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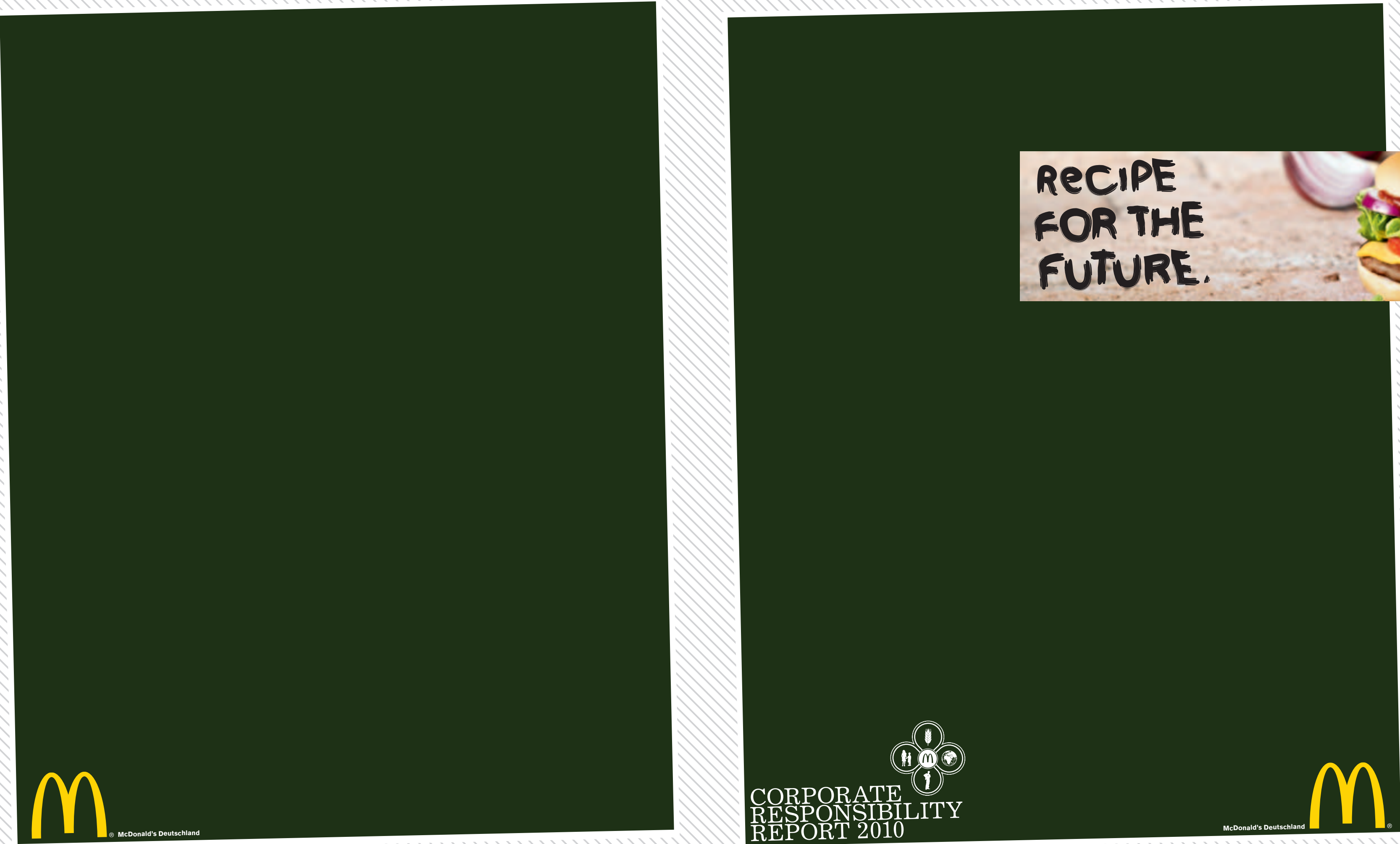
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about this report

The publication of this first corporate responsibility report by the Munich branch of McDonald's Deutschland Inc. (McDonald's Germany) is a significant step for us. Along with our franchisees, we are embracing our increased commitment to sustainable business practices and to open dialog with stakeholders both within and outside our company – in short, to our recipe for the future.

Our understanding of sustainability

For us, sustainability means incorporating ecological and social considerations in our business activities at all steps in our value chain and beyond. We take our value chain as a starting point to identify key sustainability topics in the foodservice sector – from the origin of our raw materials and ingredients through to innovative approaches to improving energy efficiency in our restaurants. Our aim is to offer our customers a positive dining experience that is sustainable in the best sense of the word. We achieve this by stepping up to our responsibility for people and the environment and continually seeking to enhance our sustainability performance.

Four action items

We have grouped key sustainability issues at McDonald's into four action items: product stewardship, eco-footprint, employer of choice and sharing brand. **Product Stewardship** encompasses all the production steps that go into bringing a hamburger, Big Mac or side salad to the counter. These include proof of origin, quality assurance on raw ingredients and quality control from processing right up to our restaurant kitchens. Designing and balancing our restaurant offering, providing nutritional information and ensuring premium service are also part of good stewardship.

The foodservice sector consumes more than just raw foodstuffs. Other resources include fuel to transport our goods, building materials for our restaurants, kitchen equipment and energy. For many years now, we have been following a systematic optimization policy inspired by our "reduce, reuse, and recycle" motto. Here we also rely on the latest technical innovations. This resource management strategy is the focus of our **Eco-Footprint** chapter.



Our employees are crucial to our future success. The **Employer of Choice** chapter provides a complete overview of our HR policies and highlights the topics particularly relevant to sustainability, such as training and development, diversity and equal opportunities.



The **Sharing Brand** chapter deals with our open communication with our stakeholders. The McDonald's Kinderhilfe Stiftung (Ronald McDonald House Charities), founded to help critically ill children and their families, is at the center of our corporate citizenship activities.

GRI-compliant reporting

This report outlines the targets we have defined for each of our action items and the status thus far. The roadmap on page 48 provides a general overview, while our key metrics give quantitative insights into our progress. Our aim is to define non-financial key performance indicators (KPIs), which we will then use to benchmark our sustainability performance and management in the future. We have decided to apply the current guidelines of the Global Reporting Initiative (GRI) from this first report onwards, ensuring the highest possible degree of comparability and transparency right from the start (the GRI index is on page 50).

Reporting period and scope

The reporting period is the 2010 calendar year (January 1, 2010 through December 31, 2010). The deadline for submissions was May 31, 2011. The data provided refers to all restaurants under the Munich branch of McDonald's Deutschland Inc. as well as all restaurants under franchise. Any exceptions to this are specifically stated. Our aim is to publish a corporate responsibility report every year.

Target audience

This corporate responsibility report is intended not only for all employees and franchisees of McDonald's Germany, but also for partner companies, NGOs, government agencies,

stakeholders in the science, research and education sectors, politicians and the general public, including the diners in our restaurants. As such, we consider it an explicit invitation to engage in constructive dialog.

Linguistic considerations

In the interests of readability, we do not generally write out the full legal names of companies and non-profit organizations. "McDonald's Germany" is used in place of McDonald's Deutschland Inc., Munich branch.

Disclaimer

Great care has been taken in collecting and processing the data contained in this report. Nevertheless, it is not always possible to exclude errors and inaccuracies entirely. Where this report contains statements about future developments in addition to past occurrences, these are based on information presently available and on assumptions derived from current forecasts. Even where great care has been taken in preparing the latter, numerous variables that cannot now be anticipated may result in deviations. Forward-looking descriptions in this report should not, therefore, be regarded as definite.

Further information

This report and further information is also available online at:  
[www.mcdonalds.de/verantwortung](http://www.mcdonalds.de/verantwortung)



From newcomer to market leader

McDonald's celebrates 40 years in Germany



**> 1971**  
Germany's first McDonald's restaurant opens its doors in Munich on December 4. The potatoes for the fries are still peeled and cut by hand.

**> 1972**  
Ronald McDonald makes his first appearance in Germany.

**> 1973**  
The Big Mac is launched. The first McDonald's commercial is shown in German cinemas.

**> 1975**  
McDonald's launches its franchise concept in Germany on August 1.

**> 1976**  
McDonald's becomes an official sponsor of the Olympics for the first time.

**> 1977**  
McDonald's revenue breaks the DM 100 million barrier for the first time. The first edition of employee magazine "team aktiv" is published. McDonald's first national television commercial airs on the German channel ZDF.

**> 1980**  
McDonald's 100<sup>th</sup> restaurant in Germany opens in January in Hamburg. McDonald's becomes the leading retailer in Germany's foodservice sector with 132 restaurants and annual revenue of DM 341 million.

**> 1987**  
The McDonald's Kinderhilfe Stiftung (Ronald McDonald House Charities) is founded. The foundation helps critically ill children and their parents. McDonald's develops its own environmental program based on the motto "reduce, reuse, and recycle".

**> 1983**  
The new headquarters in Munich opens. McDonald's becomes one of the first foodservice retailers to provide nutritional information on the food and drink it serves as part of an advertising campaign.

**> 1982**  
McDonald's patties receive the CMA certificate of quality for the first time from the central marketing association for the German agricultural industry.

**> 1984**  
Chicken McNuggets are added to the menu. With only around 300 calories per six-piece serving, McNuggets reflect the growing demand for balanced food choices.

**> 1986**  
For the first time, The Economist lists its global Big Mac Index.

**> 1995**  
McDonald's and German television broadcaster ProSieben start a road safety campaign ("speed kills our children") to combat speeding.

**> 1997**  
The vegetarian Gemüse Mac becomes a standard menu option. McDonald's Germany goes online at www.mcdonalds.de. McDonald's publishes brochures containing nutritional information about its products.

**> 1998**  
In August, the first budding "Fachmänner und -frauen für Systemgastronomie" (professionals in the foodservice sector) in Germany start their training at McDonald's.

**> 1999**  
Germany's 1000<sup>th</sup> McDonald's restaurant opens in Berlin.

**> 2000**  
McDonald's sponsors International Youth Camps at the Olympic Games in Sydney. Trucks supplying McDonald's also use biodiesel.

**> 2001**  
McDonald's is one of the world's most well-known brands, with brand awareness reaching 100 percent in Germany.

**> 2003**  
McDonald's launches its first global trademarked brand image with the "i'm lovin' it™" campaign, which was developed in Germany. The first McCafé opens in Cologne.

**> 2004**  
Research company CRF (Corporate Research Foundation) names McDonald's one of the best employers in Germany in a nationwide study. McDonald's guests can register for the first time as "quality scouts" and visit suppliers to find out how raw materials are processed. McDonald's introduces its "salads plus"® program. McDonald's becomes the official partner of the German Football Association.

**> 2005**  
German consumer organization Stiftung Warentest compares nineteen burgers from various manufacturers. The McDonald's cheeseburger comes out on top.

**> 2006**  
In line with its principles as a family restaurant, McDonald's introduces a blanket smoking ban in its restaurants. Industry magazine "impulse" names McDonald's the best franchise system in Germany.

**> 2008**  
From the start of the year, all McDonald's restaurants offer coffee sourced from sustainable farm-management systems and certified by the Rainforest Alliance and its partner groups.

**> 2009**  
The world's first energy-efficient restaurant opens in Achim, near Bremen (featuring energy-efficient technologies). McDonald's tests new energy-saving technologies and alternative energy sources here during normal service. In June, the main service center (HSC) is certified for its sustainable family-oriented HR policy following an audit by the company "berufundfamilie". McDonald's launches a special nationwide breakfast menu.

**> 2010**  
The veggie burger and new McWraps are added to the menu.

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4.12	Externally developed charters, principles or initiatives	15f, 36, 44, 45	
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	Management approach	6, 8, 9, 46, 47	
EC1	Direct economic value generated and distributed	6 @	
EC2	Financial implications due to climate change		
EC3	Coverage of the organization's defined benefit plan obligations	48	
EC4	Significant financial assistance received from government		
EC6	Locally based choice of suppliers	14 @	
EC7	Procedures for local hiring		
EC8	Infrastructure investments and services provided for public benefit	43 @	
Environmental performance			
	Management approach	22, 30, 31	
EN1	Materials used by weight or volume	@	
EN2	Percentage of recycled materials in total material use	29 @	
EN3	Direct energy consumption	23, 24 @	
EN4	Indirect energy consumption	23, 24 @	
EN8	Total water withdrawal by source	26 @	
EN11	Land in, or adjacent to, protected areas		
EN12	Significant impacts on biodiversity		
EN16	Direct and indirect greenhouse gas emissions	26 @	
EN17	Other relevant indirect greenhouse gas emissions	26	
EN19	Emissions of ozone-depleting substances by weight		
EN20	NO <sub>x</sub> , SO <sub>x</sub> , and other significant air emissions		
EN21	Total water discharge by quality and destination		
EN22	Total weight of waste by type and disposal method	28, 29 @	
EN23	Total number and volume of significant spills		
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	Management approach	36–39	
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LA2	Employee turnover by age group, gender, and region	32	
LA4	Employees covered by collective bargaining agreements	37	
LA5	Notice period(s) regarding significant operational changes		
LA7	Rates of injury, occupational diseases, lost days, and absenteeism		
LA8	Training, counseling, prevention, and risk-control programs		
LA10	Hours of training by employee category	33, 35 @	
LA13	Composition of governance bodies	32, 37 @	
LA14	Salary by gender and employee category	37	
Social performance (Human Rights)			
	Management approach	12	
HR1	Investment agreements that include human rights clauses		
HR2	Suppliers that have undergone screening on human rights	14	

HR4	Incidents of discrimination and actions taken	36	
HR5	Operations involving significant risk to exercise freedom of association	37	
HR6	Operations carrying significant risk of child labor		
HR7	Operations carrying significant risk of forced or compulsory labor		
Social performance (Society)			
	Management approach		
SO1	Impacts of operations on communities		
SO2	Business units analyzed for risks related to corruption		
SO3	Employees trained in anti-corruption policies	@	
SO4	Actions taken in response to incidents of corruption		
SO5	Public policy positions and lobbying	40	
SO8	Fines for non-compliance with laws and regulations		
Social performance (Product Responsibility)			
	Management approach	10	
PR1	Impact on health and safety throughout the product lifecycle	10	
PR3	Required product and service information	12 @	
PR6	Programs for adherence to regulations related to advertising	10 @	
PR9	Fines for non-compliance with laws concerning the use of products and services		

GRI – Food Processing Sector Supplement

Indicator	Reference	Status
Sourcing performance		
	Management approach	14, 15, 16
FP1	Suppliers compliant with company's sourcing policy	12, 14, 16 @
FP2	Purchased volume in accordance with internationally recognized production standards	12, 14, 15, 16
Social performance (Labor Practices and Decent Work)		
FP3	Working time lost due to strikes	
Social performance (Society)		
FP4	Programs and practices that promote access to healthy lifestyles	44, 45
Social performance (Product Responsibility)		
FP5	Production volume manufactured in sites certified by food safety standards	18 @
FP6	Products lowered in saturated fat, trans fats, sodium and added sugar	12
FP7	Products that contain increased nutritious ingredients like fiber, vitamins, minerals, phytochemicals or functional food additives	
FP8	Nutritional information beyond legal requirements	12
Animal Welfare		
	Management approach	
FP9	Percentage of animals raised and/or processed	
FP10	Physical alterations and the use of anesthetic	
FP11	Animals raised and/or processed by species	
FP12	Policies and practices on antibiotic, anti-inflammatory, hormone, and/or growth promotion treatments by species	
FP13	Non-compliance with regulations and adherence with voluntary standards related to transportation, handling, and slaughter practices	

Reference

@ Internet

Status

completely covered

partly covered

without priority

not applicable/relevant

pages

not covered

not applicable/relevant

# Glossary

berufundfamilie audit	A management instrument that promotes family-oriented HR policies in companies. The berufundfamilie audit was initiated and commissioned by the Hertie-Stiftung charity.
Big Mac Index	The Big Mac Index regularly compares the prices of Big Macs in different currencies and uses this information to assess the purchasing power of these currencies. It was introduced in 1986 by the British weekly news publication The Economist.
Biodiesel	Biosynthetic fuel that can be used as an alternative to mineral diesel fuel. In Europe, biodiesel is most commonly produced by transesterification of rapeseed oil and methanol.
Carbon dioxide (CO <sub>2</sub> )	Chemical compound composed of carbon and oxygen. It is a non-flammable gas which is produced, for example, during the combustion of fossil fuels and as a by-product of road transport and industrial manufacturing processes. Carbon dioxide is one of the greenhouse gases that trigger climate change as its concentration in the atmosphere increases.
Carbon footprint	Describes the total amount of greenhouse gases emitted directly or indirectly during a fixed timeframe. It can be calculated for a company, a person, or the lifecycle of a product. It includes all emissions generated across the value chain from raw materials production to product disposal.
Charta der Vielfalt (diversity charter)	A corporate initiative that promotes diversity in companies. The Federal Government Commissioner for Migration, Refugees and Integration in Germany, Prof. Maria Böhmer, is patron of the initiative.
Clamshells	Boxes primarily used by McDonald's as packaging for burgers.
CMA	The CMA was the central marketing association for the German agricultural industry. From 1970 to 2009, it promoted agricultural products and informed consumers on issues regarding the production and use of food. In 2009, it was liquidated following a judgment by the Federal Constitutional Court of Germany.
CO <sub>2</sub> equivalent	CO <sub>2</sub> equivalent is a measure for describing the greenhouse gas potential of different harmful gases. It defines the amount of global warming a given amount of a greenhouse gas causes.
CO <sub>2</sub> -controlled ventilation	An energy-saving form of ventilation that is controlled by an integrated CO <sub>2</sub> sensor.
Distribution center	Hub within a logistics distribution network for storing and/or transferring goods.
Duales System Deutschland (DSD)	Der Grüne Punkt – Duales System Deutschland GmbH (DSD) was founded in 1990 as the first dual system for recycling and is now a leading provider of take-back systems.
EMAS (and EMAS III)	EMAS stands for Eco-Management and Audit Scheme. It is a community scheme that extends to organizations operating in the European Union and the European Economic Area (EEA). EMAS is the world's most stringent system for sustainable environmental management and environmental auditing. The latest regulation, EMAS III, came into effect on January 1, 2010.
Evaporative cooling	Also known as adiabatic cooling, evaporative cooling is a process of using evaporative heat loss to control the climate in a room.
Fatty acid methyl ester (FAME)	Diesel fuel obtained from transesterification of used oil.
Fluorocarbons (FCs)	Organic compounds whose hydrogen atoms are either partly or entirely replaced by fluorine. In the atmosphere, they have an impact on the climate and contribute to global warming.
Food Animal Initiative (FAI)	International initiative which cooperates with scientists, farmers and food industries to develop programs to encourage animal welfare
Food Town concept	A site where a number of different areas are located; for example, a production facility for bakery products and a logistics company. Bundling areas in this way means that goods do not have to be transported from the supplier to the distribution center.
Foodservice retail/sector	Branch of gastronomy characterized by standardized, uniform organizational structures implemented in all restaurants.
Franchisee Leadership Council	Elected council representing all McDonald's franchisees in Germany. The council is involved in the approval of business-related issues and the development of corporate strategy.
Fresh fiber	Fiber manufactured from plant material and used in new paper products.
GLOBALG.A.P. standard	A standard defined by GLOBALG.A.P., a private sector organization that sets voluntary standards for the certification of agricultural products across the globe. GLOBALG.A.P.'s aim is to reduce the environmental impact of the agricultural industry.
Hazard Analysis and Critical Control Points (HACCP)	HACCP is a preventive system aimed at ensuring food safety. It is a requirement of EU food hygiene legislation (2004). Only food that meets HACCP standards can be imported and traded in the EU.
Heat recovery	Method of reusing thermal energy such as waste heat to reduce primary energy consumption.
ISO 14001	A range of international environment management standards that help organizations improve the implementation of environmental targets.
Key performance indicators (KPIs)	Benchmarks used within organizations to evaluate the achievement of or progress towards important targets or critical success factors.
Light-emitting diode (LED)	Electric semiconductor light source that has a very good energy balance and does not contain mercury. LEDs are an energy-saving lighting option that can be disposed of in an environmentally sound way.
Low oil volume (LOV) fryer	A type of fryer that uses around 40 percent less oil than conventional fryers.
Marine Stewardship Council (MSC)	International, non-profit, independent organization committed to combating the overfishing of oceans. It runs numerous projects including an ecolabel program certifying fish from sustainable fisheries.
McDonald's Agricultural Assurance Program (MAAP)	Program used to systematically measure existing production standards at suppliers.
McOpCo	Abbreviation of the restaurant operating company McDonald's Operating Co., which runs all restaurants owned by McDonald's.
Menu Management	Department at McDonald's responsible for the development, configuration and optimization of the company's product portfolio.
Patty	A flat, disc-shaped serving of ground meat or vegetables used for McDonald's burgers.
Plan to Win	McDonald's global corporate strategy.
QSC	QSC stands for quality, service and cleanliness in McDonald's restaurants.
Rainforest Alliance	Environmental organization that runs a certification program for farms that meet specific social, environmental and economic criteria.
Raw materials	Unprocessed basic materials sourced either from below or above the earth's surface, or cultivated in the agricultural industry. Agricultural goods, primarily food products, are the second most important raw materials group in international trade, behind energy products.
Remodeling	Renovation of existing restaurants in line with new design and technology standards; in some cases this also includes McCafés.
Ronald McDonald House Charity	The McDonald's Kinderhilfe Stiftung (Ronald McDonald House Charity) builds and runs Ronald McDonald Houses near to hospitals to provide the families of seriously ill children with a temporary home from home. At the end of 2010, there were 16 Ronald McDonald Houses in Germany.
Sarbanes-Oxley Act	US law enacted in 2002 that set new financial reporting standards for companies listed in the US and their subsidiaries.
Scope 1–3	Classification of CO <sub>2</sub> emissions. Scope 1: Direct emissions from a company. Scope 2: Indirect emissions resulting from the energy purchased by a company. Scope 3: Other indirect emissions, for example caused by suppliers.
Sustainable palm oil commitment	Commitment to purchasing palm oil from sustainable agriculture.
VerpackV	German ordinance on the avoidance and recovery of packaging waste.



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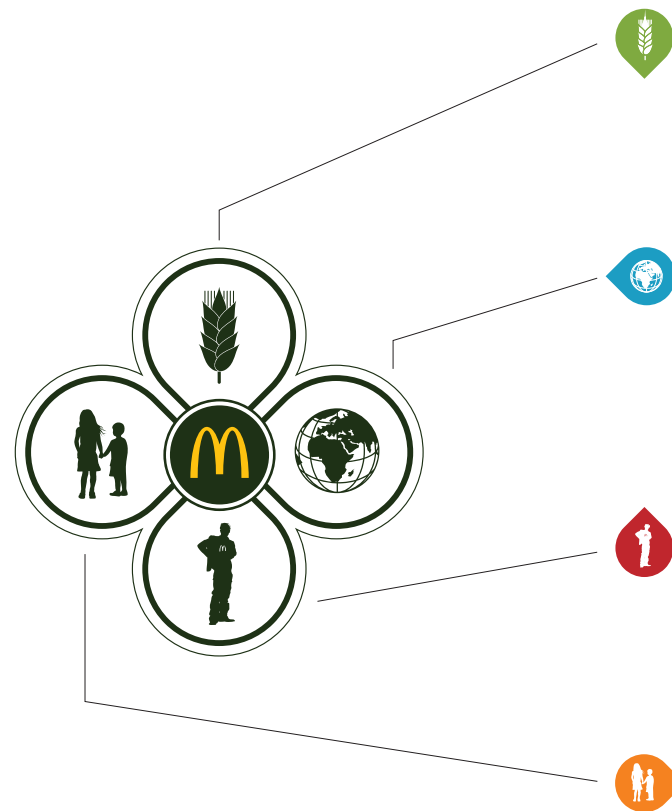
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- Engaging with our stakeholders
- Giving something back
- Changing perspectives

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## OUR RECIPE FOR THE FUTURE

**Dear readers,**

The need for greater sustainability is a key challenge facing society today. Success in a business context depends on a company's ability to factor in the impact of its operations on society and the environment. At the same time, our customers are placing new demands on us. We have been actively committed to environmental protection for many years now. Visitors to our restaurants have been able to witness much of this work themselves – the introduction of cardboard packaging in the nineties, for instance, or the presence of the Rainforest Alliance seal denoting more sustainably grown coffee. However, our sense of corporate social responsibility also extends to aspects such as systematic quality assurance and improved energy efficiency in our restaurants. While not as readily visible, these measures are just as important in ensuring sustainable operations and winning our customers' trust. Our first corporate responsibility report highlights both the improvements we have already made and the concrete goals we intend to achieve over the coming years.

Our long-term goal is to rank among the best of our sector in terms of sustainability – while always focusing on our guests. We want to bring our concept of sustainability to as many people as possible. Environmental and social factors therefore play a key role in our planning and decision-making. We believe this is crucial to safeguarding our competitiveness in the long term and continuing to strengthen the roots of our brand in society.

As a business that purchases a significant volume of produce from German farmers, we are looking to take an even more proactive approach to our responsibilities in this area. We are already working closely with partners, suppliers and agricultural representatives to achieve a sustainable procurement process for beef. We also aim to increase our efficiency in relation to natural resources, using renewable energy as far as possible. From 2011 onwards, 25 percent of the power to our restaurants will stem from green electricity, for instance. And by the end of 2014, this is set to increase to 100 percent.

As an employer, too, we follow a forward-looking recipe, offering outstanding training and development options. Diversity, equal opportunities and work-life balance are also important ingredients, helping us to become the best of the German catering industry's top employer brands.

Over the coming years we intend, more than ever before, to make corporate responsibility part of our core business and embed it throughout our corporate culture. A key aspect of this is seeking dialog, in particular with our critics. We believe that this open exchange is essential if we are to achieve end-to-end corporate responsibility for all aspects of our organization. The facts and figures in this report, published for the first time in such a comprehensive form, provide the basis of our recipe for the future.

Best regards,

*Bane Knezevic*

Bane Knezevic  
CEO, McDonald's Germany





# mcdonald's germany

## THE LOCAL FACE OF A GLOBAL BRAND

*McDonald's is the world's leading franchise foodservice retailer, with over 32,000 restaurants in more than 100 countries. The company's success story started on April 15, 1955, when its founder Ray Kroc opened the first McDonald's restaurant in Des Plaines, Illinois, adopting the concept developed by brothers Richard and Maurice McDonald. In the following year, he opened eight new restaurants under franchise. The innovative one-man show had already grown into a strong, dynamic enterprise.*

The Munich branch of McDonald's Deutschland Inc.\* is one of the most important and profitable markets for McDonald's Europe. 2011 will see us celebrate our 40th anniversary. On December 4, 1971, Germany's first McDonald's restaurant opened in the district of Giesing in Munich. McDonald's awarded the first franchise in Germany in 1975. Today, around 80 percent of the 1,386 restaurants in Germany are run by franchisees. In 2010, McDonald's Germany and its franchisees crossed the EUR 3 billion revenue mark for the first time, consolidating the company's position as a market leader in the food business in Germany. McDonald's has been one of the most well-known and valuable brands in the world for many years now. The company has also been operating the McCafé brand since 2003 in Germany. This shop-in-shop concept has now been introduced at 737 restaurants across the country.

The Munich branch of McDonald's Deutschland Inc. is a stock company as defined by the laws of the US state of Delaware. It is headquartered in Munich, where its main service center is located. Three further regional service centers are responsible for states in the north-east (Lower Saxony, Bremen, Brandenburg, Schleswig-Holstein, Mecklenburg-Vorpommern, Saxony-Anhalt, Berlin and Saxony), the west (North Rhine-Westphalia, Hesse, Rhineland-Palatinate and Saarland) and the south (Thuringia, Baden-Württemberg and Bavaria) of Germany.

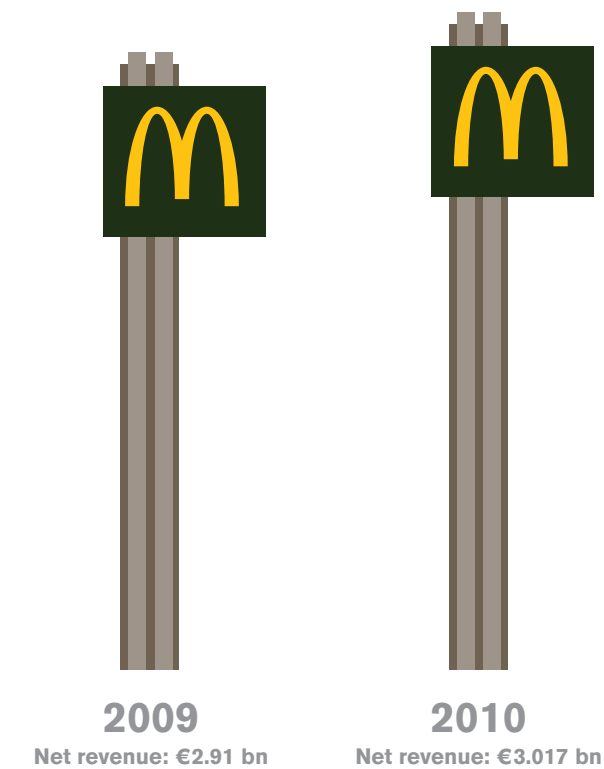


\* Referred to as McDonald's Germany in this report



The McDonald's Germany Executive Board has six members and is subject to the Sarbanes-Oxley Act. Bane Knezevic is Chief Executive Officer and President of the Western Division. Holger Beeck is Vice President of the Board and Chief Operating Officer. Joachim Kellner is Chief Finance Officer and Alexander Schramm is Chief Development Officer. Wolfgang Goebel is Chief Human Resources Officer and James Woodbridge Chief Marketing Officer. Further information on the Executive Board and non-management directors of McDonald's Corporation, headquartered in Oak Brook, Illinois, and details on the Group's principles, values and guidelines are available in the 2010 Annual Report and at [www.aboutmcdonalds.com/mcd](http://www.aboutmcdonalds.com/mcd). The company's global Corporate Responsibility Report 2010 is also available online.

#### Revenue development McDonald's Germany



## Success built on three pillars

Our success is built on long-term partnerships. Our business model is based on what we call the three-legged stool concept, whereby each leg represents a stakeholder group in the McDonald's equation: McDonald's and its around 62,000 employees,

our suppliers and our franchisees. The three-legged stool symbolizes how all partners pull together to drive the business forward. It is also a symbol for stability, since a three-legged stool cannot fall over.

McDonald's focuses specifically on concluding long-term contracts with suppliers and franchisees. In fact, McDonald's Germany has been working with some suppliers for more than twenty years. Furthermore, over thirty franchise restaurants have been taken over by second-generation franchisees. This means the sons or daughters of the original franchisees have successfully applied for a franchise contract and taken over the restaurants of their parents. These independent, mid-size entrepreneurs create jobs and training opportunities within their regions and give the McDonald's brand a face within the local communities. They are valued partners across their localities, supporting sports clubs, local events and charities. You can find further information on this in the "Sharing Brand" chapter.

## Our vision

Our vision goes beyond being Germany's leading catering brand. We also aim to lead in sustainability in the foodservice sector. We are moving towards this goal, guided by our global corporate values and our sustainability program. Our sustainability initiatives and projects thus strengthen our European sustainability strategy. For examples of best practices at McDonald's Europe, visit: [www.bestofgreenmcdonaldseurope.com](http://www.bestofgreenmcdonaldseurope.com)

## Clear values, clear guidelines

McDonald's global corporate values cover everything from ethical business practices through social engagement to commitment to employees. All employees of McDonald's across the globe are guided by this code of conduct developed by McDonald's Corporation. It was introduced decades ago and is being continually adapted and modified to reflect changing business dynamics. In Germany, we also introduced the McDonald's management promise (Führungsversprechen). You can find further information on our promise and how it is implemented in the Employer of Choice chapter. For our marketing activities, we created the Golden Arches Code as a worldwide mandatory framework of principles guiding responsible marketing communications. [www.aboutmcdonalds.com/mcd/about/values.html](http://www.aboutmcdonalds.com/mcd/about/values.html)

## Feel good

We want our diners to feel good every time they visit our restaurants. Our sustainability program is a key vehicle in achieving this goal. It helps us identify areas where we can improve our ecological, social and economic performance. Based on our findings, we can then implement dedicated projects in collaboration with franchisees, employees, suppliers and, where necessary, other partners. When it comes to sustainability, we take a wide-angle, long-term view, always guided by the highest possible standards.

## Adding "Planet" to the "Plan to Win"

Since 2003, our business strategy has been outlined in our Plan to Win. At the heart of this plan is our commitment to continually improving every aspect of the restaurant experience. This master plan identifies the key drivers in our business and underpins them with measures that we believe are crucial

to our future success. It focuses on the five key dimensions of people, products, place, price and promotion. At McDonald's Europe, we have added a sixth dimension: planet. In Germany, this additional element represents our sustainability program and its four action items. It ensures that ecological and social issues become a meaningful and integral part of our business strategy.

## Anchored into our organization

We have created new organizational structures within our company to pave the way for our corporate responsibility program. The corporate responsibility department is tasked with implementing our CR program in close collaboration with our management, our franchisees, and the specialized departments responsible for our four action items. The department is headed by a Director of Corporate Responsibility who reports directly to the CEO of McDonald's Germany.

### Three pillars for success



\* Refers to suppliers with net revenue above €100,000





# product stewardship

## THE MANY ASPECTS OF QUALITY

*For many people, balanced eating has become a bigger priority than ever. It is a topic that has moved sharply into the public focus, fuelled by recurring food scandals and rising obesity levels. Which makes it even more important that a company such as McDonald's, which serves an average of 2.69 million diners each day, steps up to the health challenge. We aim to keep providing our diners with outstanding quality from farm to fork, along with a balanced range of menu options. By offering variety, we give diners the freedom to choose between products with varying nutritional profiles. We channel consumer expectations, current food trends and the latest findings from nutrition physiology into our product development processes to continually improve and enhance our offering.*

## A MEAL OF CHOICE

Over the last forty years, we have significantly expanded our product offering. Today, we have around 100 different products in our portfolio - approximately thirty on our standard menu, twenty on our breakfast menu and fifty in the McCafé range. In contrast, when McDonald's opened its first restaurant in Germany in 1971, diners could choose from just six products. In addition to creating new burgers, our menu management team focuses on delivering the lower-calorie and lower-fat products that many of our customers increasingly expect. Our salads, fruit bag, the veggie burger and McWraps bear testament to this. We have also enhanced our Happy Meals to offer a greater choice with options such as salads, mineral water, juices and organic milk. In 2005, German consumer organization Stiftung Warentest found that a Happy Meal containing a cheeseburger, side salad and an apple spritzer constitutes a balanced main meal for children.

In 2009, McDonald's Europe introduced its Marketing to Children Principles, a set of guidelines that regulates a number of issues. It specifies that McDonald's will only promote specific Happy Meal combinations, for example with a fruit bag or organic milk, that we will not advertise our food and drink products in schools and that we will always ensure families have easy access to transparent nutritional information.





## Nutritional value

As we expand our offering, we continually look for ways to improve nutritional value – for example by reducing salt or fat – without impacting the unique taste of our products. We have already almost eliminated additives from our menu. Today, Chicken McNuggets contain less salt and less fat than a few years ago and have also reduced the amount of salt on our fries. We have developed lower-fat dressings for salads. In addition, we have improved the proportion of aliphatic acids in our deep-frying oil based on the latest findings of nutritional physiology. And in 2010, we cut the amount of salt and fat in the tortillas we use for our McWraps. In 2011, we added a lower-calorie McWrap with less than 300 calories to our standard menu options.

What all this means is that every McDonald's diner can choose a balanced meal with fresh ingredients. We intend to keep freshness and variety at the very heart of our product offering. Providing transparent information on nutritional content such as calories, fat and carbohydrates is a further key pillar of our product stewardship policy.

## Easy access to nutritional information

In order for our diners to make responsible decisions about our products and menus, they have to know what they are eating. McDonald's Germany believes in providing its diners with information on

the content and nutritional value of its products, thus empowering them to make informed choices about the options that best suit their needs. McDonald's was the first company in the industry in Germany to go beyond legal regulations and print the nutritional value and content of its products on its tray liners. Our nutritional compass containing all this information is now displayed on almost all of our product packaging. We also offer a menu calculator as an additional online service. On our website, diners can drag entire menus on a virtual weighing scale which then calculates the nutritional value, also in relation to guideline daily amounts (GDA).

[www.mcdonaldsmenu.info/nutrition/menucal.jsp](http://www.mcdonaldsmenu.info/nutrition/menucal.jsp)

## McCafé: new brand, new target groups, new products

The McDonald's coffee shop brand McCafé was borne out of a desire to explore new avenues and reach new target groups. The shop-in-a-shop concept came to Germany in 2003. Today it is an important revenue driver with 737 shops. The McCafé offering enhances McDonald's own product portfolio and appeals to new diner demographics, particularly young women, mothers and senior citizens. This is down to product innovations such as cakes, cookies, fresh bagels and our yogurt specialty "Yogo Mix", as well as the range of cupcakes and mini cakes we launched in 2010. All of the coffee specialties served in our McCafé shops are made with coffee beans certified by the Rainforest Alliance.\*

## Shared values

*McDonald's is committed to working with suppliers who share our values and ensure a safe and healthy working environment for employees. Our Supplier Workplace Accountability program reflects this commitment. Building on the McDonald's Code of Conduct for Suppliers, the program outlines the expectations and process requirements we place on our suppliers. The Code of Conduct for Suppliers frames the working conditions, labor practices, remuneration, social benefits, anti-discrimination, health and safety policies we expect from our suppliers. We also call upon our suppliers to transfer these principles to their own production sites and suppliers. We partner with external experts to achieve a number of key goals, thus enabling us to monitor compliance with specific elements of the McDonald's Code of Conduct for Suppliers as well as help our suppliers identify scope for improvement, assess labor practices at production facilities and provide recommendations for improvement where necessary.*

\* Does not apply to decaffeinated coffee

1971

2010

Product variety:  
How the McDonald's portfolio  
has evolved over the years

1971: six products: french fries, hamburger, cheesburger, coke, lemonade and water  
2010: 30 products in our standard offering, 20 breakfast products and 50 McCafé products





# AS GOOD AS IT TASTES

*Product stewardship starts at the very beginning of the supply chain – with raw materials. Responsibility is therefore a question of product sourcing, collaborating with the right partners, ensuring high quality standards and, wherever possible, sustainable farming methods. We have initiated various projects in these areas, at times in collaboration with non-governmental organizations (NGOs). These measures have been rolled out at all levels of our organization: global, European and McDonald's Germany. Agriculture is an important topic for us and our suppliers. Of all stages in the value chain, the farming link consumes the largest share of natural resources, compared for example with the actual restaurants. We step up to our responsibilities here, setting standards and guidelines, and working closely with all partners across the entire value chain to gradually put improvements into practice. For both our own and our customers' peace of mind.*

## Local freshness

McDonald's Germany uses fresh, high-quality raw materials, which it sources as close as possible to the point of consumption. This has made us one of the largest purchasers of agricultural products in Germany for many years now. The 1,386 McDonald's restaurants across Germany require large amounts of fresh raw materials every day. In 2010, agricultural products from Germany accounted for around 70 percent of the total volume of goods purchased. For example, around 90 percent of the beef we purchase on the free market comes via our supplier OSI and its network of almost 100,000 small and medium-sized agricultural holdings. The majority of these are located in southern Germany. As of March 2011, McDonald's has been using 100

percent German beef for its hamburger, cheeseburger, Big Mac and McDouuble patties.

In Germany alone, 3,300 hectares of land is used for growing potatoes under contract for McDonald's. The majority of this land is located in the fertile area of Lower Saxony and Saxony-Anhalt known as the Hildesheimer and Magdeburger Börde. 74 percent of the 20 million eggs processed each year for McDonald's are also sourced from Germany.

McDonald's is a market leader in gastronomy and a reliable partner for the domestic agricultural industry. Freshness, quality and taste are extremely important to us. As are our long-standing ties with renowned brand suppliers – some of whom we have been working with for decades.

## MAAP: promoting quality from the very first step

We ensure that all agricultural raw materials are of the very highest quality from the first step in the value chain journey. The McDonald's Agricultural Assurance Program (MAAP) helps us do this by providing a framework for systematically comparing existing quality programs. Our aim is to continually align our individual MAAP criteria with the sustainability principles of the McDonald's European supply chain management system. We call these the three Es: ethics, environment and economics. The program covers a wide range of areas including environmental protection, integrated and sustainable agriculture, animal welfare, traceable animal feed,

reduced medication levels, transparency and traceability across all production stages, and transparent information on biotechnology and genetic engineering. For further information about MAAP, visit:

[www.flagshipfarms.eu](http://www.flagshipfarms.eu)

## Flagship Farms

The Flagship Farms project builds on MAAP. It was developed by McDonald's Europe in conjunction with the Food Animal Initiative. Under the umbrella of this initiative, participating agricultural holdings must demonstrate good economic, environmental and ethical agricultural practices (the three Es). The project aims to establish dialog between farms across Europe to promote the sharing of best practices in agricultural sustainability, while at the same time driving improvements in sustainable processes.

McDonald's and its suppliers use these criteria to choose the agricultural holdings that qualify as Flagship Farms. Farms should also have been supplying McDonald's for at least one crop year or one production cycle. Examples of best practices from these farms are available online at:

[www.flagshipfarms.eu](http://www.flagshipfarms.eu)

## Teaming up for the rainforest

We aim to provide our diners with responsibly produced products. This requires an open, proactive approach to problems and the commitment to deliver the right solutions. The soya moratorium that we signed with Greenpeace and other partners in 2006 is a prime example of this. In order to prevent further areas of Amazonian rainforest in Brazil from being cleared for soya cultivation, all major soya dealers agreed to halt purchases of soya from newly cleared land.

### *Rainforest Alliance: guaranteed sustainability*

*The coffee beans used in our McCafés and restaurants are sourced exclusively from farms that have been certified by the Rainforest Alliance. This certification guarantees that the beans originate from more sustainable farm-management systems that promote environmental protection, social equality and economic viability. Before farms can be certified, they must be audited by Sustainable Farm Certification Intl., an independent, internationally recognized organization which certifies landholdings in line with Sustainable Agriculture Network standards. Farms in 25 tropical countries now have Rainforest Alliance certification.*

<http://rainforest-alliance.org/>

### *Ethics, environment, economics: three Es for sustainability*

*Ethics, environment and economics – the three Es – are the cornerstones of MAAP. Ethics, for example, covers human and animal welfare. Environment addresses issues such as the protection of natural resources (such as land and water) through strict control of fertilizers. Environment also focuses on the protection of endangered species, as*

*well as the reduction and correct disposal of waste. Economics captures our commitment to lasting economic business success, which includes a steady production flow of high-quality products. The three Es are an integral part of MAAP and our Flagship Farms concept.*



## Sustainable cattle farming

In 2009, McDonald's joined forces with the World Wildlife Fund (WWF) to create the Sustainable Land Management Commitment (SLMC), McDonald's global commitment to promoting sustainable agricultural practices. Improving resource consumption in cattle farming is currently our number-one priority here. In collaboration with the WWF, McDonald's will be playing a major role in developing more sustainable beef production methods, with particular focus on the climate impact of methane emissions resulting from cattle rearing.

In Germany, McDonald's is committed to working on a more sustainable purchasing policy for beef with partners, suppliers and representatives from agriculture. We are currently developing and defining specific goals for sustainable optimization. Looking beyond the long-term reduction of CO<sub>2</sub> emissions, we also focus on

sustainability advances that benefit the environment, livestock, our consumers and the market in general.

## A good catch with sustainable fishing

Our commitment to sustainability also includes fish farming. Together with Conservation International and the Sustainable Fisheries Partnership, we have been actively supporting sustainable fishing practices for many years.

This program has enabled us to gradually switch our supply chain to fish from sustainable fisheries. In the course of 2011, all of the white fish we source will be certified by the standards of the Marine Stewardship Council and we will display the blue MSC logo in our restaurants.

[www.msc.org/de](http://www.msc.org/de)

## Quality partnerships with our suppliers

McDonald's Germany sources many products from suppliers of well-known brands, including Jacobs, Lieken, Meggle, Hochland, Bonduelle, Alpenhain, Agrarfrost, McCain and Coca-Cola. Other suppliers, however, work exclusively for McDonald's – such as the meat and poultry specialist OSI, based in Günzburg and Duisburg. All of our suppliers align their production processes with McDonald's standards. To be certified as a McDonald's supplier, manufacturers have to comply with certain minimum standards. We place great importance on long-term relationships and have been working with 27 of our suppliers for over twenty years – and in some cases over thirty years. These long-term partnerships create a solid platform of trust.

For further information on the scope of our supplier audits, visit: [www.mcdonalds.de/verantwortung](http://www.mcdonalds.de/verantwortung)

## Sustainable potato production – Germany's first Flagship Farm

*Germany's first Flagship Farm is located in Schellerten, in the heart of a fertile potato-producing region called the Hildesheimer Börde. The farm is run by DexTerra, a co-operative of eleven different landholders in the region. Over an area of 150 hectares, DexTerra grows Russet and Innovator potato varieties on contract for our fries supplier Agrarfrost and, wherever possible, in line with sustainable standards.*

*The farm uses Argus monitoring, for example, to effectively control potato blight in an environmentally sound manner. The system recommends the exact time and scope of spraying to ensure the least amount of substances such as*

*fertilizers is used with the greatest impact. This Flagship Farm also aims to achieve perfect seedbeds without excessive and expensive cultivation. This minimum cultivation approach improves the soil structure and helps increase the number of earthworms, which in turn naturally cultivate the soil.*

*The farm's commitment to sustainability also stretches to renewable energy with the construction of a 700 kW/h biogas system. It is also certified to GlobalGAP standards.*

[www.flagshipfarms.eu/case11.php](http://www.flagshipfarms.eu/case11.php)



\* Egg figures stated in units; milk in liters; cheese in processed milk liters  
 \*\* As of early 2011, there are four burgers in our product range whose patties are made of 100% beef from Germany





## Quality control at our restaurants

Quality control is also particularly important in our restaurants. Hygiene, storage conditions, grill-to-plate times and service all ensure that our high-quality, controlled products reach our diners in the best possible condition. McDonald's cleanliness and hygiene standards for restaurants are very strict and in some cases go far beyond minimum legal requirements.

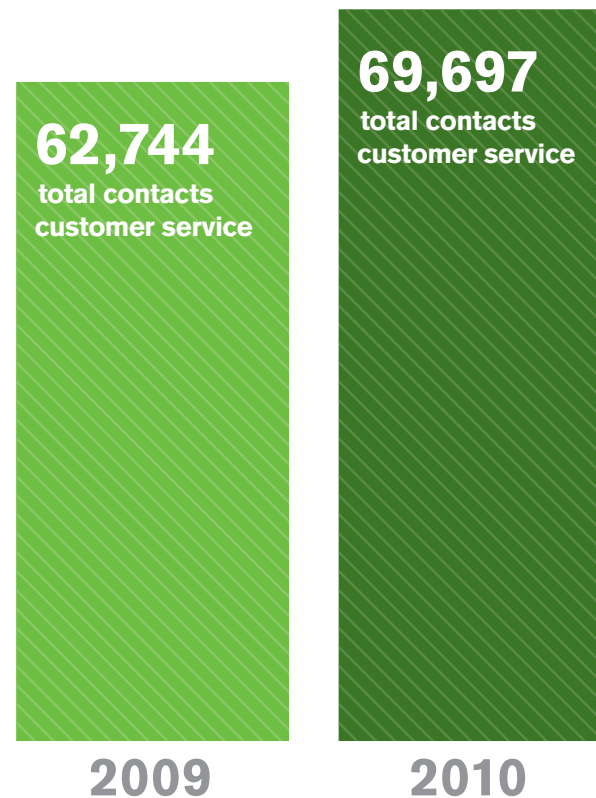
As a market leader in the German foodservice sector, we cannot tolerate errors or oversights. Our restaurants are run in strict adherence to Hazard Analysis and Critical Control Points (HACCP), a concept comprising seven principles which provide a control and documentation process covering all parameters for diner safety. We also have established storage and grill-to-plate times for our products. These measures are continually assessed by independent, non-governmental auditors as well as by accredited labs commissioned by McDonald's.

Furthermore, mystery shoppers – in other words anonymous restaurant testers – check the quality of service in every restaurant at least twice a month.

## Continuous dialog and customer feedback

We believe that criticism is key to continual improvement. Our customer service team therefore handles all customer inquiries with the greatest of care, thoroughly investigating and evaluating all issues. In 2010, we received 69,697 inquiries. These included questions and praise and also complaints, which we use to improve our performance in certain areas. We received a particularly large number of inquiries about sponsoring. Unfriendly service, delays in restaurants and receiving the wrong products after ordering at a McDrive were the main causes for complaint. We received praise for the friendly attitude of our staff and the positive service experience in general.

Year-to-year comparison of customer inquiries received by customer service



## CHANGING PERSPECTIVES



## from tactics to table: sustainability you can see

Interview with *Dr. Gerd Leipold*, former CEO of Greenpeace International, and *Bane Knezevic*, CEO of McDonald's Germany





**McDonald's Germany is publishing the first corporate responsibility report in the history of the company. For many people, McDonald's and sustainability don't exactly go hand in hand. Mr. Knezevic, what are you trying to achieve?**

*“we have not always been successful in communicating our efforts to the public.”*

**Bane Knezevic:** As a company, we are confronted with imperatives on two sides: on the one hand, customer expectations are changing; on the other, global economic, environmental and social challenges are emerging. And we – not just our company, but society as a whole – have to find ways of rising to these challenges. I am talking about demographic change, for example, or sustainable and reliable sourcing of raw materials for food production. This is why, in recent years, McDonald's Germany has strengthened its corporate responsibility efforts. We have taken the first steps towards implementing the principles of business sustainability. However, we have not always been successful in communicating this to the public. And that is something we now want to change. One important aspect is consolidating all our sustainability activities and introducing transparency via a recognized and standardized form of reporting. In addition, we have set ourselves a number of initial goals, against which we will measure our progress in the future. These goals are mandatory across the entire enterprise and have the support of our franchisees. This is our contribution to securing a better future.

**Does this approach have your support, Mr. Leipold?**

**Dr. Gerd Leipold:** Of course I support a global brand such as McDonald's moving in this direction. I have spoken at length with McDonald's management

over the last few months, both with the Executive Board and with representatives from other departments. And I have sensed that the issue of sustainability is taken very seriously at McDonald's, particularly by those at the top. We have held lively discussions, and of course there were some areas where I may have hoped McDonald's would go even further and set more ambitious goals. But on the whole, this program is a solid foundation – everyone knows where they stand and can measure what they have achieved. I am particularly impressed that sustainability is to become an integral part of day-to-day business operations.

*“we have held lively discussions, and there were some areas where I may have hoped McDonald's would set more ambitious goals.”*

**The approval – in principal – of the former head of Greenpeace: does that make you proud, Mr. Knezevic?**

**Knezevic:** Proud is not the right word. In the long term, our brand success and competitiveness will depend on how successful we are in integrating sustainability into our day-to-day business. We have already introduced a number of innovations for the entire industry: ranging from energy-efficient equipment in our restaurants, to our commitment to attractive working conditions, to the development of our product portfolio. Today, a responsible attitude towards business plays a larger part in our restaurant experience than ever before. But we don't plan to rest on our laurels. Our CR program is based on an end-to-end approach and comprises concrete goals – such as using renewable energy, procuring fish from certified sources only, and reducing waste.

**Mr. Leipold, what do you think of these key initiatives?**

**Leipold:** The central issues are described in the sustainability program, and, as time goes on, the company will have to set more ambitious goals. What is important is that appropriate structures have been put in place within the company to guarantee effective sustainability management in the long term – for example the creation of a dedicated corporate responsibility unit.

**Knezevic:** You are addressing an important point, Mr. Leipold. Some of these elements were already in place in the past. And in the future we want to tie our managers' individual performance targets to more concrete sustainability goals. This ensures we embed these goals more firmly within the company, and work together sustainably in the truest sense of the word – in the long term.

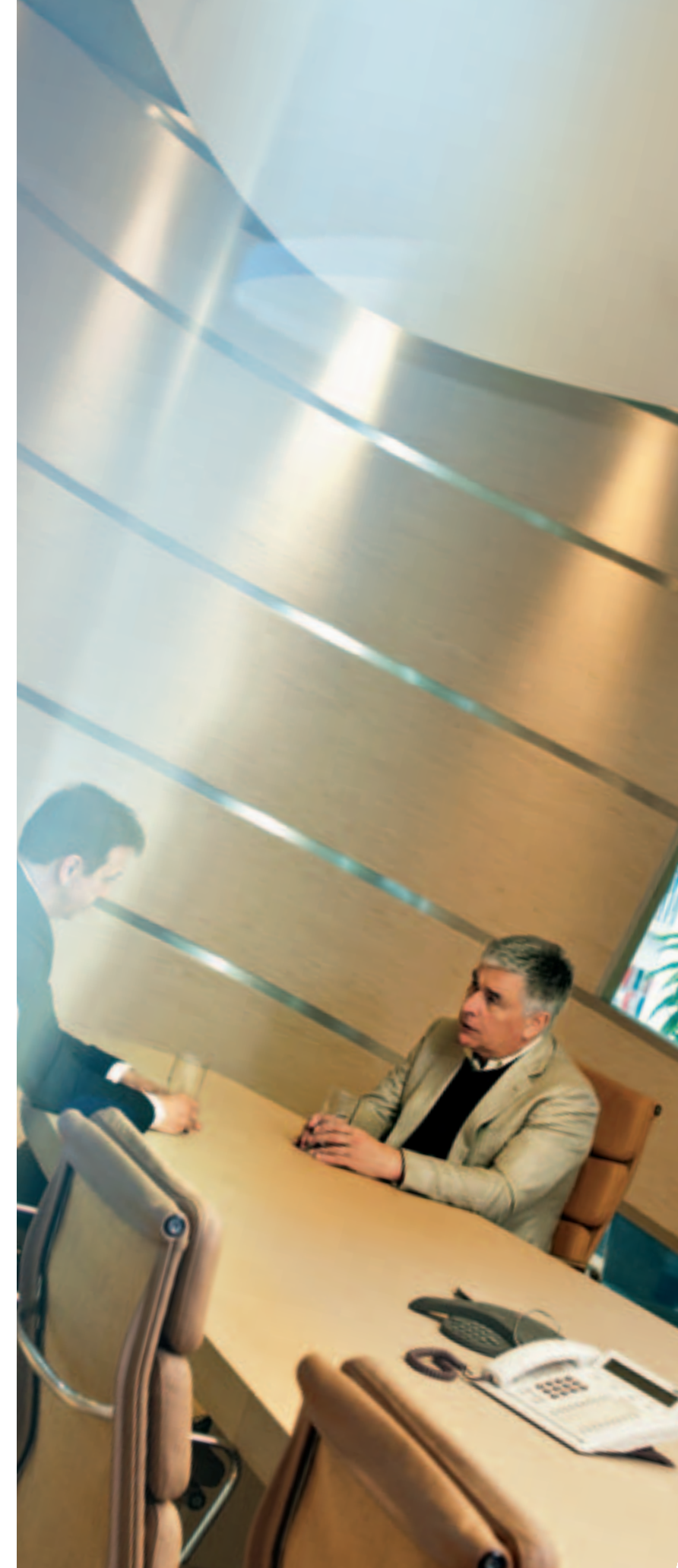
*“and in the future we want to tie our managers' individual performance targets to more concrete sustainability goals.”*

**So you still plan to do a lot more?**

**Knezevic:** There's no doubt about that. The opportunities and challenges in this area are diverse and change practically every day. We need to keep moving and that's why we have created these organizational structures and this culture in our company.

**Leipold:** That's how I see it, too – and I'm looking forward to continuing our constructive discussions.

**Knezevic:** I am also keen to promote further dialog. And I know that many of those interested in our sustainability activities are also looking forward to our next steps: our employees and franchisees, our suppliers and the wider public, including the experts who advise us. We always welcome critical questions, expectations and suggestions.







# eco-footprint

## USING RESOURCES EFFICIENTLY

*The responsible and efficient use of resources such as water and energy has been a top priority for us for many years now. Our commitment spans every aspect of our business from the farming and processing of our raw materials through the construction and operation of our restaurants to general logistics. Global developments such as the rapid rise in the world's population, water shortages in some areas of the world and new sources of energy impact our business in different ways. And so, today more than ever, we are committed to action policies that raise the energy efficiency of our restaurants, minimize packaging materials (and subsequently waste) and promote sustainable farming and production processes – where necessary with the support of external experts and in collaboration with the agricultural industry.*



## ENERGY MANAGEMENT

### Less is more – energy-efficient restaurants

Most companies and private homes look for ways to save energy costs and protect the environment. Our restaurants are no exception. In 2010, McDonald's restaurants consumed a total of 568 million kWh\* of energy. In comparison, a German household

consumes an average of 3,500 kWh per year. Our aim is to continually lower energy consumption per diner even as the number of restaurants and guests increases and opening hours extend. We have already achieved a great deal by deploying innovative, energy-saving technologies in high-consumption areas such as kitchens and for air conditioning in dining areas.

In most cases, however, there are no easy solutions. Preparing large amounts of food and drink in a short space of time requires powerful equipment. In addition, the throughput of our kitchens varies depending on the time of day and day of the week. And so intelligent operating modes based on a switch-off or standby policy form just one part of the equation.

Equally important is the deployment of equipment with higher efficiency ratings. We have already had some successes here. The clamshell grill, for example, was specially designed for McDonald's and has been standard equipment since 1988. It cuts cooking times in half and retains heat much more effectively than an open grill. Since 2009, McDonald's has

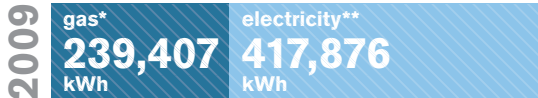
*\*Refers to all restaurants in Germany and eight restaurants in Luxembourg*



also been using low oil volume (LOV) fryers, which use around five percent less energy than conventional devices.

Energy consumption varies depending on the age of a restaurant and the equipment deployed. We are therefore currently analyzing and evaluating energy ratings at all restaurants. This will enable us to report on the energy efficiency of our restaurants and plan dedicated improvements.

Energy consumption of an average McDonald's restaurant in Germany per year



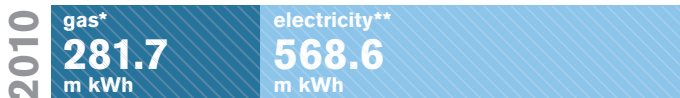
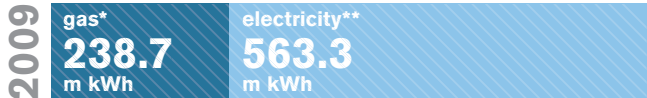
\* Calculations in some cases not based on calendar years but on operational years or other periods of time; missing values projected  
\*\* Refers to restaurants operating in Germany and Luxembourg and to the main service center (values for missing restaurants projected)

## Pilot projects with a big impact

McDonald's Germany needs to collect valid data and test results before deciding whether to roll out a new technology to all of its restaurants as part of its energy efficiency drive. Cost and energy efficiency are not the only factors to be considered. Each new technology must also be viable within the context of daily operations. We therefore need to test or pilot selected technologies. In 2009, McDonald's Germany opened EE-Tec, its first energy-efficient restaurant in Achim, near the city of Bremen. Since then, we have been running normal service there with energy from wind, geothermal, solar (photovoltaic) and other renewable sources. In summer, we use evaporative cooling to control room temperature. In

winter, heat recovery reduces the amount of energy required for heating. Energy-saving LED lighting, LOV fryers, demand-based ventilation systems, optimized food cooling and a small-scale biological wastewater treatment tank are also part of the pilot project. Technology that has proven to be efficient, such as demand-based ventilation, has already been integrated as standard equipment in new or remodeled restaurants.

Energy consumption of all McDonald's restaurants in Germany per year



\* Calculations in some cases not based on calendar years but on operational years or other periods of time; missing values projected  
\*\* Refers to restaurants operating in Germany and Luxembourg and to the main service center (values for missing restaurants projected)

Other technologies such as evaporative cooling are modified based on data gained in Achim and rolled out to further restaurants. For further information on our energy-efficient restaurant, visit: [www.mcdonalds.de/unternehmen/restaurants/ee-tec.html](http://www.mcdonalds.de/unternehmen/restaurants/ee-tec.html)

When we renovated our Cologne restaurant in Edmund-Rumpler-Strasse in 2010, we took the opportunity to retrofit various energy-efficiency technologies. This restaurant is now a demo model, allowing us to assess the viability of similar measures in other restaurants.

## Sustainably modern – new and remodeled restaurants

We have carried out numerous energy optimization tests over the years. The findings of these tests allow us to implement various technologies in new or remodeled restaurants today. We have been able to reduce energy consumption and costs since 2009, for example by deploying energy-efficient lighting systems in dining areas. The lights also have a longer service life than conventional lighting equipment. We have also converted many of the light towers outside our restaurants to LED technology. Furthermore, we have been installing high-efficiency lighting systems in new and refurbished kitchens for many years now. In 2005, McDonald's was awarded the European Union's GreenLight Award for its efforts here. We also intend to recycle more of the energy generated by our restaurants. Heat from outlet air, for example, can be recovered and used to heat dining areas and cut heating energy requirements significantly. In future, we aim to continue leveraging the latest energy-saving measures both on construction and remodeling projects.

Collaboration and dialog with the research community and other companies plays a key role for McDonald's Germany when it comes to building energy-efficient restaurants. In 2010, we joined the German Sustainable Building Council (DGNB), one of whose founding members is the highly respected Professor Werner Sobek. The association's 900 members are committed to promoting sustainable, cost-effective construction choices in the future. The DGNB certificate recognizes environmentally sound, cost-effective and user-friendly buildings. For further information on the DGNB's work, visit: [www.dgnb.de](http://www.dgnb.de)

## Saving energy each and every day

In order to use energy efficiently, we have to continually improve existing structures. Energy management systems help cut energy consumption in restaurants by switching off power-hungry machines or equipment when not in use. Timed on and off windows optimize electricity consumption further by ensuring kitchen machines are only on when they are needed. The windows take the warm-up phases of different appliances into consideration and can thus reduce power consumption by an average of six percent.

We also regularly provide our franchisees and restaurant managers with an energy-saving catalog which features a wide range of ideas and options for increasing energy efficiency and gradually improving energy management in restaurants. We believe that each individual should step up to the energy challenge. This is why environmental awareness – and energy saving in particular – is an integral part of our employee training program.





## Protecting the climate with renewable energy

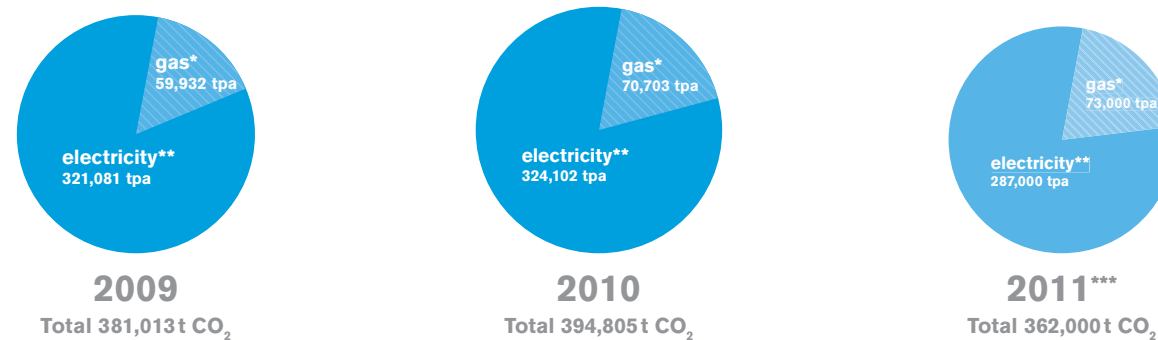
Our direct carbon dioxide (CO<sub>2</sub>) emissions stem from natural gas used to heat some of our restaurants (Scope 1). The majority of our carbon footprint, however, occurs from indirect emissions (Scope 2) as a result of our energy consumption. Looking at our entire value chain, considerably more than half of our carbon dioxide emissions are from up-stream processes (Scope 3), above all from agricultural production. In Europe in particular, we are addressing this issue through pilot projects aimed at identifying the largest sources of CO<sub>2</sub> emissions and scope for improvement. We use renewable energy to significantly reduce the carbon footprint of our restaurants. In 2011, we are sourcing 25 percent of electricity for all McDonald's restaurants in Germany from green energy from renewable sources and intend to increase this share. This will enable us to significantly improve the carbon balance of our restaurants, already eliminating around 70,000 tons of indirect CO<sub>2</sub> emissions in 2011 compared with 2009. Our aim

is to meet 100 percent of our energy needs from renewable sources by 2014. We only use refrigeration equipment that is free of chlorofluorocarbons (CFCs) and have commissioned special appliances tailored to our restaurants that use CFC-free coolants. From 2012 on, McDonald's Germany will be the first branch to only purchase CFC-free equipment.

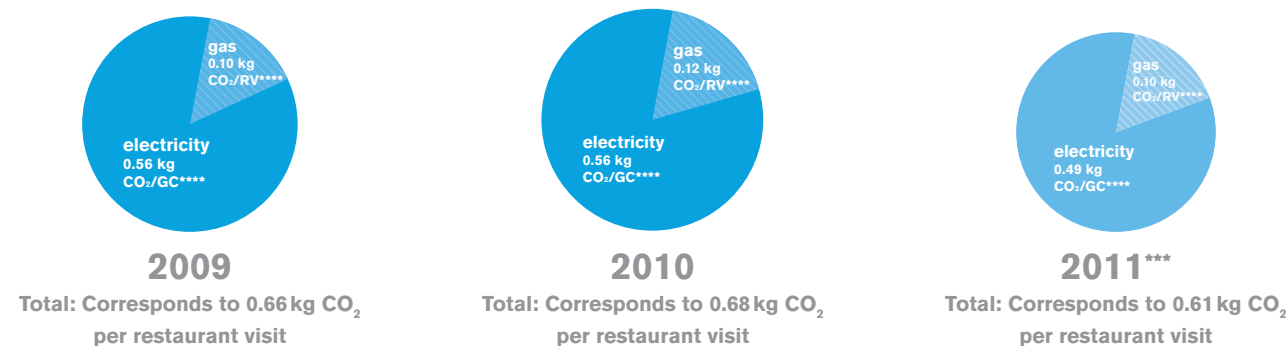
## Every drop counts – water consumption

Water is used to clean kitchen equipment, keep guest restrooms functioning and maintain outside areas. Without it, a restaurant simply couldn't do business. We therefore use water responsibly and try wherever possible to reduce consumption. In some restaurants, for example, we use rain water for toilet facilities or watering outside areas. All of our 1,386 restaurants in Germany are connected to the public sanitation system. We continually look to improve the quality of wastewater.

Year-to-year comparison of CO<sub>2</sub> emissions (Scope 1 and Scope 2) from all McDonald's restaurants in Germany



CO<sub>2</sub> emissions (Scope 1 and Scope 2) per restaurant visit



\* Conversion factor for natural gas: 0.23 kg CO<sub>2</sub> equivalent / kWh  
 \*\* Conversion factor for electricity: 0.57 kg CO<sub>2</sub> equivalent / kWh  
 \*\*\* Projection for 2011 based on current estimates  
 \*\*\*\* Restaurant visit

## LOGISTICS

HAVI Logistics GmbH is the logistics partner of McDonald's Germany. The company is headquartered in Duisburg and has seven distribution centers throughout Germany. It is responsible for all deliveries as well as a large part of storage and handling for the almost 1,400 restaurants around the country. Sustainability has been a priority for HAVI Logistics for many years and is firmly embedded at all levels of the company, which is very important for McDonald's.

## Environmental management at HAVI Logistics

HAVI Logistics implemented its company-wide environmental management system back in 1997. It was the first logistics company in Europe to have its operational environmental management system certified in line with ISO 14001 and EMAS. In 2010, the company was also certified in accordance with EMAS III. It regularly publishes an environment report. Together with McDonald's Europe and other logistics companies operating for McDonald's across Europe, HAVI Logistics has committed to cutting CO<sub>2</sub> emissions by 20 percent per ton of delivered goods, increasing the share of renewable energy sources by 20 percent and rising the energy efficiency per ton of delivered goods by 20 percent (2007 baseline) by the year 2020. HAVI Logistics takes a ground-up approach to environmental management – in other words, it is factored into the construction of its distribution centers. As part of its Food Town concept, the company builds distribution centers at the same location as production facilities, for example for patties or buns. This reduces transport and fuel-related CO<sub>2</sub> emissions, as suppliers' goods no longer have to be driven to the distribution center.

At its Günzburg site, HAVI Logistics also uses renewable energy from a photovoltaic system. The company opened its seventh distribution center in Lederhose, in the state of Thuringia. The new

center features an energy-efficient cooling system that saves around 294,000 kWh of power and subsequently around 120,000 kilograms of CO<sub>2</sub> each year.

HAVI Logistics is also committed to improving the emissions from its delivery fleet. Delivery routes are planned as efficiently as possible to keep fuel consumption to a minimum. The new distribution center in Lederhose has had a positive effect here too, as it cuts the distance travelled to McDonald's restaurants by 1.5 million kilometers per year – an annual saving of 1.1 million kilograms of CO<sub>2</sub>.

On the fuel front, the logistics specialist is currently testing a diesel-autogas system for its trucks, known as the bi-fuel system. This technology can cut CO<sub>2</sub> emissions by 8.7 percent compared with conventional diesel engines. The company plans to increase the number of test vehicles in 2011. Other vehicles in HAVI's fleet already run on alternative fuels such as biodiesel or fatty acid methyl ester, made in part from used cooking oil from our restaurants.

These alternatives have already enabled HAVI to noticeably cut CO<sub>2</sub> emissions. The company is committed to making further reductions. In addition to fuel consumption, the creation of temperature zones inside trucks has a significant impact on CO<sub>2</sub> emissions. Cutting-edge cooling and freezing equipment together with optimized management of cooling space and power translate into further savings.

## Charging stations at restaurants: a clean way to be on the way

We live in a mobile world. Mobility has always been a key component of the McDonald's business model. And we want to keep it that way, but also make it compatible with a more sustainable lifestyle of our guests. In 2011, we kicked off a pilot project to set up around twenty charging stations at our restaurants. So guests with electric cars will be able to charge their vehicles while they dine.



paper, cardboard  
and carton

**71.2 %**

composite material

**64.3 %**

plastics (material and  
energy recovery)

**67.1 %**

aluminum

**61.5 %**

Recycling rate from packaging requiring licenses  
disposed of at McDonald's

■ Light packaging

■ Paper, cardboard and carton

## PACKAGING AND WASTE MANAGEMENT

At McDonald's, packaging packs a double punch. For both hygienic and practical reasons, we require effective packaging solutions for the sale and transportation of our products. Moreover, visually appealing and informative product packaging boosts brand awareness. This is why packaging is a key aspect of our business model – a fact that also presents challenges with regard to sustainability. Minimizing packaging, creating less waste and rubbish, and using eco-friendly materials wherever possible are the central elements of our dedication to climate and environmental protection. Against this background, we follow four basic guidelines: reducing packaging weight, maximizing the proportion of renewable resources, using recycled materials and buying paper goods made from wood sourced from sustainably managed forests.

### Less packaging, more recycling

We are actively working on reducing packaging as a whole and on increasing the proportion of recycled materials in our packaging. In 2010, the average weight of our packaging stood at 5.35 grams. This is somewhat higher than in 2009 (5.23 grams), but slightly lower than in 2008 (5.53 grams). The average weight is an important indicator for determining if we are getting closer to our goal of reducing packaging weight. In this regard, we are subject to the German Avoidance and Recovery of Packaging Waste (VerpackV) legislation. This sets out stringent guidelines for taking back and recycling transportation, secondary and consumer packaging. We strive to continuously improve in this regard. Our packaging comprises approximately 90 percent renewable materials. At the same time, we consider the quality and safety of our food: clamshells, the cardboard packaging for our burgers, consist of both non-recycled and recycled material. The inside is coated with non-recycled material, so that the products do not come into contact with recycled material. The core is made up of around 70 percent recycled paper. Buns and salads are delivered to the restaurants in reusable containers, and even the delivery cartons comprise 50 percent recycled paper.

We have deployed a special concept in our McCafés: employees serve food and drinks meant to be eaten in the restaurant on or in porcelain plates and cups.

### Say no to waste

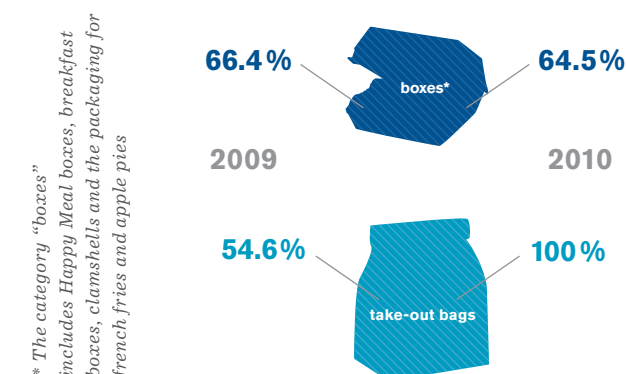
In addition to used packaging, McDonald's Germany needs to dispose of a variety of other forms of waste – in restaurants and as a result of transporting goods.

In line with our statutory obligation to accept returned products, we assume responsibility for the collection and recycling of electronic Happy Meal toys. We also meet our requirements to take back used batteries under the German Battery Act (Batteriegelgesetz). This governs the collection and recycling of batteries.

We use privately operated collection and recycling systems to ensure that waste is recycled according to statutory requirements. However, thoughtless littering of our packaging – especially in the vicinity of restaurants – is the source of repeated complaints from local governments, neighbors and guests.

Employees regularly clear up areas surrounding restaurants. Since 2010, we have drawn public awareness to the issue of litter with our nationwide anti-littering campaign "Gib Müll eine Abfuhr" (Say No to Waste). As part of this campaign, we are also strengthening our partnerships with city councils and local government, beginning with a pilot project in Cologne in 2010. This project is set to continue with further partnerships, for example in Frankfurt and Berlin.

Share of recycling materials used  
in McDonald's packaging







breathhtakingly beautiful – building the future

Interview with architect *Prof. Dr. Dr. h.c. Werner Sobek* and *Alexander Schramm*, Board Member responsible for development at McDonald’s Germany

Mr. Schramm, McDonald’s is a member of the German Sustainable Building Council, the DGNB, and Professor Sobek is the Vice Chairman. Why is McDonald’s part of this organization?

The structures and technologies have also evolved. LED lighting is just one example. Sometimes small steps can take you a long way.

that met our needs. In the end, we had them developed for us. In this respect, we are also assuming the role of a technological innovator.

In that case, the real hurdle lies within the construction industry, Professor Sobek. Do you agree with that?

Sobek: I agree that we still have a lot to do in our industry. However, sustainable construction is not just about using energy and resources efficiently. This is often overlooked in the call for practical, economically viable solutions. Building is also a creative process, giving form and color to ideas and attitudes. Architecture influences and is influenced by people. Particularly a company like McDonald’s that places so much emphasis on the “restaurant experience” should explore all the sustainability options that modern architecture offers. Sustainable building work appeals to the emotions and has an impact on social interaction. It can also be breathtakingly beautiful.

How do you feel about this, Mr. Schramm? Is it full steam ahead for sustainability?

“we want environmentally sound practices as well as energy and resource efficiency to be hardwired into our restaurants.”

Schramm: We want environmentally sound practices as well as energy and resource efficiency to be hardwired into our restaurants right from the planning and construction phases. This is why we are part of the DGNB. Reducing energy costs is also a strong financial reason for joining.

Even when you are taking small steps, you still need to know where the journey is heading. Professor Sobek, when do buildings classify as ‘sustainable’?

Sobek: We have developed a standard known as Triple Zero that clearly defines the criteria a building must meet to be considered sustainable. The first of these is “zero energy”. In other words, a building must not consume more energy than the amount it produces itself on average per year. The second factor is “zero emissions”, which states that a building must not produce harmful emissions. And thirdly, we have “zero waste”. This principle states that a building must be fully recyclable and will not result

Professor Sobek, what is the main focus of your work?

Sobek: Construction is perhaps the most important weapon in the fight against energy waste and climate change. Buildings are the world’s biggest climate offenders. Global construction activity consumes up to one third of all energy resources, and overall, the construction industry is responsible for around 35 percent of all emissions. I want to make a difference here. We need to radically change how architecture relates to occupants, technologies and the natural environment. McDonald’s is a particularly exciting partner because it has such a large number of restaurants and therefore the potential to take sustainable construction from a niche market to a broader, everyday social and economic agenda.

“buildings are the world’s biggest climate offenders.”

in any waste at the end of its lifecycle. The Three Zeros standard is also McDonald’s yardstick – not today, but in the foreseeable future.

Is McDonald’s Germany also committed to these targets?

Schramm: I truly believe that economic interests and sustainability can and should go hand in hand. This year alone, we will bring to life the most ambitious energy-saving strategy in our company history. It will include the optimization of energy consumption in all of our restaurants and various efficiency offers for our franchisees. This will not only help us save money, but also benefit the environment. We are flanking this strategy with a green electricity policy. Even before the Fukushima catastrophe and the German government’s nuclear exit announcement, we started buying green electricity. And when it comes to the restaurant experience, sustainable architecture for the McDonald’s brand will always – to quote Professor Sobek – be a thing of beauty...

Does McDonald’s Germany share this view? Do you have any concrete plans here?

Schramm: This is the inspiration behind our energy-efficient restaurant in Achim, near Bremen. We are using it as a test bed for new technologies and procedures ranging from solar energy through evaporative cooling to CO<sub>2</sub>-controlled ventilation. Any technologies that prove fit for purpose in this or other pilot projects and bring ecological and economic benefits will be gradually integrated in all our restaurants. It’s not just the exteriors of our restaurants that have changed.

Schramm: We are on the right path. However, we and our franchisees also have to take economic factors into consideration. We mustn’t forget that the majority of these changes are being implemented in existing McDonald’s restaurants – of which there are almost 1,400 in Germany. They must not disrupt day-to-day operations or, above all, the restaurant experience and high quality enjoyed by our guests. What we need here are simple, practical solutions. A lot of the time, the right offers just aren’t out there. When we were looking to convert to energy-saving, CFC-free cooling equipment, for example, there were simply no devices on the market







# employer of choice

## FOSTERING TALENT

*In their role as employers, companies will in future need to overcome a multitude of new challenges, such as the effects of demographic change and skills shortages. At McDonald's, we too must be prepared for increasingly fierce competition for the best young employees – despite our current positive situation. In 2010, an average of 62,000 people worked for McDonald's in Germany. This includes crew, restaurant managers, trainees and other specialists such as food product developers, customer service advisors and marketing staff. That makes McDonald's the largest employer in the German restaurant industry. In recent years, the number of employees at McDonald's in Germany has risen steadily. The reasons for this include the opening of many new McCafés in Germany and restaurants' extended opening hours, up to 24 hours a day. On average, each crew member stays with McDonald's for 4.4 years\*.*



## STARTING AND ADVANCING YOUR CAREER

### Individualized entry options

Our aim at McDonald's is to give everyone an opportunity to embark on a promising career, regardless of origin or education. That is why we offer a number of different training paths – each tailored to the individual applicant's educational background and experience.

As recently as 2009, we introduced a special training program for young people who have completed German Hauptschule (lower-ranked secondary schools). The trainees graduate as “Fachkraft im Gastgewerbe in der Systemgastronomie” (specialists in the hospitality services industry). We introduced this program in response to a current trend in Germany. Here, young people are increasingly finding that they need more than their school leaving certificate to qualify for a traineeship. This program also addresses demographic shifts, which point towards a growing shortage of skills across all sectors of the economy. Our “specialist” training program is aimed directly at students in Germany's lower-ranked secondary schools. We give school-leavers an opportunity to train in the foodservice sector and gain a German Chamber of Commerce certificate in the space of two years.

McDonald's also offers a more advanced training program to become “Fachmann” or “Fachfrau für Systemgastronomie” (experts in the foodservice sector, abbr. FASY). The company was heavily involved in setting up this scheme in 1998. Training usually takes three years and is primarily aimed at good graduates from middle-ranked secondary schools and school-leavers who have taken the university entrance examination (German Realschule and Gymnasium). In addition, successful “specialist” training graduates have the chance to go on and complete this advanced training course within a year.

Since 2006, McDonald's Germany has also been offering school-leavers who have taken the university entrance examination (German Abiturienten) and graduates from technical colleges (German Fachoberschüler) a combined work/study program that gives young people the chance to graduate with an internationally recognized Bachelor of Arts degree. McDonald's pays the students' fees for the three-year course, which combines theory lessons at vocational colleges (trade schools) and on-the-job training at the restaurant.

*\* Average duration of employment for McOpCo*



2009  
total number of  
employees: 61,466

624  
administration

47,993  
franchise restaurants

12,849  
company restaurants

2010  
total number of  
employees: 62,354

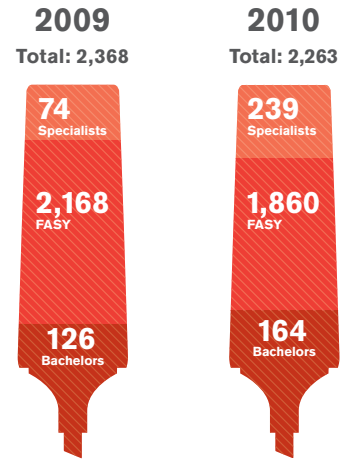
608  
administration

49,211  
franchise restaurants

12,535  
company restaurants

Year-to-year comparison of employee numbers  
at McDonald's. The share of people employed by  
franchisees has grown (as of Dec. 31, 2010)

Apprenticeship opportunities



Year-to-year comparison of  
apprentices at McDonald's

Staying for good

McDonald's Germany is very keen to give its trainees the opportunity to be taken on as employees once they have finished their apprenticeship. We find that the company's own trainees go on to make the best employees and managers. That is why we hire over 70 percent of our trainees as soon as they have successfully completed their period of training. By way of contrast, according to a Confederation of German Trade Unions training report, only between eight and 13 percent of all trainees

were kept on in the German hotel and catering trade in 2010.

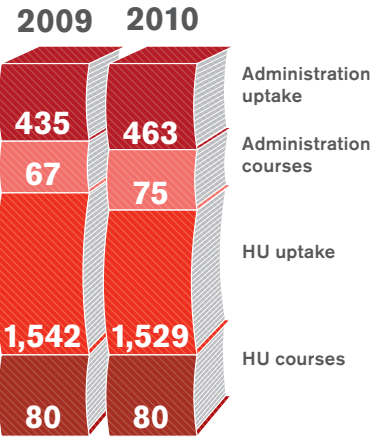
The Bachelor degree provides a direct path to restaurant manager rank. The training to become a "Fachmann" or "Fachfrau für Systemgastronomie" (expert in the foodservice sector) also prepares participants for leadership roles – the young men and women who complete this training are often taken on as shift leaders in their restaurants immediately afterwards. At a later date, they too will have a chance to take over management of the restaurant. In 2010, 309 of the 385 trainees hired were able to further their careers as shift leaders in the restaurants of McDonald's Germany and its franchisees. We also offer various ongoing training courses at our center of excellence for operations training and leadership development – the Hamburger University in Munich – and at our regional service centers. These talent development schemes focus on everything from basics in shift leading to business planning.

McDonald's also promotes the concept of lifelong learning among its employees. The Crew College was set up in collaboration with German adult education centers

(Volkshochschulen) for this very purpose. Its curriculum is based on the European Lifelong Learning Program, and it offers an additional qualification independent of the participant's current job and career. McDonald's provides financial support for these courses in the form of a gross allowance of up to EUR 100 per semester.

For more information about McDonald's training opportunities, go to:  
[www.mcdonalds.de/verantwortung](http://www.mcdonalds.de/verantwortung)

Employee training



Year-to-year comparison of McDonald's  
training offers and uptake (courses  
at the Hamburger University, HU) and  
administration courses offered by the  
Personnel Development Department

McDonald's as top employer

Our overarching aim is to be ranked as an "employer of choice" and we undertake a wide range of measures to enhance the employee experience. Initial pointers to our success in this area include improved rankings in satisfaction surveys and studies, such as the "Deutsche Schülerbarometer". This survey examines the career and life aspirations of German secondary school students in forms 8 to 13. In 2010, 15,800

school-goers were surveyed, and McDonald's was rated as the 33<sup>rd</sup> most attractive employer for young people in Germany out of a 100-strong field. In 2009, we were placed 36<sup>th</sup>. Meanwhile, based on an independent study by the opinion research institute CRF, McDonald's Germany has received "Top German Employer 2011" certification – a seal of approval we have held since 2004.





# MORE THAN JUST A JOB

## Employee satisfaction

*Our aim is to have a satisfied, engaged and committed workforce. We regularly survey our employees anonymously to gauge their job satisfaction. We ask them if they are happy to come to work, whether there is a good line of communication between management and crew members and what they think about the further training opportunities available to them. The survey findings give us action items and we have already channeled these insights into specific initiatives in collaboration with the Crew College and the Confidential Contact Center. Building on these early initiatives, we plan to raise employee satisfaction even further, especially among our crew members. Our aim is to support them with additional occupational benefits – for example we are currently working on health management. We update our surveys on a regular basis to examine the effectiveness of the measures we have put in place.*

## Corporate Volunteering Day

For the first time in 2011, employees in administration will have a chance to participate in the McDonald's Corporate Volunteering Day. Instead of doing their usual business on this working day, they will assist the McDonald's Kinderhilfe Stiftung (Ronald McDonald House Charities) by participating in the daily duties arising in Ronald McDonald Houses. We are organizing this day for two reasons: firstly to support these houses, and secondly to nurture the social awareness of our employees as active members of the local communities in which they live and work. Find more information on the McDonald's Kinderhilfe Stiftung in the Sharing Brand chapter.

## Teamwork – a matter of trust

The McDonald's Confidential Contact Center was set up in 2006. It provides an opportunity for all company employees to air any problems they might have at work by phone, letter, e mail or fax if talking to colleagues and superiors did not help. The Confidential Contact Center tries to find solutions and reach a compromise – usually through dialog with everyone concerned.

It works as a neutral arbitrator independently of McDonald's and its franchisees. It is bound to secrecy and provides advice to everyone free of charge. Employees are informed about the Confidential Contact Center through flyers, internal information media and the intranet.

## Safety in the workplace

McDonald's takes the safety of its employees very seriously. We optimize our work processes and use the best possible equipment to ensure a safe working environment. Nevertheless, accidents cannot be excluded in a restaurant environment despite compliance with all legal requirements. In a bid to systematically eliminate the causes of accidents and prevent accidents from occurring, our employees receive regular training on a variety of safety-related topics. These include courses on workplace safety such as first-aid training and regular first-aid refresher courses.

## Diversity with equal opportunities

Demographic shifts are posing increasingly formidable challenges to employers everywhere. We expect skills shortages to intensify, and companies will have to hire older employees in the years to come. We recognize the benefits of diversity: McDonald's Germany employs 128 different nationalities, and around 20 percent of all crew members in company restaurants are over 41 years of age. We develop the personal, professional and social skills of all employees, regardless of origin, age or educational background. The Crew College was set up, for example, to educate employees in areas that are not directly related to their job – focusing for instance on language or computer skills. Internal training courses enhance employees' job-specific skills and lay the foundation for their career path. In 2007, McDonald's Germany signed the Diversity Charter, which was set up by Professor Maria Böhmer, Minister of State at the Federal Chancellery. McDonald's was one of the founding members of the "Charta der Vielfalt" association, established in 2010. It became operational in early 2011 and will in future organize and financially support all Diversity Charter-related activities. Silvia Merretz, Senior Department Head HR Development at McDonald's Germany, is the new Chair of the association. Under the

umbrella of the Charter, we make a commitment to respect, value and support all employees, regardless of gender, nationality, religion or ethnic origin.

## Work and family in balance

Achieving a good work-life balance is particularly important for working mothers and fathers. McDonald's is committed to supporting its people in striking the right balance. A kindergarten is just one of the many facilities available to employees at the main service center in Munich. In fall 2011, a nursery will open up as well. The company berufundfamilie gGmbH awarded the "work and family audit" (audit berufundfamilie) certificate to the Munich Center in 2009 for its measures to harmonize work and family life. In our restaurants, the shift plans contribute to our employees' flexibility when choosing their hours of work.

## A matter of principle: our management promise

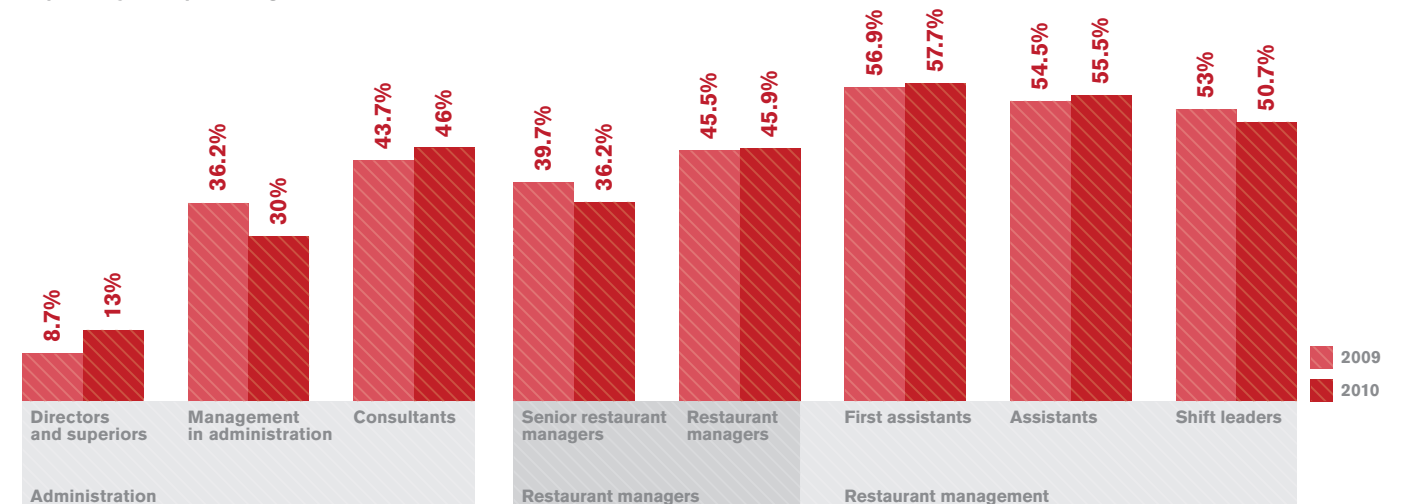
Senior managers at McDonald's follow the company's management guidelines and live the "McDonald's Führungsversprechen" in their daily work. Follow this link to read our six guidelines: [www.mcdonalds.de/metanavigation/jobs\\_karriere/echt\\_mcdonalds.html](http://www.mcdonalds.de/metanavigation/jobs_karriere/echt_mcdonalds.html)

Our administrative staff and senior managers are also committed to actively participating in Ray Kroc Day. When they join McDonald's and once a year after that, office-based employees join crew members to work at a McDonald's restaurant for a day. We feel this gives our office staff and senior managers vital insights into our daily operations.

## Fair pay scale

McDonald's is committed to paying its employees fairly and in line with individual performance. McDonald's Germany adheres to a collective agreement negotiated by the Bundesverband der Systemgastronomie e. V. (BdS) (Federal Association of the Foodservice Sector) and the Gewerkschaft Nahrung-Genuss-Gaststätten (NGG) (Food, Beverages and Catering Union). Our trainees are also paid an agreed rate. In addition, we offer attractive extended benefits like holiday pay, an annual special allowance, bonuses for working nights and capital-forming benefits. Men and women naturally receive equal pay for the same job. For details of our collective agreements and the payment of our employees, see: [www.bundesverband-systemgastronomie.de/ueber-den-bds/tarifabschluss.html](http://www.bundesverband-systemgastronomie.de/ueber-den-bds/tarifabschluss.html)

*Year-to-year comparison of the proportion of women in different hierarchy levels at McOpCo. The proportion has grown, especially at top management level.*







from mcjob image  
to valued employer

Interview with *Dr. Walter Jochmann*, CEO of Kienbaum Management Consultants GmbH, and *Wolfgang Goebel*, Chief Human Resources Officer of McDonald's Germany

Wouldn't a stylish executive office be a more fitting place for you to receive guests as Chief Human Resources Officer of McDonald's Germany and renowned HR expert, Mr. Goebel?

The best employees? Isn't the industry's leading franchise foodservice retailer being a bit naive, Dr. Jochmann?

extremely detrimental for a company to do without qualified female workers simply because they are unable to align working life with childcare and family commitments.

Has this model been adopted by McDonald's?

**Goebel:** We do offer a form of split leadership. It enables two restaurant managers to share tasks and achieve a better work-life balance on a part-time basis. And we already boast an impressive 52 percent share of female employees in management positions.

Which shows that your efforts are paying off to some extent. But is that enough, Dr. Jochmann?

**Jochmann:** A consistent HR policy is crucial to a company's future success and there are many more challenges that need to be addressed here. Healthcare management and workplace ergonomics are becoming increasingly important, especially as demographic trends push up the proportion of employees over 50.

Is this where the McDonald's system reaches its limits, Mr. Goebel?

*"our aim is to be the employer of choice in the foodservice sector."*

**Wolfgang Goebel:** I can't think of a better location than here to discuss McDonald's image as an employer. After all, it is where the majority of our 62,000 employees do their job every day with dedication and commitment. A restaurant is the perfect backdrop for this interview.

Do you agree, Dr. Jochmann?

**Dr. Walter Jochmann:** It's an ideal place to challenge existing ideas and put new thought processes in motion. It is also "home" to the clichés most people associate with working for McDonald's.

You mean the image of a stressful job that no-one wants to do? But the hectic pace in the kitchen and at the counter speaks for itself, doesn't it?

**Goebel:** Of course. I'm not saying that the work isn't hard. However, it's the same for almost all jobs in the foodservice industry. Which is why we make it a top priority to offer our employees much more. Many people still have an old image of the McJob culture. Our aim is to be the employer of choice in the foodservice sector. Offering professional development paths is just one of the ways we are doing this. We support everyone who wants to build a career at McDonald's and provide a range of tailored training programs to this end. We want to help open doors for people from all backgrounds and histories, whether young people straight from high school or older people looking for a fresh start in the working world. It is also the only way we can be sure of building and retaining a qualified workforce into the future. After all, we want the very best to work for us.

**Jochmann:** Let me put it this way, McDonald's has already achieved quite a lot in an industry that is currently not seen as the most attractive source of employment. Providing good training opportunities is certainly one way to achieve this ambitious goal. In my work as a consultant, I find again and again that systematic talent management is the key to retaining qualified employees. The prospect of advancing professionally is above all a motivational force for employees already working in the company. To attract new staff, however, companies also need to focus on other factors such as work-life balance.

Isn't work-life balance incompatible with shift work?

**Goebel:** Not if you use the benefits of a shift model. We use it to offer our

*"providing good training opportunities is certainly one way to achieve this ambitious goal."*

employees flexibility. A mother, for example, can work in the morning when her child is at school. If a father prefers to work evenings when his wife is at home looking after the children, he can.

Can these parents make a career at McDonald's? Can they work in restaurant management?

**Jochmann:** Part-time management positions are still very rare. I often advise companies to adopt a split leadership model. In my opinion, this will be a key element in tomorrow's labor market. And the only way to increase the share of women in management positions. It would be

**Goebel:** We have already achieved a great deal even if we are not yet perceived as a totally positive employer brand. We know that we have to improve here. We will be putting the spotlight on workplace ergonomics within the framework of our healthcare management policy. When it comes to increasing our appeal as an employer, McDonald's will again prove itself to be a committed and adaptable company.







# sharing brand

## PART OF THE COMMUNITY

*At McDonald's Germany, we see ourselves as a part of the communities we serve and are committed to being a good corporate citizen in all of our dealings. Together with our franchisees and employees, we do our utmost to achieve this. McDonald's founder Ray Kroc coined the phrase "We have an obligation to give something back to the communities that give so much to us." Social engagement is a cornerstone of our business model. We actively seek the support of our diners and partners so we can reach even more people. In addition, ongoing dialog with our stakeholders is very important to us. We are aware of the challenges this involves in light of public preconceptions and certain internal reservations. But we are certain that only an open exchange of opinions and frank and honest discussion of needs and expectations can enable us to find innovative solutions and provide a basis for sustainable long-term development – at local and national level.*



## ENGAGING WITH OUR STAKEHOLDERS

We maintain open dialog with our stakeholders, including government bodies, trade associations, politicians and non-governmental organizations (NGOs), as these groups influence our business and the industry as a whole. Guided by a strong sense of corporate social responsibility, our dialog activities focus on maintaining

constructive exchange with these interest groups. Our aim is to get our message across and listen to what others have to say. Transparency, integrity and openness are key priorities for us here. McDonald's Germany is also a member of various trade groups and organizations to represent our interests. These include the

Bundesvereinigung der Deutschen Arbeitgeberverbände (BDA) (Confederation of German Employer Organizations) and the Bundesverband der Systemgastronomie (BdS) (Federal Association of the Food-service Sector). As the president of BdS, our Chief Human Resources Officer Wolfgang Goebel is also a chairing member of BDA.

McDonald's does not pay any party donations or contributions to parties or politicians.

### CR Expert Council

We involve external experts representing our material action items in the development and implementation of our CR program. At present,

a three-headed Expert Council that was constituted in 2011 is consulting us. Current members are Dr. Gerd Leipold, former Executive Director of Greenpeace International, Prof. Dr. Dr. h.c. Werner Sobek, architect and expert in green building and Dr. Walter Jochmann, Chairman of the Executive Board of Kienbaum Management Consultants GmbH. The Expert Council meets twice a year.



## GIVING SOMETHING BACK

### Strong commitment from our franchisees

Our franchisees support the McDonald's Kinderhilfe Stiftung through annual fundraising activities and fixed revenue-indexed donations. In addition, they engage with local community activities. They support various social projects such as sports facilities for young people, Ronald McDonald Houses and family rooms in hospitals, as well as daycare facilities. They are often the first port of call for institutions looking for assistance.

Franchisees also have a special responsibility as a local employer and provider of training opportunities. Many young people who complete training with us are subsequently offered full-time positions. Franchisees create on average 40 to 50 flexible full- and part-time positions per restaurant.

The environment is becoming an increasingly important issue. More and more franchisees are committed to anti-littering campaigns, thus ensuring that the areas around their restaurants are kept clean and well maintained. These activities are often carried out in conjunction with local communities and district authorities.

### So we inspire others to help

At McDonald's Germany we believe in mobilizing as much support as possible for environmental and community causes. We therefore want to inspire our diners, employees and suppliers to help us reach our ecological and environmental goals. We involve them in our campaigns and encourage them to take the initiative – for example with our collection boxes for the McDonald's Kinderhilfe Stiftung.



### A temporary home: McDonald's Kinderhilfe Stiftung (Ronald McDonald House Charities)

The McDonald's Kinderhilfe Stiftung has been helping critically ill children and their families since 1987. Its projects include building and running Ronald McDonald Houses near to specialist hospitals, and Ronald McDonald family rooms (Ronald McDonald Oases) in the actual hospitals. Our houses provide a temporary home for families whose children are being treated in nearby hospitals.

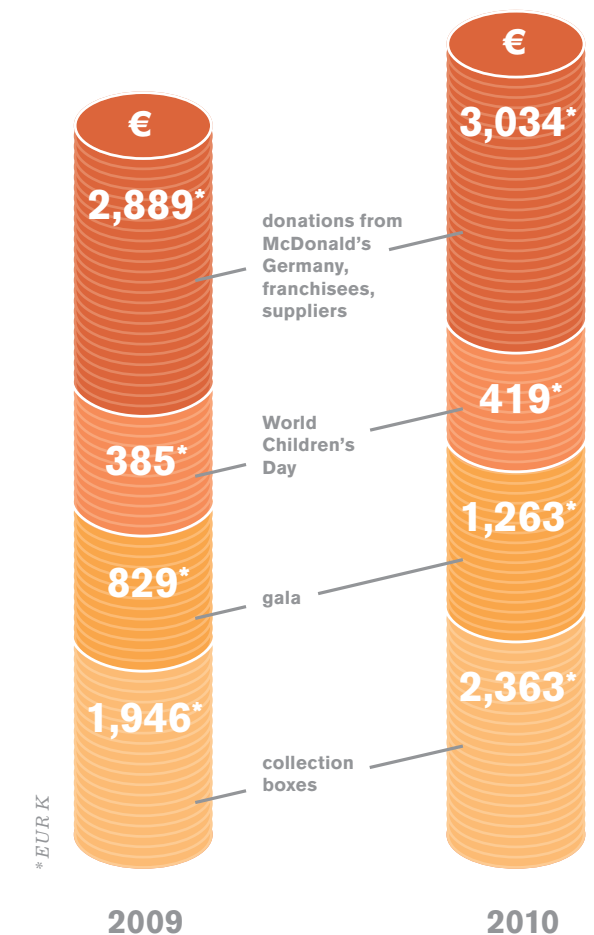
The family rooms provide a comfortable space within a hospital environment for children and families undergoing often stressful and exhausting treatments. In addition to these facilities, the McDonald's Kinderhilfe Stiftung runs a support program, which provides funds for selected initiatives and projects that focus on the wellbeing of children and young adults. In 2010, the foundation was able to make a donation for a children's hospital in Haiti following the earthquake and contribute to a new facility in Meissen run by the children's charity Arche.

McDonald's, together with its franchisees and suppliers, is the foundation's largest and most important donor. In 2010, we contributed EUR 4.8 million to the upkeep and expansion of a total of sixteen Ronald McDonald Houses and three Ronald McDonald family rooms in Germany. Some of these funds are raised at annual events held at our restaurants on World Children's Day and at our gala organized specifically to support the McDonald's Kinderhilfe Stiftung. Our diners also support the foundation by donating to the collection boxes at our restaurants. A total of EUR 2.4 million was collected in our restaurants in 2010. Donations are also made by private individuals.

However, supporting the McDonald's Kinderhilfe Stiftung is not just a question of money. The foundation also relies on the commitment of its many volunteers, all of whom donate valuable time to sick children and their families. A total of 629 volunteers gave around 74,000 hours of their time to the foundation in 2010.

For further information please visit:  
[www.mcdonalds-kinderhilfe.org](http://www.mcdonalds-kinderhilfe.org)

*Development of charity proceedings for the McDonald's Kinderhilfe Stiftung (Ronald McDonald House Charities) in the years 2009 and 2010 from the surroundings of McDonald's Germany*





Participants 2007

**70,000**

Participants 2009

**265,000**

Participants 2008

**90,000**

Participants 2010

**360,000**

*DFB (German Soccer Association) &  
McDonald's Soccer Badge Participants*

## Dedicated to sport

We believe that striking the right balance between exercise and a good diet is the basis for a healthy lifestyle. Which is why we work with the German Soccer Association (DFB) to get kids in Germany more involved in sport and exercise. 2007 saw us launch the first DFB & McDonald's Soccer Badge (DFB & McDonald's Fußball-Abzeichen). This sporting program encourages girls and boys to train for a badge which they are awarded on completion of a course that franchisees construct next to their restaurants.

The participants must navigate the obstacles in the course with a soccer ball. The badge is also offered by different sports clubs. In 2010, 360,000 children took part in the campaign. McDonald's Player Escort Program also inspires children to play sports and exercise by giving them the once-in-a-lifetime opportunity to run into a soccer stadium at the start of a game holding the hand of their sporting hero. At the Soccer World Cup 2006, this dream certainly resonated with children when the number of applicants crossed the million mark.





ground-up approach to sustainability –  
central commitment, regional engagement

Interview with *Holger Beeck*, Vice President of McDonald’s Germany, and  
*Roman Felbinger*, Spokesperson for the Franchise Leadership Council

Mr. Felbinger, McDonald’s is the most successful franchise system in Germany. It has also received awards on numerous occasions. What are the secrets of its success?

**Roman Felbinger:** Based on my own experience and conversations with other franchisees, I would say that close collaboration between the company and its franchisees is a key factor here. We remain in constant contact. The brand can only be successful if its values and core messages are lived in an authentic and confident way at local level. In many ways, we benefit from the brand’s strength and from national campaigns. And the brand benefits from the success of individual franchisees, acting as local brand ambassadors and bringing business, employment and training to the community.

Is this just a question of the restaurant, the products and the employees or does community involvement also play a role here, Mr. Beeck?

**Holger Beeck:** It plays a very large role. Our company founder Ray Kroc believed that we have an obligation to give something back to the community that gives so much to us. We still live by these words today. The responsibility that McDonald’s Germany bears as a company at national level is played out at grassroots level by our franchisees. They are the local face of many of the activities that we develop and implement, including the work we do for the McDonald’s Kinderhilfe Stiftung (Ronald

Mr. Felbinger, how would you describe your responsibilities as a local franchisee?

**Felbinger:** As franchisees, we are continually reminded of the importance of our contribution to our immediate neighborhoods as corporate citizens. We provide local jobs and training opportunities and are often the first port of call when a community service or local sports club needs a helping hand. We are proud of this and it shows us that we are seen as active members of our communities.

*“our franchisees are the local face of many of the activities that we develop and implement.”*

**Mr. Felbinger praises the collaboration between the company and franchisees. But, Mr. Beeck, doesn’t this also mean that the support of your franchisees can make or break your sustainability strategy? After all, we are talking about some 250 franchisees. How do they react to change? How do you convince them to invest in sustainability?**

**Beeck:** Implementing a sustainability strategy throughout a franchise network certainly is a challenge. But critical feedback also creates new impetus. Just like any other company, our franchisees want the right answer to just one question: Will this approach secure the success of my business in the long term? In this case, our franchisees benefit from two factors in particular: the more efficient use of costly resources and greater acceptance of our business model among society at large.

*“the brand can only be successful if its values and core messages are lived in an authentic and confident way at local level.”*

McDonald House Charity) and our efforts to promote recreational sport through the DFB & McDonald’s Soccer Badge. I am impressed time and again by the commitment of our franchisees. This is a key factor in our sustainability strategy for me.

These two factors will also influence the success of future generations of franchisees. Our past success has been directly linked to our readiness to embrace innovation and react flexibly to change. Together with our franchisees, we have already launched numerous innovations in the German market, for example the extremely popular McCafé concept.

Which brings us to a core issue for franchisees, Mr. Felbinger. Every new concept comes with its own price tag. Does this also apply to sustainability?

**Felbinger:** I believe in sustainability and its relevance for the future. At the same time, however, I have to consider the economic viability of every measure, as both a franchisee and spokesperson for the Franchise Leadership Council. We are responsible for our employees and the success of our restaurants. And so it’s a question of finding the right

balance. The transition to modern restaurants with a fresh design and energy-efficient technologies will also be driven and financed by franchisees, for example.

**Beeck:** Which brings us right to the heart of the matter. Integrating sustainable business principles into our restaurants is not just about raising our image in the eyes of our guests; it also contributes to our long-term economic success. And we have always concentrated on building long-term relationships with franchisees. In some cases, we are already working with the second or even third generation. Any company built on these foundations knows just how much sustainability contributes to long-term profits. In fact, you could say that franchising itself is a ground-up approach to sustainability.





# Corporate Responsibility

## Roadmap McDonald's Germany

### 2010 – 2013

Product Stewardship		
Vision for 2020: We stand for “good food fast” and set new standards in sustainable agricultural practices, quality, product variety and balance.		
Area	Achieved by 2010	Goals for 2013
Product development	<ul style="list-style-type: none"><li>Increased variety and number of balanced options in product portfolio</li><li>Continued optimization of products' nutritional value (e.g. reduced salt and fat)</li><li>Transparent, easily accessible nutritional information</li><li>Sustainably grown coffee (Rainforest Alliance)</li></ul>	<ul style="list-style-type: none"><li>Ensure product development is focused on increasing variety and offering balanced options</li><li>Certify all four types of fish used by McDonald's through the Marine Stewardship Council (MSC)</li></ul>
Sustainable supply chain management	<ul style="list-style-type: none"><li>High proportion of locally sourced ingredients</li><li>Quality assurance for ingredients under McDonald's Agricultural Assurance Program (MAAP)</li><li>Signing of the Sustainable Land Management Commitment (SLMC) by the McDonald's Corporation in collaboration with the World Wide Fund for Nature (WWF)</li><li>Internet platform for exemplary agricultural practices (Flagship Farms, www.flagshipfarms.eu)</li><li>In Germany: identification and recognition of an agricultural enterprise as a Flagship Farm for potatoes</li></ul>	<ul style="list-style-type: none"><li>Continue to develop MAAP, integrate sustainability criteria</li><li>Take gradual steps, in line with SLMC and in collaboration with suppliers, to ensure that ingredients are produced as sustainably as possible, starting with beef</li><li>In Germany: identify and recognize more agricultural enterprises as Flagship Farms</li></ul>
Quality	<ul style="list-style-type: none"><li>All suppliers at local, European and global levels comply with the highest standards; 100% are audited</li></ul>	<ul style="list-style-type: none"><li>Ensure that suppliers continue to fulfill the highest quality standards and that they are regularly audited by McDonald's or by independent third parties</li></ul>
Quality, service and cleanliness (QSC)	<ul style="list-style-type: none"><li>Evaluation of QSC achievements; continuous improvement</li></ul>	<ul style="list-style-type: none"><li>Drive continuous improvement based on monitoring, focusing on crew training</li></ul>
Customer satisfaction	<ul style="list-style-type: none"><li>Regular customer surveys</li></ul>	<ul style="list-style-type: none"><li>Drive continuous improvement based on monitoring</li></ul>
Responsible marketing	<ul style="list-style-type: none"><li>Compliance with legal requirements and internal policies</li><li>Introduction of Marketing to Children Principles for McDonald's Europe</li></ul>	<ul style="list-style-type: none"><li>Advertising only for certain product combinations, e.g. Fruchttüte or Bio-Milch</li></ul>

Eco-Footprint		
Vision for 2020: We use natural resources such as energy and water efficiently and are an active partner in the field of recycling systems. This allows us to break the link between business growth on the one hand and rising resource consumption and refuse/waste on the other.		
Area	Achieved by 2010	Goals for 2013
Energy	<ul style="list-style-type: none"><li>Launch of a pilot project involving 50 restaurants to measure energy use at restaurant level</li><li>Decision in favor of renewable energy (green electricity)</li><li>Start of e-mobility pilot project</li></ul>	<ul style="list-style-type: none"><li>Deploy additional meters in restaurants (800 meters in 2011, then gradually roll out to all restaurants in Germany)</li><li>Increase green electricity ratio to at least 25 % of total energy consumption in 2011, 2012 and 2013; goal for 2014: 100% of energy from renewable sources</li><li>2011: Install 20 electric vehicle charging stations in Germany as a pilot project</li><li>If successful, gradually roll out the e-mobility project</li></ul>

Buildings and equipment	<ul style="list-style-type: none"><li>Systematic analysis for determining energy efficiency in all restaurants in Germany</li><li>Identification of measures for increasing energy efficiency</li><li>Pilot projects in Achim and Cologne aimed at testing innovative, resource-efficient restaurant operations</li></ul>	<ul style="list-style-type: none"><li>2011: Improve energy efficiency in around 40 restaurants (conventional and drive-thru)</li><li>Starting in 2012, optimize energy efficiency in around 100 restaurants per year</li><li>Integrate energy-saving technologies when opening new locations and remodeling existing ones</li></ul>
Logistics	<ul style="list-style-type: none"><li>Cutting CO<sub>2</sub> emissions associated with transportation by using renewable fuels (e.g. biodiesel)</li><li>Route optimization</li><li>Food Town concept</li><li>Opening of seventh distribution center in Germany</li></ul>	<ul style="list-style-type: none"><li>Systematically reduce CO<sub>2</sub> emissions per ton of delivered goods (20 % by 2020), increase proportion of renewable energy (20% by 2020), improve energy efficiency per ton of delivered goods (20% by 2020) referring to baseline 2007</li></ul>
Carbon management	<ul style="list-style-type: none"><li>First-ever calculation of a carbon footprint for McDonald's Germany, taking into account direct emissions (Scope 1), indirect emissions (Scope 2), and supply chain emissions, including transportation and agriculture (Scope 3)</li></ul>	<ul style="list-style-type: none"><li>Reduce indirect emissions (Scope 2) by around 70,000 tons per year by using 25% green electricity starting in 2011</li></ul>
Packaging	<ul style="list-style-type: none"><li>Reduced refuse by lowering weight of packaging materials</li><li>Use of renewable resources</li><li>Sourcing highest possible percentage of wood from certified sustainable forestries (e.g. Forest Stewardship Council – FSC) for non-recycled paper/cardboard</li><li>Highest possible percentage of recycled materials in packaging</li><li>Reduced plastic in packaging</li></ul>	<ul style="list-style-type: none"><li>Continue and/or intensify the five strategic principles (lower weight, renewable resources, certified forestries, recycled materials, cutting plastic use)</li><li>Initiate several pilot projects to develop innovative packaging concepts</li></ul>
Waste	<ul style="list-style-type: none"><li>Greatest possible reduction of refuse/waste, both within and outside restaurants</li><li>Highest possible recycling rate</li></ul>	<ul style="list-style-type: none"><li>Create less refuse/waste by reducing packaging</li><li>Maintain or increase high recycling rate, as applicable</li></ul>

Employer of Choice		
Vision for 2020: We are one of the most popular employer brands in Germany, known for our excellent training and skills development programs as well as our diversity and equal-opportunity approach.		
Area	Achieved by 2010	Goals for 2013
Strategic projects	<ul style="list-style-type: none"><li>Definition of an end-to-end HR strategy with various sub-projects</li></ul>	<p>Projects we will be working intensively on by 2013 include:</p> <ul style="list-style-type: none"><li>Strategic workforce planning</li><li>Future management planning</li><li>Pensions</li><li>Holistic health management</li></ul>
Training and skills development	<ul style="list-style-type: none"><li>Increased number of participants in the three-year training program for quick-service restaurant management (FASY) and of Bachelor's degree students; rollout of new two-year QSR management training program (Fachkraft im Gastgewerbe in der Systemgastronomie) launched in Germany in 2010</li></ul>	<ul style="list-style-type: none"><li>Double the number of trainees from just over 4% to at least 8%</li><li>Launch Crew College 2.0</li></ul>
Diversity and equal opportunities	<ul style="list-style-type: none"><li>Measures undertaken in Munich aimed at increasing family friendliness, such as a company kindergarten and services aimed at helping employees find childcare services</li><li>McDonald's Germany holds the chair for the Diversity Charter (Charta der Vielfalt)</li></ul>	<ul style="list-style-type: none"><li>Open child daycare center in Munich</li><li>Increase management positions held by women to 30%</li><li>Hire greater number of employees with disabilities</li><li>Develop concepts for dealing with demographic change</li></ul>

Employer brand	<ul style="list-style-type: none"><li>Regular employee surveys and monitoring of image as an employer</li><li>Using results as a basis for development and carrying out improvements</li></ul>	<ul style="list-style-type: none"><li>Recruit and retain talented employees, become a valuable employer brand</li></ul>
Sharing Brand		
Vision for 2020: We are committed to supporting others – particularly at local level – in the communities where our restaurants are located. In addition, we are committed to achieving the right balance between nutrition and exercise. We engage in open and constructive dialog with all groups in society.		
Area	Achieved by 2010	Goals for 2013
Dialog with stakeholders	<ul style="list-style-type: none"><li>Ongoing dialog with all key external stakeholders, e.g. in politics, the media and industry associations</li></ul>	<ul style="list-style-type: none"><li>Continuing the dialog with a panel of experts for corporate responsibility</li><li>Systematically integrate sustainability issues into our dialog with stakeholders</li></ul>
McDonald's Kinderhilfe Stiftung (Ronald McDonald House Charities)	<ul style="list-style-type: none"><li>Diverse fundraising activities, e.g. giving customers the opportunity to donate money in the restaurants or at our annual charity gala</li></ul>	<ul style="list-style-type: none"><li>Strengthen involvement of employees (introduce corporate volunteering for the McDonald's Kinderhilfe Stiftung)</li></ul>
Community activities	<ul style="list-style-type: none"><li>Analysis of the various activities and initiatives, particularly in terms of the environment, sport and social activities</li></ul>	<ul style="list-style-type: none"><li>Foster these initiatives, focusing on individual areas where appropriate</li></ul>
Supporting sport and exercise	<ul style="list-style-type: none"><li>Activating existing sporting sponsorships</li><li>Providing opportunities for play, exercise and other activities in the restaurants</li></ul>	<ul style="list-style-type: none"><li>Active involvement in sport</li></ul>

CR Management		
Vision for 2020: We take a holistic, long-term approach to sustainability, integrating it into all of our business activities and aiming for the highest quality standards. We communicate our achievements in this area openly and transparently.		
Area	Achieved by 2010	Goals for 2013
Management	<ul style="list-style-type: none"><li>Creation of a special unit for corporate responsibility, which has a cross-departmental function</li><li>Analysis of all sustainability activities for the four defined areas</li></ul>	<ul style="list-style-type: none"><li>Develop an end-to-end sustainability strategy based on the analysis, including key performance indicators (KPIs) for sustainability in the foodservice sector</li><li>Initiate and implement projects to execute our sustainability strategy, e.g. for energy</li></ul>
Communication	<ul style="list-style-type: none"><li>Internal and external communication on individual sustainability issues</li></ul>	<ul style="list-style-type: none"><li>Publish McDonald's Germany Inc.'s first corporate responsibility report in 2011</li><li>Annual corporate responsibility reporting</li></ul>





# GRI INDEX

## Reporting according to GRI guidelines

This report was produced on the basis of our corporate responsibility strategy and performance, as well as on the basis of the insights gained through dialog with different stakeholders. To help our readers compare our performance with that of our peers, we have used the Global Reporting Initiative (GRI G3) guidelines as our framework. We also cover the “Food Processing Sector” supplement from May 2010. The information in our print report focuses on core indicators, while our online version also includes the GRI’s additional indicators. Based on our own assessment, the report matches GRI’s usability level “C”.

Indicator		Reference	Status
1. Strategy and Analysis			
1.1	Foreword by the CEO	<input checked="" type="checkbox"/> 5	<input type="checkbox"/>
1.2	Description of key impacts, risks and opportunities	<input checked="" type="checkbox"/> 2, 19-21, 30, 31, 47	<input type="checkbox"/>
2. Organizational Profile			
2.1	Name of the organization	<input checked="" type="checkbox"/> 6 @	<input type="checkbox"/>
2.2	Primary brands, products, and/or services	<input checked="" type="checkbox"/> 6, 12 @	<input type="checkbox"/>
2.3	Operational structure of the organization	<input checked="" type="checkbox"/> 6 @	<input type="checkbox"/>
2.4	Location of organization’s headquarters	<input checked="" type="checkbox"/> 6, 8 @	<input type="checkbox"/>
2.5	Number of countries where the organization operates	<input checked="" type="checkbox"/> 6 @	<input type="checkbox"/>
2.6	Nature of ownership and legal form	<input checked="" type="checkbox"/> 6 @	<input type="checkbox"/>
2.7	Markets served	<input checked="" type="checkbox"/> 6 @	<input type="checkbox"/>
2.8	Scale of the reporting organization	<input checked="" type="checkbox"/> 6 @	<input type="checkbox"/>
2.9	Changes regarding size, structure, or ownership		<input checked="" type="checkbox"/>
2.10	Awards received in the reporting period	<input checked="" type="checkbox"/> 10, 35, 37	<input type="checkbox"/>
3. Report Parameters			
3.1	Reporting period	<input checked="" type="checkbox"/> 2	<input type="checkbox"/>
3.2	Date of most recent previous report		<input checked="" type="checkbox"/>
3.3	Reporting cycle	<input checked="" type="checkbox"/> 2	<input type="checkbox"/>
3.4	Contact point for questions regarding the report or its contents	<input checked="" type="checkbox"/> 51	<input type="checkbox"/>
3.5	Process for defining report content	<input checked="" type="checkbox"/> 2	<input type="checkbox"/>
3.6	Boundary of the report	<input checked="" type="checkbox"/> 2	<input type="checkbox"/>
3.7	State any specific limitations on the scope or boundary of the report	<input checked="" type="checkbox"/> 2	<input type="checkbox"/>
3.8	Joint ventures, subsidiaries, leased facilities, outsourced operations	<input checked="" type="checkbox"/> 27	<input type="checkbox"/>
3.9	Data measurement techniques		<input type="checkbox"/>
3.10	Explanation of the effect of any re-statements of information		<input checked="" type="checkbox"/>
3.11	Significant changes from previous reporting periods		<input checked="" type="checkbox"/>
3.12	GRI Content Index		<input type="checkbox"/>
3.13	External assurance for the report		<input type="checkbox"/>
4. Governance, Commitments and Engagement			
4.1	Governance structure of the organization	<input checked="" type="checkbox"/> 8 @	<input type="checkbox"/>
4.2	Independence of the CEO	<input checked="" type="checkbox"/> 8 @	<input type="checkbox"/>
4.3	Control body or independence of the highest governance body	<input checked="" type="checkbox"/> 8 @	<input type="checkbox"/>
4.4	Mechanisms to provide recommendations to the highest governance body	<input checked="" type="checkbox"/> 36	<input type="checkbox"/>
4.5	Linkage between Executive Board compensation and sustainability performance	<input checked="" type="checkbox"/> 48	<input type="checkbox"/>
4.6	Processes to ensure conflicts of interest are avoided	<input checked="" type="checkbox"/> 8 @	<input type="checkbox"/>
4.7	Executive Board members’ expertise on sustainability		<input type="checkbox"/>
4.8	Mission statements, codes of conduct, and principles	<input checked="" type="checkbox"/> 8, 9, 37	<input type="checkbox"/>
4.9	Procedures for overseeing the organization’s performance	<input checked="" type="checkbox"/> 2, 9	<input type="checkbox"/>