



WHITE HOUSE AMERICAN BUSINESS ACT ON CLIMATE PLEDGE

McDonald's¹ believes climate change presents a significant global challenge that, if left unaddressed, will have far-reaching implications for generations to come. As a global food company, we depend on healthy ecosystems and communities around the world to help produce the food and beverages our customers love. As a modern and progressive burger company, we recognize the role we play in addressing this important challenge and doing what we can to reduce our carbon footprint. We aspire to develop and operate the most environmentally-efficient McDonald's restaurants and to source our food and packaging sustainably.

McDonald's puts forth our pledges as follows:

Deforestation: As demonstrated by our endorsement of the United Nations' New York Declaration on Forests in 2014 and our Commitment on Deforestation made in April 2015, McDonald's is committed to eliminating deforestation from our global supply chain. We will focus our initial efforts on beef, fiber-based packaging, palm oil, coffee, and soy used for beef & poultry feed, given their link to deforestation. We will share time-bound deforestation-free targets for these priority products by the end of this year.

Beef: McDonald's supports the sustainable production of beef. We helped found the Global Roundtable for Sustainable Beef (GRSB) to bring together key stakeholders around a common purpose. In 2014, the GRSB led a collaborative effort to finalize global principles and criteria for sustainable beef production which, among other focus areas, involves managing natural resources responsibly and working to enhance ecosystem health. We are developing goals and will begin purchasing a portion of our beef from verified, sustainable sources starting in 2016.

Palm Oil: By 2020, our goal is for 100% of the palm oil used in our restaurants worldwide and as an ingredient in McDonald's products to be verified as having come from a system that supports sustainable palm oil production. We will continue encouraging McDonald's palm oil suppliers to move toward traceable and transparent palm oil supply chains as a way to ensure no deforestation.

Fiber: By 2020, our goal is to source 100% of fiber-based packaging from recycled or certified sources. As the first global restaurant business in World Wildlife Fund's (WWF) Global Forest & Trade Network, we support its initiative to eliminate illegal logging and transform the global marketplace to save the world's valuable and threatened forests.

Coffee: By 2020, our goal is to have 100% of our coffee verified as supporting sustainable production. We will work with globally recognized programs and provide support for coffee farmers through initiatives such as our technical assistance project in Guatemala.

Restaurant Energy:

- **Energy Efficiency:** Our goal is to increase energy efficiency 20% by 2020 in company-owned restaurants in our top markets, with a focus on restaurant design standards, equipment innovation and operational practices. As we continue to advance our strategic work in this area, we expect to evolve the structure, metrics, and scope of these aspirations in the next year using an appropriate baseline.
- **Renewable Energy:**
 - McDonald's USA is a signatory to the Corporate Renewable Energy Buyers' Principles, developed by WWF and World Resources Institute (WRI). We support a shared mission to increase access to cost-competitive renewable energy across the McDonald's U.S. system.
 - In 2014, the McDonald's company-owned restaurants and franchisees in Europe purchased 76% of their electricity from renewable sources across 21 markets, 10 of which have achieved or are working toward purchasing 100% renewable electricity. McDonald's U.K. has committed for a 20-year period to purchase renewable energy directly from new infrastructure.

Restaurant Waste & Recycling: Our goal is to minimize waste and increase the amount of in-restaurant recycling to 50% by 2020 in our top markets, which involves efforts such as packaging optimization and expanding our recycling of materials including corrugated cardboard and used cooking oil.

¹ In this document, "McDonald's" refers to McDonald's Corporation together with its subsidiaries.