THE JURISDICTION OF SUCH COURTS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING. ANY ACTIONS OR PROCEEDINGS TO ENFORCE A JUDGMENT ISSUED BY ONE OF THE FOREGOING COURTS MAY BE ENFORCED IN ANY JURISDICTION.

TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW THAT CANNOT BE WAIVED, YOU HEREBY WAIVE, AND COVENANT THAT YOU WILL NOT ASSERT (WHETHER AS PLAINTIFF, DEFENDANT OR OTHERWISE), ANY RIGHT TO TRIAL BY JURY IN ANY FORUM IN RESPECT OF ANY ISSUE, CLAIM OR PROCEEDING ARISING OUT OF THIS AWARD AGREEMENT OR THE SUBJECT MATTER HEREOF, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING AND WHETHER IN CONTRACT, TORT OR OTHERWISE.

By signing this Award Agreement, you acknowledge receipt of a copy of the Plan and represent that you understand the terms and conditions of the Plan, and hereby accept this Award subject to all provisions in this Award Agreement and in the Plan. You hereby agree to accept as final, conclusive and binding all decisions or interpretations of the Committee upon any questions arising under the Plan or this Award Agreement.

Electronic Delivery and Acceptance.

The Company may, in its sole discretion, decide to deliver any documents related to this Award or future awards that may be awarded under the Plan by electronic means or request your consent to participate in the Plan by electronic means. You hereby consent to receive such documents by electronic delivery and agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

Agreement Severable.

In the event that any provision in this Award Agreement will be held invalid or unenforceable, such provision will be severable from, and such invalidity or unenforceability will not be construed to have any effect on, the remaining provisions of this Award Agreement.

Language.

You acknowledge that you are proficient in the English language or have consulted with an advisor who is sufficiently proficient in the English language, so as to allow you to understand the content of this Award Agreement and other Plan-related materials. If you have received this Award Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

Non-U.S. Terms and Conditions.

Notwithstanding any provision in this Award Agreement, if you work and/or reside outside the U.S., this Award shall be subject to the additional terms and conditions set forth in Exhibits B and C, as applicable. Moreover, if you relocate to one of the countries or between countries included in Exhibits B or C, the special terms and conditions for such country will apply to you, to the extent the Company determines that

the application of such terms and conditions is necessary or advisable for legal or administrative reasons. Exhibits B and C constitute part of this Award Agreement.

Waiver.

You acknowledge that a waiver by the Company of breach of any provision of this Award Agreement shall not operate or be construed as a waiver of any other provision of this Award Agreement, or of any subsequent breach by you or any other Participant.

Schedule 1

"Performance Period" means the period in the beginning December 31, 2021 and ending December 31, 2024, for the 3-year CAGR (i.e. fiscal year 2022 over fiscal year 2021, fiscal year 2023 over fiscal year 2022 and fiscal year 2024 over fiscal year 2023).

The number of Performance Units that become Earned Units is determined based on the level of achievement during the Performance Period based on the Performance Measures and TSR Percentile Ranking set forth below.

PERFORMANCE MEASURES

% of Award	Performance Measure	Threshold (50% of Target)	Target (100% of Target)	Maximum (150% of Target)
50%	Organic Adjusted EBITDA 3-year CAGR (excluding Ad Fund)			
30%	Comparable Sales 3-year CAGR			
20%	NRG 3-year CAGR			

*Amounts between Threshold and Target and Maximum will be based on linear interpolation to determine the Percentage Earned.

The Compensation Committee may disregard or adjust the Performance Goal for the impact of any of the following: (i) corporate transactions (including, without limitation, mergers, dispositions, acquisitions and other similar type events or circumstances; (ii) restructuring, discontinued operations, strategic investments, extraordinary items or events, and other unusual or non-recurring charges; (iii) an event either not directly related to the operations of the Corporation or any of its affiliates or not within the reasonable control of the Corporation's management; or (iv) a change in tax law or accounting standards required by generally accepted accounting principles.

TSR PERCENTILE RANKING

Performance Level	TSR Percentage Earned (% of Target)
>75 th Percentile	150%
60 th – 75 th Percentile	Linear interpolation
40 th – 60 th Percentile	100%
25 th – 40 th Percentile	Linear interpolation
<25 th Percentile	50%

*TSR Percentage Earned between listed Performance Levels will be at the Payout for the highest Performance Level exceeded.

The “Percentage Earned” equals the product of (1) the sum of: for each Performance Measure, (A) the product of the percentage of Target earned for such Performance Measure multiplied by (B) the percentage of Award that is applicable to such Performance Measure, multiplied by (2) the TSR Percentage Earned, each as set forth above.

The number of Earned Units equals the Percentage Earned multiplied by the number of Performance Units (including any Dividend Equivalents); provided that if the Percentage Earned (prior to applying the TSR Percentage Earned multiplier) is less than 50% then the number of Earned Units will be zero.

EXHIBIT B

**RESTAURANT BRANDS INTERNATIONAL INC.
AMENDED AND RESTATED 2014 OMNIBUS INCENTIVE PLAN**

**ADDITIONAL TERMS AND CONDITIONS OF THE
PERFORMANCE AWARD AGREEMENT FOR PARTICIPANTS
OUTSIDE THE U.S.**

Certain capitalized terms used but not defined in this Exhibit B have the meanings set forth in the Restaurant Brands International Inc. Amended and Restated 2014 Omnibus Incentive Plan (the "Plan") and/or the Performance Award Agreement (the "Award Agreement").

TERMS AND CONDITIONS

This Exhibit B includes additional terms and conditions that govern this Award granted to you under the Plan if you reside and/or work outside the U.S. and Canada and/or in one of the countries listed below. If you are a citizen or resident of a country other than the one in which you are currently residing and/or working, transfer employment and/or residency after this Award is granted or are considered a resident of another country for local law purposes, the Committee shall, in its discretion, determine to what extent the terms and conditions contained herein shall apply to you.

NOTIFICATIONS

This Exhibit B also includes information regarding securities, exchange controls, tax and certain other issues of which you should be aware with respect to participation in the Plan. The information is based on the securities, exchange control, and other laws in effect in the respective countries as of January 2022. Such laws are often complex and change frequently. As a result, the Company strongly recommends that you not rely on the information in this Exhibit B as the only source of information relating to the consequences of your participation in the Plan because the information may be out of date at the time you vest in this Award or sell Shares acquired under the Plan.

In addition, the information contained herein is general in nature and may not apply to your particular situation, and the Company is not in a position to assure you of a particular result. Accordingly, you should seek appropriate professional advice as to how the relevant laws in your country may apply to your situation.

Finally, if you are a citizen or resident of a country other than the one in which you are currently residing and/or working, transfer employment and/or residency after this Award is granted or are considered a resident of another country for local law purposes, the information contained herein may not be applicable to you.

GENERAL TERMS AND CONDITIONS FOR PARTICIPANTS OUTSIDE THE U.S.

The following terms and conditions apply if you reside and/or work outside of the U.S. and supplement the entire Award Agreement generally:

Entire Agreement.

The following provisions replace the first sentence of the *Entire Agreement* section of Exhibit A:

The Plan and the Award Agreement, including this Exhibit B, constitute the entire agreement of the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings, representations and agreements (whether oral or written) of the Company and you with respect to the subject matter hereof. In no event will any aspect of this Award be determined in accordance with your employment agreement (or other Service contract).

Retirement.

Notwithstanding the favorable treatment that is potentially available upon a termination due to Retirement (as set forth in the *Termination* section of the Award Agreement), if the Company receives an opinion of counsel that there has been a legal judgment and/or legal development in your jurisdiction that would likely result in this favorable treatment upon termination due to Retirement being deemed unlawful and/or discriminatory, then the favorable Retirement treatment will not apply at the time your Service terminates and the Award will be forfeited if your Service ends before the Vesting Date for any reason other than as set forth in the *Termination* section of the Award Agreement.

Taxes.

The following provisions supplement the *Taxes* section of Exhibit A:

You acknowledge that your liability for Tax-Related Items may exceed the amount withheld by the Company and/or the Employer, if any.

If you have become subject to tax in more than one jurisdiction, you acknowledge that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Limits on Transferability; Beneficiaries.

The following provision supplements the *Limits on Transferability; Beneficiaries* section of Exhibit A:

This Award may not be Transferred to a designated Beneficiary and may only be Transferred upon your death to your legal heirs in accordance with applicable laws of descent and distribution. In no case may this Award be Transferred to another individual during your lifetime.

Acknowledgement of Nature of Award.

The following provisions supplement the *Acknowledgment of Nature of Award* section of Exhibit A:

You acknowledge the following with respect to this Award:

- (a) The Award and any Shares acquired under the Plan, and the income from and value of same, are not intended to replace any pension rights or compensation;
- (b) In no event should this Award or any Shares acquired under the Plan, and the income from and value of same, be considered as compensation for, or relating in any way to, past services for the Company, the Employer or any other Affiliate;
- (c) Neither the Company, the Employer nor any other Affiliate shall be liable for any foreign exchange rate fluctuation between your local currency and the United States Dollar or Canadian Dollar, as applicable, that may affect the value of this Award or of any amounts due to you pursuant to the settlement of this Award or the subsequent sale of any Shares acquired upon settlement;
- (d) Unless otherwise agreed with the Company, this Award and any Shares acquired upon the settlement of this Award, and the income from and value of same, are not granted as consideration for, or in connection with, any service you may provide as a director of any Affiliate; and
- (e) Unless otherwise provided in the Plan or by the Company in its discretion, this Award and the benefits under the Plan evidenced by the Award Agreement do not create any entitlement to have this Award or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares.

No Advice Regarding Award.

The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding your participation in the Plan, or your acquisition or sale of the underlying Shares. You should consult with your own personal tax, legal and financial advisors regarding your participation in the Plan before taking any action related to the Plan.

Insider Trading Restrictions/Market Abuse Laws.

You acknowledge that, depending on your country or the designated broker's country, or the countr(ies) in which the Shares are listed, you may be subject to insider trading restrictions and/or market abuse laws in applicable jurisdictions, which may affect your ability to accept, acquire, sell or attempt to sell or otherwise dispose of the Shares, rights to Shares (e.g., this Award) or rights linked to the value of Shares, during such times as you are considered to have "inside information" regarding the Company (as defined by the laws or regulations in applicable jurisdictions, including the U.S. and your country). Local insider trading laws and regulations may prohibit the cancellation or amendment of orders you placed before possessing inside information. Furthermore, you may be prohibited from (i) disclosing insider information to any third party, including fellow employees (other than on a "need to know" basis) and (ii) "tipping" third parties or causing them to otherwise buy or sell securities. Any restrictions under these laws or

regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. You acknowledge that it is your responsibility to comply with any applicable restrictions, and you should speak to your personal advisor on this matter.

Foreign Asset/Account Reporting Requirements.

You acknowledge that there may be certain foreign asset and/or account reporting requirements which may affect your ability to acquire or hold the Shares acquired under the Plan or cash received from participating in the Plan (including from any dividends paid on the Shares acquired under the Plan) in a brokerage or bank account outside your country. You may be required to report such accounts, assets or transactions to the tax or other authorities in your country. You also may be required to repatriate sale proceeds or other funds received as a result of participating in the Plan to your country through a designated bank or broker within a certain time after receipt. You acknowledge that it is your responsibility to be compliant with such regulations, and you should speak to your personal advisor on this matter.

Imposition of Other Requirements.

The Company reserves the right to impose other requirements on your participation in the Plan, on this Award and on any Shares acquired upon settlement of this Award, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require you to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

COUNTRY SPECIFIC TERMS AND CONDITIONS AND NOTIFICATIONS FOR PARTICIPANTS OUTSIDE THE U.S. AND CANADA**BRAZIL***TERMS AND CONDITIONS***Labor Law Policy and Acknowledgment.**

The following provision supplements the *Acknowledgment of Nature of Awards* section of Exhibit A:

In accepting this Award, you acknowledge and agree that (i) you are making an investment decision, (ii) the Shares will be issued to you only if the vesting conditions are met and any necessary services are rendered by you over the vesting period, and (iii) the value of the underlying Shares is not fixed and may increase or decrease in value over the vesting period without compensation to you.

Compliance with Law.

In accepting this Award, you agree to comply with applicable Brazilian laws, and to report and pay all Tax-Related Items associated with the vesting of this Award or the subsequent sale of Shares acquired under the Plan.

NOTIFICATIONS**Exchange Control Information.**

If you are a resident or domiciled in Brazil, you will be required to submit an annual declaration of assets and rights held outside of Brazil to the Central Bank of Brazil if the aggregate value of such assets and rights is equal to or greater than USD 1,000,000. Quarterly reporting is required if such amount exceeds USD 100,000,000. Assets and rights that must be reported include Shares acquired under the Plan and may include the Award.

Tax on Financial Transactions (IOF).

Payments to foreign countries and repatriation of funds into Brazil, and the conversion between BRL and USD associated with such fund transfers, may be subject to the Tax on Financial Transactions. It is your responsibility to comply with any applicable Tax on Financial Transactions arising from participation in the Plan. You should consult with your personal tax advisor for additional details.

SINGAPORE*TERMS AND CONDITIONS***Sale of Shares.**

Any sale or offer of Shares shall be made pursuant to one or more exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the Securities and Futures

Act (Chap. 289, 2006 Ed.) (“SFA”), or pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA.

NOTIFICATIONS

Securities Law Information.

The grant of this Award is being made pursuant to the “Qualifying Person” exemption under section 273(1)(f) of the SFA and is not made with a view to this Award or underlying Shares being subsequently offered for sale to any other party. The Plan has not been lodged or registered as a prospectus with the Monetary Authority of Singapore.

Director Notification Requirement.

If you are a director, associate director or shadow director of the Company’s Singapore Affiliate, you are subject to certain notification requirements under the Singapore Companies Act. Among these requirements is an obligation to notify the Singapore Affiliate in writing when you receive an interest (e.g., this Award, Shares) in the Company or Affiliate. In addition, you must notify the Singapore Affiliate when you sell Shares (including when you sell Shares issued upon settlement of this Award). These notifications must be made within two business days of acquiring or disposing of any interest in the Company or any Affiliate. In addition, a notification of your interests in the Company or Affiliate must be made within two business days of becoming a director.

SWITZERLAND

NOTIFICATIONS

Securities Law Information.

Neither this document nor any other materials relating to the offer of this Award (i) constitutes a prospectus according to articles 35 et seq. of the Swiss Federal Act on Financial Services (“FinSA”), (ii) may be publicly distributed or otherwise made publicly available in Switzerland to any person other than an employee of the Company or any of its Affiliates, or (iii) has been or will be filed with, approved by or supervised by any Swiss reviewing body according to article 51 FinSA or any Swiss regulatory authority (e.g., the Swiss Financial Market Supervisory Authority).

URUGUAY

TERMS & CONDITIONS

Data Privacy Notice and Consent.

The following provision supplements the *Data Privacy Notice and Consent* section of Exhibit A:

You understand that Data will be collected by the Employer and will be transferred to the Company at 130 King Street, Suite 300, Toronto, Ontario M5X 1E1 Canada and/or 5707 Blue Lagoon Drive, Miami, FL 33126 USA, and/or any financial institutions or brokers involved in the management and administration of the Plan. You further understand that any of these entities may store Data for purposes of administering your participation in the Plan.

EXHIBIT C**RESTAURANT BRANDS INTERNATIONAL INC.
AMENDED AND RESTATED 2014 OMNIBUS INCENTIVE PLAN****ADDITIONAL TERMS AND CONDITIONS TO THE
PERFORMANCE AWARD AGREEMENT FOR PARTICIPANTS IN CANADA**

Certain capitalized terms used but not defined in this Exhibit C have the meanings set forth in the Restaurant Brands International Inc. Amended and Restated 2014 Omnibus Incentive Plan (the “**Plan**”) and/or the Performance Award Agreement (the “**Award Agreement**”).

TERMS AND CONDITIONS

This Exhibit C includes additional terms and conditions that govern this Award granted to you under the Plan if you reside and/or work in Canada. If you are a citizen or resident of a country other than Canada, transfer employment and/or residency after this Award is granted or are considered a resident of another country for local law purposes, the Committee shall, in its discretion, determine to what extent the terms and conditions contained herein shall apply to you.

NOTIFICATIONS

This Exhibit C also includes information regarding securities, exchange controls, tax and certain other issues of which you should be aware with respect to participation in the Plan. The information is based on the securities, exchange control, and other laws in effect in Canada as of January 2022. Such laws are often complex and change frequently. As a result, the Company strongly recommends that you not rely on the information in this Exhibit C as the only source of information relating to the consequences of your participation in the Plan because the information may be out of date at the time the Performance Units subject to this Award vest and settle or you sell Shares acquired under the Plan.

In addition, the information contained herein is general in nature and may not apply to your particular situation, and the Company is not in a position to assure you of a particular result. Accordingly, you should seek appropriate professional advice as to how the relevant laws in Canada may apply to your situation.

Finally, if you are a citizen or resident of a country other than Canada, transfer employment and/or residency after this Award is granted or are considered a resident of another country for local law purposes, the information contained herein may not be applicable to you.

TERMS AND CONDITIONS**Termination.**

The following provision supplements the *Termination* section of Exhibit A:

Notwithstanding the foregoing, if applicable employment standards legislation explicitly requires continued vesting during a statutory notice period, your right to vest in the Award under the Plan, if any, will terminate effective as of the last day of your minimum statutory notice period.

Taxes.

The following provisions replace the third paragraph under the *Taxes* section of Exhibit A:

Prior to the relevant taxable or tax withholding event, as applicable, you will pay or make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all withholding and payment on account obligations of the Company and/or the Employer. In this regard, you authorize the Company and/or the Employer to withhold all applicable Tax-Related Items legally payable by you from your wages or other cash compensation payable to you by the Company and/or the Employer. Alternatively, or in addition, if permissible under local law, the Company may in its sole and absolute discretion (1) sell or arrange for the sale of Shares that you acquire to meet the withholding obligation for Tax-Related Items (on your behalf pursuant to this authorization without further consent), and/or (2) withhold the amount of Shares necessary to satisfy the Tax-Withholding Items.

The following provisions regarding language consent and data privacy will apply if you are a resident of Quebec:**Language Consent.**

The parties acknowledge that it is their express wish that the Award Agreement, as well as all addenda, documents, notices, and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English.

Les parties reconnaissent avoir exigé la rédaction en anglais de cette Convention, ainsi que de tous documents exécutés, avis donnés et procédures judiciaires intentées, directement ou indirectement, relativement à ou suite à la présente convention.

Data Privacy Notice and Consent.

The following provision supplements the *Data Privacy Notice and Consent* section of Exhibit A:

You hereby authorize the Company and the Company's representatives to discuss and obtain all relevant information from all personnel, professional or non-professional, involved in the administration of the Plan. You further authorize the Company, its Affiliates and the Committee to disclose and discuss the Plan with their advisors. You further authorize the Employer, the Company, and any other Affiliate to record such information and to keep such information in your employee file.

NOTIFICATIONS

Securities Law Information.

You are permitted to sell Shares acquired under the Plan through the designated broker, if any, provided the sale of the Shares acquired under the Plan takes place through the facilities of a stock exchange on which the Shares are listed (*i.e.*, the New York Stock Exchange or the Toronto Stock Exchange), subject to applicable laws and Company policies.

Foreign Asset/Account Reporting Information.

You must report annually on Form T1135 (Foreign Income Verification Statement) any foreign specified property you hold (including any Shares acquired under the Plan, if held outside Canada), if the total value of such foreign specified property exceeds C\$100,000 at any time during the year. The unvested portion of this Award also must be reported (generally at nil cost) on Form 1135 if the C\$100,000 threshold is exceeded due to other foreign specified property you hold. If Shares are acquired, the cost generally is their adjusted cost base (the “**ACB**”). The ACB would normally equal the Fair Market Value of the Shares at the time of acquisition, but if you own other Shares, the ACB may have to be averaged with the ACB of the other Shares. The form must be filed with your annual tax return by April 30 of the following year. You should consult with a personal advisor to ensure you comply with the applicable reporting obligation.

OFFER LETTER

December 8, 2020

Personal & Confidential

David Shear

Dear David:

I am pleased to confirm the Company's offer of this position to you, and would like to take this opportunity to congratulate you on this appointment. I'm confident that you will continue to make a valuable contribution to the business in your new role.

The following terms and conditions will apply to your employment with Burger King Europe GmbH (the "BKE"), PLK Europe GmbH ("PLK"), and Tim Hortons Restaurants International GmbH ("TH"), (collectively, the "Company"). By you signing this offer letter (the "Offer Letter"), you acknowledge and accept all the provisions below, and you acknowledge that, other than as set forth in this Offer Letter, no representations or warranties regarding your employment within the Company have been made to you.

Please note that your rights and duties, and those of the Company, are controlled by this Offer Letter and, to the extent that this Offer Letter does not provide otherwise, the rules according to the Swiss Code of Obligations ("CO") shall apply.

1. Commencement.

- (a) **Commencement Date.** Your employment with the Company commenced on December 1, 2020 (the "Commencement Date"). Notwithstanding, we note that the Company has agreed to recognize your years of service, and will, therefore, treat your first day of employment as July 11, 2011.
- (b) **Duration.** This Offer Letter will remain in force for an indefinite period from the Commencement Date until termination (per Section 7 below).

2. Position. Your job title will be President, International, and you shall have such duties and responsibilities as are customarily assigned to persons serving in such positions and such other duties consistent with your position, including oversight of the Company and BK Asiapac Pte. Ltd., PLK APAC Pte. Ltd., and Tim Hortons Asia Pacific Pte. Ltd. You will report to the CEO, currently José Cil, or such other person the Company shall designate from time to time.

3. Location and Hours of Work. Your position ordinarily will be based in Baar, Switzerland, understanding that the position will be relocated to the area in or around Zug, Switzerland, should the Company's offices move to such area. However, you may be required to travel in and outside of Baar as the needs of the Company dictate. Your hours of work will be defined by the



requirements of your position, and you will divide your working time according to the business needs of the Company. You may be required from time to time to perform overtime work; this fact has been taken into account when fixing your salary and vacation entitlement and you shall therefore not be entitled to additional overtime pay or compensation in kind, except to the extent mandatory under applicable law.

4. Compensation.

- (a) Base Salary. Your total overall base salary will be CHF 494,834.29 gross per annum ("Base Salary"), payable by BKE in instalments on regular payroll dates. The internal allocation of your Base Salary will be borne by the Company in accordance with the effective workload worked in the position. Notwithstanding the foregoing, BKE will adjust a portion of your base salary on a quarterly basis in an effort to minimize the impact of currency fluctuations between the US Dollars (USD) and the Swiss Francs (CHF), such adjustment to be made in accordance with BKE's Mobility Compensation Policy, as such policy may be amended by BKE from time to time. For purposes of clarity, the USD equivalent used to determine your Base Salary is USD 500,000.
- (b) Annual Bonus Program. You will remain eligible to participate in BKE's Annual Bonus Program or such other annual bonus program to be adopted and maintained for employees of BKE at your pay band, in its sole discretion (any such plan, the "Bonus Plan"), in accordance with the terms of the Bonus Plan (including any performance targets or objectives established under such plan and the timing of any payment under such plan) as in effect from time to time. Under the Bonus Plan, your target bonus rate for the 2021 performance year will be one hundred and fifty percent (150%) of your Base Salary for the period of your eligible service during the fiscal year following the Commencement Date. The internal allocation of your bonus under the Bonus Plan will be borne by the Company in accordance with the effective workload worked in the position. The Bonus Plan (including your target bonus rate under such Bonus Plan) is a discretionary, non-contractual benefit, which BKE reserves the right to amend or withdraw at any time.
- (c) Host Premium. Commencing on the Commencement Date and continuing for the duration of time during which your employment is based in Switzerland, you will receive from BKE a host premium at a gross annualized rate of total overall CHF 142,706.54, and payable in instalments on the regular payroll dates (the "Host Premium"). The internal allocation of your Host Premium will be borne by the Company in accordance with the effective workload worked for in the position. Notwithstanding the foregoing, a portion of this Host Premium will be adjusted on a quarterly basis, to the extent a portion of your Base Salary is adjusted (as described above) in an effort to minimize the impact of currency fluctuations between the US Dollars (USD) and the Swiss Francs (CHF), both such adjustments to be made in accordance with BKE's Mobility Compensation Policy, as such policy may be amended by BKE from time to time. This Host Premium will be reviewed periodically, and may be amended or withdrawn in BKE's sole discretion.
- (d) Payments and Deductions. All compensation will be payable by BKE in accordance with the applicable plan, policy or agreement and tBKE's normal payroll practices as they relate to time and frequency of payments and payroll deductions. Payments of Base Salary, bonus (if any) or other compensation or benefits will be subject to all applicable taxes and other withholdings, and BKE may withhold all such taxes and other withholdings from any payments



made to you as shall be required by law. In addition, if at any time money is owed and payable by you to BKE, PLK and/or TH, it is agreed that BKE may deduct such sums from time to time owed from any payment due to you from BKE in accordance with applicable law.

5. Employee Benefits.

- (a) **Medical and Other Health Care Benefits.** During your employment with the Company, you will be eligible to participate in the employee medical and other health care benefit plans and programs maintained by BKE from time to time for employees at your level, in each case, such benefits will be provided in accordance with the terms and conditions of the plans in effect from time to time. Details of the applicable plans will be provided to you under separate cover. BKE reserves the right to perform periodic reviews of the offered benefits and to revise your eligibility for medical and other health care benefits based upon the results of any such review. For the avoidance of any misunderstanding, you will, taking into consideration your employment with the Company in total, receive the same benefits as the other employees of BKE at your level (no multiple payment).
- (b) **Pension.** You will continue to be included in the occupational pension scheme (BVG) of BKE. The rules and conditions of the pension plan currently maintained by BKE for an employee at your grade level are outlined in the Pension Fund Regulations. The internal allocation of the Employer contributions will be borne among the Company in accordance with the effective workload worked in the position.

6. Vacation and Other Leaves.

- (a) **Vacation.** In addition to public holidays and any paid leave required by applicable law, you will continue to be entitled to receive paid vacation on an annualized basis in the amount provided by, and in accordance with the terms and conditions of applicable BKE policy (25 days per calendar year).
- (b) **Garden Leave.** You agree that the Company or any of BKE, PLK or TH has the right from time to time to set or alter the duties of the job, to transfer, reassign or suspend you, exclude you from any or all of the Company's premises, or require you to work from home in its sole discretion from time to time without notice. During the period of Garden Leave, you shall remain readily contactable and available for work and you shall continue to comply with all your obligations in this Offer Letter, unless you are released from such obligations by the Company. If so requested, you shall report for work at such time and place as the Company may require. Such action taken by the Company as provided in this paragraph 6(b) shall not constitute a breach of this Offer Letter nor shall you have any claim against the Company in respect of such action.

7. Termination.

- (a) **Termination with Notice.** Subject to the remainder of this Section 7, your employment with the Company may be terminated at any time for any reason whatsoever by either party giving the other one (1) months' advanced written notice of termination prior to the last day of the preceding month (meaning that if notice is given at any time during the month of October, the termination will be effective as of the last day of November of that same year, and notice by any one of BKE, PLK or TH shall constitute notice for the Company, collectively). Unless



expressly stated otherwise in the written termination notice, a termination of your employment with BKE, PLK or TH constitutes an automatic termination of your employment with BKE, PLK and TH, without the need for additional notice to you.

- (b) Termination "for Cause". The Company may terminate your employment with immediate effect and without notice "for cause" (art 337 CO). In such event, you shall have no right to receive any further remuneration or benefits (including, without limitation, notice or, if applicable, any bonus or redundancy payments) other than accrued salary, accrued but unused vacation pay, and approved but unreimbursed business expenses that are owed to you with respect to your employment with the Company as at the date of your termination. For purposes of this Offer Letter, your employment with BKE, PLK and TH will be deemed to have been terminated "for cause" in the event of: (i) a material breach by you of any provision of this Offer Letter; (ii) a material violation by you of any Policy (as defined in sub-paragraph 8(c), (iii) the failure by you to reasonably and substantially perform your duties hereunder (other than as a result of physical or mental illness or injury); (iv) your wilful misconduct or gross negligence that has caused or is reasonably expected to result in demonstrable injury to the business, reputation or prospects of the Company or any of their respective affiliates; (v) your fraud or misappropriation of funds or other property; (vi) the commission by you of an offence or other crime involving fraud or dishonesty, whether in connection with your employment or otherwise; (vii) if applicable, your eligibility to work in Switzerland under the provisions of applicable immigration laws and regulations is refused, revoked, cancelled or otherwise withdrawn for any reason whatsoever by the relevant governmental authorities or you cease to qualify for the relevant work permit exemption, as the case may be; or (viii) conduct by you that, in any other respect, amounts to "just cause" under applicable law. A termination of your employment with any one or more of BKE, PLK or TH "for cause" constitutes an automatic termination of your employment with BKE, PLK and TH, without the need for notice to you.

8. Employee Covenants.

- (a) Restrictive Covenants. You acknowledge and agree that you will have a prominent role in the management of the business, and the development of the goodwill, of the Company and their respective affiliates, and will establish and develop relations and contacts with the franchisees and suppliers of the Company and their respective affiliates throughout the world, all of which constitute valuable goodwill of, and could be used by you to compete unfairly with, the Company and their respective affiliates. In addition, you recognize that you will have access to and become familiar with or be exposed to Confidential Information (as such term is defined below), in particular, trade secrets, proprietary information, customer lists, and other valuable business information of the Company pertaining or related to the quick service restaurant business. You agree that you could cause grave harm to the Company if you, among other things, solicited any of BKE, PLK or TH's employees away from BKE, PLK or TH, solicited any of BKE, PLK or TH's franchisees upon the termination of your employment with the Company or misappropriated or divulged the Company's Confidential Information or that of their respective affiliates, and that as such, the Company has legitimate business interests in protecting its good will and Confidential Information, and these legitimate business interests therefore justify the following restrictive covenants:



- i. *Confidentiality.* You agree that during your employment with the Company and thereafter, you will not, directly or indirectly (A) disclose any Confidential Information to any person (other than, only with respect to the period that you are employed by the Company, to an employee or outside advisor of the Company who requires such information to perform his or her duties for the Company), or (B) use any Confidential Information for your own benefit or the benefit of any third party. "Confidential Information" means confidential, proprietary or commercially sensitive information relating to (y) the Company or any of their respective affiliates, or members of their respective management or boards or (z) any third parties who do business with the Company or their respective affiliates, including franchisees and suppliers. Confidential Information includes, without limitation, the terms of this Offer Letter, marketing plans, business plans, recipes, financial information and records, operation methods, personnel information, drawings, designs, information regarding product development, other commercial or business information and any other information not available to the public generally. The foregoing obligation shall not apply to any Confidential Information that has been previously disclosed to the public or is in the public domain (other than by reason of your breach of your obligations to hold such Confidential Information confidential). Notwithstanding the foregoing, you will not be prohibited from disclosing the terms of this Offer Letter to your lawyer, financial advisor or immediate family members, provided that you immediately advise each such individual that he or she must abide by the confidentiality restrictions contained herein and keep the terms of the Offer Letter confidential.

If you are required or requested by a court or governmental agency to disclose Confidential Information, you must notify the General Counsel of Restaurant Brands International Inc. ("RBI"), in writing, of such disclosure obligation or request no later than three (3) business days after you learn of such obligation or request, and permit RBI to take all lawful steps it deems appropriate to prevent or limit the required disclosure.

- ii. *Conflicts of Duty.* You agree that during your employment with the Company, you shall devote all of your skill, knowledge, commercial efforts and business time to the conscientious and good faith performance of your duties and responsibilities to the Company to the best of your ability and you shall not, directly or indirectly, be employed by, render services for, engage in business with or serve as an agent or consultant to any person other than the Company.
- iii. *Non-Competition.* You acknowledge that in your position as a member of the Company's management, you will have insight into sensitive information which is relevant for the development of the Company's businesses as well as for the development of the goodwill of the Company and their respective affiliates and you will, in the course of your employment under this Offer Letter, acquire knowledge of the Company or their respective affiliates' trade secrets and proprietary information, have insight into the Company's or their respective affiliate's customer base, and further establish and develop relations and contacts such as with management of other affiliated companies, with the franchisees, customers and suppliers of the Company and their respective affiliates throughout the world, all of which constitute valuable goodwill of the Company and their respective affiliates. You acknowledge and agree



that the use of such knowledge could significantly damage the Company or their respective affiliates. Accordingly, you agree that, for a period of twelve (12) months following the end of your employment (irrespective of the cause or manner of termination), you shall not, directly or indirectly, anywhere in the World:

- a. engage in any activities that are competitive with the business of the Company or their affiliates, which is the quick service restaurant business, or
- b. become employed by, render services for, engage in business with, serve as an agent or consultant to, or become a partner, member, principal, stockholder or other owner of, any person or entity which competes with the Company or any of its affiliates in the quick serve restaurant business, including any franchisee of the Company or any of their respective affiliates,

provided that you shall be permitted to hold one percent or less interest in the equity or debt securities of any publicly traded company.

- iv. *Non-Solicitation.* You agree that during your employment with the Company and for a period of one (1) year following the end of such employment for any reason, you shall not, directly or indirectly, by yourself or through any third party, whether on your own behalf or on behalf of any other person or entity: (a) solicit, induce or endeavor to solicit or induce, attempt to establish business relations with, employ or retain; (b) interfere with the relationship of the Company or any of their respective affiliates with; or (c) attempt to establish a business relationship of a nature that is competitive with the business of the Company with, any person or entity that is or was (during the last twelve (12) months of your employment with RBI) (A) an employee of BKE, PLK, TH or any of their respective affiliates, (B) engaged to provide services to BKE, PLK, TH or any of their respective affiliates, including vendors who provide or have provided advertising, marketing or other services to the BKE, PLK, TH or any of their respective affiliates, or (C) a franchisee of BKE, PLK, TH or any of their respective affiliates.
 - v. *Remedy.* The parties agree that each violation of a restriction described in Subsections (iii) and (iv) above shall trigger a contractual fine equal to your Base Salary for one full year, without the Company being obliged to prove the damage caused by the violation of the restriction; the Company is, however, authorised to claim additional damage if such damage is beyond the amount of the contractual fine. The payment of the contractual fine shall not release you from the obligations and restrictions under Subsections (iii) and (iv) above. The restrictions may additionally be enforced in kind (within the meaning of 340b para 3 of the CO).
- (b) Work Product. You agree that all of your work product (whether created solely or jointly with others) created in connection with your employment with the Company ("Work Product") shall be and is the sole and exclusive property of BKE, PLK or TH, as applicable. In the event that any such Work Product does not vest by operation of law as the sole and exclusive property of BKE, PLK or TH, as applicable, you hereby irrevocably assign, transfer and convey to the Company, exclusively and perpetually, all right, title and interest which you may have or acquire in and to such Work Product throughout the world. The Company and their respective affiliates or their respective designee(s) shall have the exclusive right to make full and complete use of, and make changes to all Work Product without restrictions or liabilities



of any kind, and you shall not have the right to use any such materials, other than within the legitimate scope and purpose of your employment with the Company. You shall promptly disclose to the Company the creation or existence of any Work Product and shall take whatever additional lawful action may be necessary, and sign whatever documents any one or more of BKE, PLK and/or TH may require, in order to secure and vest in the Company or their respective designee(s) all right, title and interest in and to any Work Product and any industrial or intellectual property rights therein (including full cooperation in support of any applications for patents and copyright or trademark registrations by any one or more of BKE, PLK and TH).

- (c) **Compliance with Company Policies.** During your employment with the Company, you shall be governed by and be subject to, and you hereby agree to comply with, all policies of BKE, PLK and TH, as well as all of their respective procedures, rules and regulations applicable to you or to their respective employees generally, including without limitation, the Restaurant Brands International Inc. Code of Business Ethics and Conduct, in each case, as they may be amended from time to time in the sole discretion of BKE, PLK, TH, as applicable (collectively, the "Policies").
- (d) **Return of Company Property.** In the event of termination of your employment with the Company for any reason, or in case you are put on garden leave, you shall return all of the property of the Company and their respective affiliates, including without limitation all materials or documents containing or pertaining to Confidential Information. You agree not to retain any copies, duplicates, reproductions or excerpts of material or documents.
- (e) **Resignation upon Termination.** Effective as of the date of termination of your employment with the Company for any reason, you shall resign, in writing, from all board and board committee memberships and other positions then held by you, or to which you have been appointed, designated or nominated, with BKE, PLK and/or TH and their respective affiliates.
- (f) **Full Effect of Restrictive Covenants.** Your obligations under this Agreement, including but not limited to your obligations under this Section 8, are independent of any of the Company's obligations to you under this Offer Letter or generally by virtue of your employment. The existence of any claim or cause of action by you against any one or more of BKE, PLK and TH shall not constitute a defense to the enforcement by any one or more of BKE, PLK and TH of this Section 8.

9. **Equitable Relief.** You acknowledge and agree that a breach by you of any of your obligations under Section 8 is a material breach of this Offer Letter and that remedies at law may be inadequate to protect the Company and their respective affiliates in the event of such breach, and, without prejudice to any other rights and remedies otherwise available to the Company, you agree to the granting of injunctive relief in favour of BKE, PLK, TH, or any one or more of their respective affiliates, as applicable, in connection with any such breach or violation without proof of irreparable harm, plus legal fees and costs to enforce these provisions. You further agree that the foregoing is appropriate for any such breach inasmuch as actual damages cannot be readily calculated, the amount is fair and reasonable under the circumstances, and the Company would suffer irreparable harm if any of these paragraphs were breached.



10. Data Protection & Privacy.

- (a) You acknowledge that the Company, directly or through their affiliates, collect and process data (including personal sensitive data and information retained in email) relating to you. You hereby consent to such collection and processing and further agree to execute the Employee Consent to Collection and Processing of Personal Information, a copy of which is attached to this Offer Letter as Attachment 1.
- (b) To ensure regulatory compliance and for the protection of their employees, customers, suppliers and business, the Company reserves the right to monitor, intercept, review and access telephone logs, internet usage, voicemail, email and other communication facilities provided by BKE, PLK and/or TH which you may use during your employment. The Company will use this right of access reasonably, but it is important that you are aware that all communications and activities on any equipment or premises of BKE, PLK and/or TH cannot be presumed to be private and accordingly, you shall have no reasonable expectation of privacy with respect to any such communications or activities.

11. Entire Agreement. This Offer Letter, including any schedules, attachments or addenda, constitutes the entire agreement between you and the Company with respect to your employment, and supersedes all prior correspondence, offers, proposals, promises, offer letters, agreements or arrangements relating to the subject matter contained herein.

12. Modification. The terms of this Offer Letter may not be changed unless the changes are approved by an authorized representative or representatives of the Company.

13. Survival. The following Sections shall survive the termination of your employment with the Company and of this Offer Letter: 4, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17 and 18.

14. Severability. If any provision of this Offer Letter or the application thereof to any circumstance shall be invalid or unenforceable to any extent, the remainder of this Offer Letter and the application of such provisions to other circumstances shall not be affected thereby and shall be enforced to the fullest extent permitted by law. In the event that one or more terms or provisions of this Offer Letter are deemed invalid or unenforceable under applicable law, by reason of being vague or unreasonable as to duration or geographic scope of activities restricted, or for any other reason, the provision in question shall be immediately amended or reformed to the extent necessary to make it valid and enforceable by the court of such jurisdiction charged with interpreting and/or enforcing such provision. You agree and acknowledge that the provision in question, as so amended or reformed, shall be valid and enforceable as though the invalid or unenforceable portion had never been included herein.

15. Governing Law and Place of Jurisdiction. The terms of this Offer Letter shall be governed by and construed in accordance with the laws of Switzerland. Place of jurisdiction shall be at the choice of the claimant, either the place of domicile of the defendant or the place where you habitually perform your work, per Article 34 para. 1 of the Swiss Civil Procedure Code.

16. Dispute Resolution. If any dispute or controversy arises under or in connection with your employment with BKE, PLK and/or TH (e.g., including but not limited to, claims for discrimination, wages, or any statutory or common law claims), you must attempt in good faith to resolve such



claim or dispute informally through discussions with your immediate supervisor or, if the problem is with him/her, go up the chain of command. If after thirty (30) calendar days you believe your efforts are unsuccessful, you will then submit any grievance in writing to the Chief People and Services Officer (or his or her successor). If after completing the above procedures, and thirty (30) calendar days have passed and you disagree with the Chief People and Services Officer's determinations and you agree that the dispute shall be resolved in accordance with dispute resolution procedures stipulated by applicable law.

17. **Voluntary Agreement; No Conflicts.** You represent that you are entering into this Offer Letter voluntarily and that your employment with the Company and compliance with the terms and conditions of this Offer Letter will not conflict with or result in the breach by you of any agreement to which you are a party or by which you or your properties or assets may be bound.
18. **Counterparts; Electronic Copy.** This Offer Letter may be executed you and the Company, respectively, in counterparts (including by electronic or digital format), each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

If you wish to accept employment with the Company on the basis set out in this Offer Letter, please sign below and return countersigned copy of this Offer Letter to Jeff Housman at jhousman@rbi.com within seven (7) days of the date of this Offer Letter.

David, I would like to offer my personal congratulations on this exciting opportunity. I am confident that you will be instrumental in driving the success of the Company. Should you have any questions on any of the above, please do not hesitate to contact me.

Yours sincerely,
Burger King Europe GmbH and PLK Europe GmbH and Tim Hortons Restaurants International GmbH

Susan Dean
Head of Legal International

The undersigned, being familiar with the English language, acknowledges by his/her signature below having received, read and understood the contents of this document and the referred annexes.



David Shear
12/9/2020

Date

ATTACHMENT 1

Burger King Europe GmbH and PLK Europe GmbH and Tim Hortons Restaurants International GmbH EMPLOYEE CONSENT TO COLLECTION AND PROCESSING OF PERSONAL INFORMATION

Burger King Europe GmbH and PLK Europe GmbH and Tim Hortons Restaurants International GmbH ("the Company") has informed me that the Company, on behalf of itself and its affiliates, including those operating restaurants under the BURGER KING®, TIM HORTONS® and POPEYES® brands (collectively, the "Affiliates"), collects, retains, processes, uses, transfers and discloses by employees, consultants and/or services providers of Company my personal information only for human resource and business purposes such as payroll administration, background checks, fulfilment of employment positions, fulfilment of your direct requests, maintaining accurate records, compliance with applicable law and meeting governmental reporting requirements, compiling internal reports, including diversity and distribution metrics, security, health, benefits, and safety management, performance assessment and management, provision of services, company network access and authentication. I understand the Company will treat my personal data as confidential and will not permit unauthorized access to this personal data. **I HEREBY CONSENT** to the Company collection, retention, processing, use, transfer and disclosure of my personal information for such purposes described in this statement.

I understand and consent to the transfer and storage of my personal data, including, without limitation, my image or likeness, for the purposes described in this statement to the corporate offices of the Company and its Affiliates (currently located in Toronto, Ontario, Canada; Miami, Florida, United States of America; Mexico City, Mexico; Singapore, and Baar, Switzerland), and to other third parties, agents, processors and representatives who may be located in countries outside my home country or the country in which I work, including countries where data protection laws may differ from those of my home country.

I further understand the Company and its Affiliates may from time-to-time disclose, transfer and store my personal information to or with a third party consultant, processor or service provider acting on the behalf of Company or its Affiliates or at the Company's direction. These third parties will be required to use appropriate measures to protect the confidentiality and security of personal information.

To the extent the personal information you provide the Company contains details of your: racial or ethnic origin, physical or mental health or condition, job evaluations or educations records, commission (or alleged commission) of an offence or related proceedings, gender or gender identification, membership in a trade union, you expressly authorize the Company and its Affiliates to handle such details for the sole human resource and business reasons set forth in this statement.

The Company also may disclose personal information about you in order to: (1) protect the legal rights, privacy, safety or property of the Company, its Affiliates, or its employees, agents, contractors, customers or the public; (2) protect the safety and security of guests to our digital and physical properties; (3) protect against fraud or other illegal activity or for risk management purposes; (4) respond to inquiries or requests from public or legal authorities, including to meet national security or law enforcement requirements; (5) permit the Company to pursue available remedies or limit the damages that we may sustain; (6) respond to an emergency; (7) comply with the law or legal process; (8) effect a license, sale or transfer of all or a portion of the business or assets (including in connection with any bankruptcy or similar proceedings); or (9) manage or arrange for acquisitions, mergers and re-organizations.

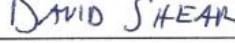


The provision of your personal information is voluntary. Please note, however, that the failure to provide sufficient information may result in the Company being unable to perform necessary human resource and business actions.

The Company commits to resolve complaints about your privacy and our collection or use of your personal information. If you have concerns or complaints about the use of your personal information, or if you choose to exercise your right to withdraw your consent set forth in this statement, please contact us at the following email address: privacy@rbi.com or contacting us at:

Burger King Europe GmbH and PLK Europe GmbH and Tim Hortons Restaurants International GmbH

Address: Inwileriedstrasse, 61 – 6340 Baar
Attn: Legal Department – Privacy Office


(Employee's Signature)
(Employee's Name – Please Print)
Date 12/9/20



CONFIRMATION OF TAX EQUALIZATION

April 30, 2021

Personal & Confidential

David Shear
Burger King Europe GmbH

Dear David:

This letter confirms that you will be provided tax equalization in accordance with Exhibit A, on all compensation (including without limitation equity awards to acquire common stock in Restaurant Brands International Inc.) provided to you during the course of your employment in Switzerland, which is also subject to tax in your home country. For avoidance of doubt equity awards include dividend equivalents credited with respect thereto.

For purposes of the equalization described in this letter, the "home" country is the United States of America (the "US").

Your burden with respect to the foregoing will remain at a similar level as if you had been employed in the US. This will be achieved by (a) on an annual basis for non-equity based compensation and upon the exercise or vesting of any of equity awards, the Company (or an affiliate thereof, as applicable) withholding from your compensation or the exercise proceeds a hypothetical tax equivalent to the amount of tax which would have been due from you had you been located in the US from the date of issuance through the date of exercise, and (b) the Company (or an affiliate thereof, as applicable) paying the actual taxes due on the exercise or vesting of the Awards and receiving the benefit of applicable tax credits as determined in accordance with Exhibit A.

This letter, including Exhibit A, and all of your obligations hereunder shall survive the termination of your employment with the Company.

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David Shear

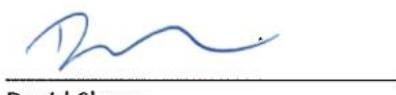
Please sign a copy of this letter where indicated below to evidence your agreement to the terms and conditions set forth in this letter. If you should have any questions regarding this matter, please do not hesitate to contact me.

Sincerely,



Jeffrey Housman
Chief People and Services Officer

Agreed and Accepted, as of the 1 day of May, 2021



David Shear

Acknowledgment

Burger King Europe GmbH hereby acknowledges and agrees to the terms and conditions set forth in the foregoing letter, effective as of the date set forth above.

Burger King Europe GmbH

By: Susan Dean

Name: Susan Dean

Title: Director

Exhibit "A"

Introduction

This Attachment regarding tax reimbursement for taxation related to employment through the Company, or any of its Affiliates in more than one (1) tax jurisdiction is called "tax equalization".

Objective

The objective of tax equalization is to ensure that employment in more than one (1) tax jurisdiction over time neither adds significantly to the executive's tax liability nor results in significant tax savings due to differences in income and social tax costs between the State of Florida, USA, and the other jurisdiction(s) where the executive may incur individual income taxes due to his or her employment in other jurisdictions by the Company and its Affiliates. It ensures that the executive's out-of-pocket obligations remain approximately the same as they would have been had he or she remained employed only in the State of Florida, USA.

Reason for Tax Equalization

The actual tax the executive is expected to incur due to employment outside the home jurisdiction may differ from the amount of tax he or she would pay during employment solely in the State of Florida, USA. The change results from two independent factors:

- The amount of taxable income, in some cases, significantly increases due to receipt of allowances such as tax equalization; and
- The executive is usually subject to taxation and the tax regulations (types of income taxed, tax rates, etc.) of international jurisdictions, which differ, often significantly, from those in the State of Florida, USA.

The result is often that the executive's worldwide tax liability may increase significantly.

Scope

This tax equalization is limited to income and social taxes and Swiss Wealth taxes with respect to compensation. The policy specifically excludes all other taxes such as inheritance/estate tax, gift tax, sales tax, and property tax.

Tax Equalization

Methodology

The Company designated tax consultant (the "Consultant") will determine the appropriate method to ensure the executive and the Company pay their fair share of the taxes incurred in connection with the Awards. The executive's share of the tax burden is called "hypothetical tax".

Hypothetical Tax: Calculation and Process

Hypothetical tax is, as stated earlier, the portion of the overall tax liability for which the executive is responsible.

Calculation

All executives will have their hypothetical tax calculated based on the executive's "normal" residency within the home country for both income and social taxes considering the relevant filing status and position (for example, marital status and number of dependents, etc.). This includes any applicable local government jurisdictions (such as state, province, canton, city, municipality, etc.).

The deductions and credits used to calculate hypothetical tax may vary depending on whether or not the executive continues to have an ongoing tax filing obligation in the United States (e.g., U.S. citizens or permanent residents).

Ongoing Home Country Tax Filing Obligation	Deductions and Credits Used to Calculate Hypothetical Tax
Yes	Actual amounts on the home country tax return (excluding any credits that were funded by Company) but with the inclusion of any deduction for local government hypothetical tax (replacing actual local government tax) such as state income tax. *
No	"Standard" or general deductions and credits available to people with the same status (marital, family, filing, etc.).

*For U.S. executives, hypothetical state and city tax replaces actual state and city taxes as a hypothetical itemized deduction.

Withholding

Hypothetical tax will be retained from the settlement of executive's Awards. The Company and the Consultant will determine the appropriate withholding rate on such items.

Final Settlement

Tax Equalization Calculation

As previously stated, the tax equalization settlements are prepared using relevant data, in order to:

- Calculate and reconcile the executive's final hypothetical tax responsibility; and
- Allocate all actual host-country taxes (and any home-country taxes, if applicable) between the executive and the Company.

Tax equalization calculations are prepared by the Consultant to ensure consistency and proper application of Company policy. The Consultant will send the Company a copy of the summary tax data from the equalization for processing at the time the equalization is mailed or delivered to the executive.

The tax equalization settlement usually results in an amount due to/from the executive.

Any payments due to the Company from the executive or to the Executive from the Company must be settled within 30 days of the later of:

- Receipt of the tax equalization calculation; or
- Receipt of any refund due to the executive by the home and/or host country taxing authorities.

The Company also reserves the right to deduct outstanding balances from bonus or termination payments in order to collect unpaid equalization balances.

Upon receipt of the completed tax returns, the executive is expected to pay any balance due. Conversely, if the actual returns generate a refund, the executive will collect the refund or, at Company's option, designate Company (or an entity designated by Company) as executive's attorney in fact to collect the refund. Both balances due and refunds owed will be included as part of the tax equalization settlement (see above).

The Company may, at its discretion, make direct payments to the taxing authorities on behalf of the executive for taxes owed when the tax is Company's responsibility, as determined by the tax equalization settlement.

Tax Credits

Any tax credits for taxes paid by the Company, which reduced the executive's income tax liability before, during, or subsequent to an assignment, are owned/utilized by the Company. The Company determines whether to keep the executive in the tax equalization program if the expatriate has carryover tax credits that may be used in the future.

CERTIFICATION

I, José E. Cil, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Restaurant Brands International Inc.;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ José E. Cil

José E. Cil
Chief Executive Officer

Dated: May 3, 2022

CERTIFICATION

I, Matthew Dunnigan, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Restaurant Brands International Inc.;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Matthew Dunnigan

Matthew Dunnigan
Chief Financial Officer

Dated: May 3, 2022

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Restaurant Brands International Inc. (the "Company") for the quarter ended March 31, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, José E. Cil, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ José E. Cil

José E. Cil
Chief Executive Officer

Dated: May 3, 2022

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Restaurant Brands International Inc. (the "Company") for the quarter ended March 31, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Matthew Dunnigan, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Matthew Dunnigan
Matthew Dunnigan
Chief Financial Officer

Date: May 3, 2022