

# McDONALD'S CORPORATION ENERGY AND CLIMATE CHANGE POSITION STATEMENT

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McDonald's Corporation, together with its subsidiaries (the Company) understands that climate change presents a global challenge with broad and far-reaching implications for generations to come. We acknowledge the findings of the 5<sup>th</sup> Assessment Report of the Intergovernmental Panel for Climate Change (IPCC) – “that human influence on the climate system is clear”, and “limiting climate change will require substantial and sustained reductions of greenhouse gas emissions.”

The Company believes that an effective approach toward climate change is environmentally and economically sustainable. We recognize that strong collaboration between governments and the private sector is critical in order to develop efficient market mechanisms, which can best drive innovation and affordable GHG emission reductions. This requires the Company's active participation and influence to help develop solutions to mitigate and adapt to the effects of climate change across our system.

The McDonald's system is comprised of the Company, independent franchisees/licensees, and suppliers. We directly control the energy usage and GHG emissions from our company-owned facilities, and we collaborate with franchisees/licensees and suppliers to influence their emissions. Collectively, the McDonald's system drives progress that we could not achieve on our own.

We address the Company's climate change impacts by:

- Improving the energy efficiency of our restaurants
- Working with our suppliers to source our raw materials sustainably

**Energy Efficiency** – Our key priority is to continue increasing energy efficiency in McDonald's restaurants by improving kitchen equipment specifications, restaurant construction standards and operational practices. We will also continue to work with our equipment suppliers to develop and implement HFC-free refrigerant solutions. Additionally, we support renewable energy purchasing and production.

**Sustainable Sourcing** – We will continue to work closely with our suppliers to reduce their GHG emissions and address the impacts across their agricultural and animal value chains. Our sustainability approach for food and packaging manufacturers and distributors is designed to increase energy and fuel efficiency, and reduce our collective carbon footprint. We also integrate climate change mitigation strategies into numerous other programs. For example, McDonald's Sustainable Sourcing Commitment (SSC) focuses on the impacts of deforestation and the degradation of high value conservation land—which have climate change components – through our priority products of beef, poultry, wood fiber, coffee, and palm oil.

We actively engage with a variety of stakeholders, including our suppliers and the NGO community, to develop ethical, environmental and economic solutions, which include climate change factors. We are a leader in the Global Roundtable for Sustainable Beef (GRSB), and other important multi-stakeholder initiatives, to foster good agricultural and animal rearing practices and to use resources, such as land and water, as efficiently as possible.

At McDonald's, we view climate change as an important business and societal issue to monitor and address. As a responsible company and leading global brand, we will leverage our size and position to reduce the impact of our business on climate change.