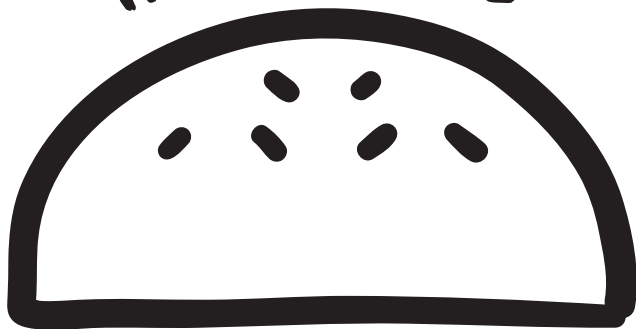




THE TASTEFUL



TRUTH



ABOUT McDONALD'S.

McDonald's Germany Corporate Responsibility  
Report 2016 – At a Glance

# “OPINIONS WILL ALWAYS VARY FROM ONE PERSON TO ANOTHER WHICH IS WHY WE PREFER THE HARD FACTS”

## OUR COMMITMENT

McDonald's Germany issued its first declaration of compliance with the German Sustainability Code in 2015. We will update this every two years. You can read our 2015 declaration of compliance here:



## ABOUT THIS REPORT

McDonald's Germany updates and publishes its sustainability data every year. This Corporate Responsibility Report – At a Glance features the key milestones and figures from 2016. We publish a full corporate responsibility report every two years. Our last full report came out in 2015.

All information in this report refers to 2016 and the restaurants operated directly by McDonald's Germany as well as all restaurants in Germany and Luxembourg run by franchisees and the management of McDonald's Germany. Any other information is highlighted accordingly. In the interests of readability, we do not write out the full legal names of companies, associations and non-profit organizations.

## AUDITED & APPROVED

This Corporate Responsibility Report 2016 – At a Glance was prepared in accordance with guidelines from the Global Reporting Initiative (GRI G4). Key indicators were audited by KPMG AG. Want to know more? Then take a look here:



### DEAR GUESTS, FRIENDS AND INTERESTED READERS,

There are more rumors and myths about McDonald's than almost any other company. So where does the truth lie? Many people think they have the answers. But the one thing we do know – the one thing that always holds true – is the fact that we have nothing to hide. There is nothing that we are not prepared to share with our guests.

Our current quality campaign shows that we are a transparent company, serving our customers facts, not fairytales. And it's the same with our corporate responsibility report. This is our seventh annual sustainability report published to keep you informed on our efforts to protect people, planet and society and keep our company accountable for its actions. Because we are a family restaurant, our young guests are particularly important to us and so we have also included an exciting activity sheet in this year's report. I hope you enjoy reading it.

Best regards, Holger Beeck  
Managing Director and President of  
McDonald's Germany LLC



### DEAR GUESTS, FRIENDS AND INTERESTED READERS,

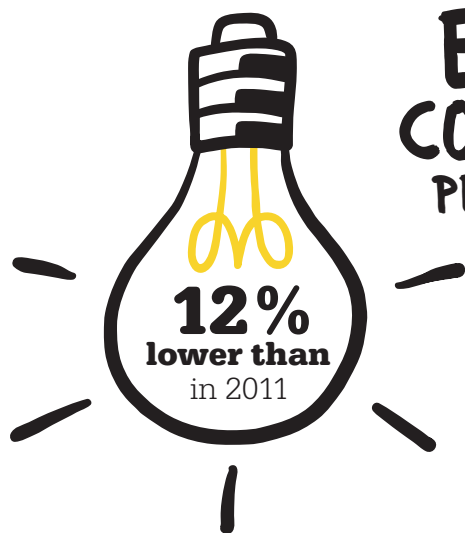
As McDonald's franchisees, we engage with our guests every day in our restaurants – so we have a pretty good idea about their needs and wants. And we value this precise interaction as it enables us to live our commitment to transparency. We want our guests to know who to turn to if they have questions, especially about the restaurant they are visiting.

Environmental protection and community engagement are particularly important to us – both as McDonald's franchisees and operators of mid-size companies. Every day, we do our very best to step up to our responsibilities in these areas in our restaurants. We have also put up sustainability posters at many of our restaurants, which are intended to complement the corporate responsibility report. These posters provide a brief overview of our most important indicators, tailored specifically to individual restaurants. I hope you enjoy reading our corporate responsibility report.

Best regards, Dominik Neiss  
Speaker of the Franchisee Leadership Council (FLC)

# 99 McDONALD'S AND CLIMATE PROTECTION? ARE YOU SERIOUS? 66

Absolutely. Because we've been committed to green energy for years.



## ENERGY CONSUMPTION PER RESTAURANT

We converted around 50 restaurants to **LED lighting** in 2016. This reduces energy consumption by around 60 percent compared with conventional lighting technology.

**Air conditioning** systems account for around one third of energy consumption in our restaurants. We replaced 61 old systems in 2016. These can reduce a restaurant's total energy consumption by up to 15 percent.

**100%**  
hydroelectric green energy

What this really means is:

**98%**  
fewer CO<sub>2</sub> emissions

compared with Germany's energy mix.



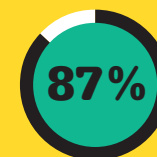
The majority of our carbon footprint is generated in agriculture from the production of our raw materials, especially animal products. We are working hard to reduce harmful emissions in our supply chain and we can only achieve this by working with our suppliers. In 2016, we defined and launched a number of joint projects.

## CARBON FOOTPRINT

In 2016, our business activities generated 1.3 million tons of CO<sub>2</sub>.



Restaurants & administration



Agriculture & food processing



Packaging & toys



Transport

We updated the way we calculated our CO<sub>2</sub> footprint in 2016. As a result, these values cannot be compared with the figures reported for previous years.



## McMUFFIN

As of July 2017, we source all our fresh eggs exclusively from hens fed on **soy that is from certified sustainable farms in Europe**. This reduces the distances soy is transported and ensures that the soy is grown in harmony with nature.

## MILK & MEAT

**Around 70 percent of our beef** originated from **dairy cattle** in 2016. The carbon footprint is distributed between milk and meat and is therefore lower than it would be if we relied solely on beef cattle, which are reared exclusively for meat production.

## GREEN-ENERGY

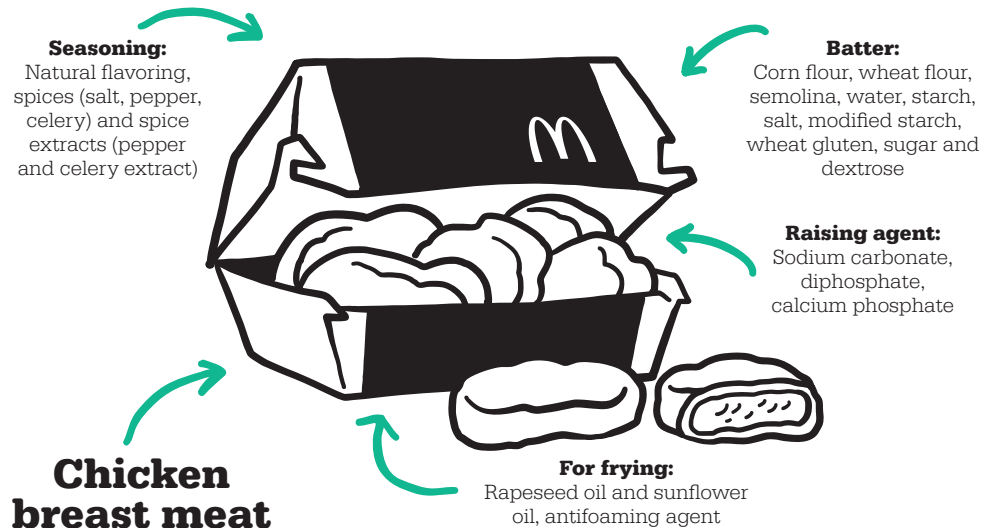
IN OUR RESTAURANTS



Take a look at our video.

**“YOU’LL FIND  
JUST ABOUT EVERYTHING IN A  
CHICKEN  
McNUGGET  
– EXCEPT FOR CHICKEN.”**

**Incorrect – and let us tell you why!**



Our BEST Beef Program promotes a more sustainable approach to cattle farming and supporting German agriculture:

The program rewards sound agricultural practices and improvements in animal health and welfare by paying a higher slaughter price. In 2016, we paid BEST Beef bonuses for 24,054 cows.

- Over 2,800 agricultural holdings, six farming cooperatives and seven slaughterhouses are currently involved in the program.
- In 2016, meat certified under the BEST Beef Program accounted for around six percent of all beef processed for McDonald's Germany. We are currently working on further increasing this share in the future.



Food quality and safety are a top priority for us. We can trace every product and its ingredients back to their origins – without gaps – within a few hours. But we are not satisfied with simply maintaining the status quo, especially not with animal products such as meat, eggs and milk. Under the umbrella of our BEST program, we collaborate with suppliers and scientists to gradually make conventional livestock breeding methods more sustainable.

[www.best-programm.de](http://www.best-programm.de)

**BEST  
OUR  
SUSTAINABILITY-  
PROGRAM  
FOR  
ANIMAL  
PRODUCTS**

**We know where it comes from:**

All of our meat suppliers document their entire supply chain in detail. We can trace every cut of meat back to the farm it originated from.



1 processing plant in Germany



16 slaughterhouses and cutting plants in Germany, France, the Netherlands, Hungary, Poland and Brazil.



Around 700 intensive poultry farms in Germany, 420 in neighboring European countries and 680 in Brazil.



**BEST CHICKEN**

BEST Chicken is our program to improve animal welfare in 700 poultry farms. We are currently working with suppliers and scientists to test more sustainable feed options and improved energy management in four pilot barns. By fall 2017, we will have equipped **nine farms** in Germany with additional perches, roosting platforms and pecking fixtures.

# FAST FOOD IS PACKED FULL OF CALORIES.

It can be. But it doesn't have to be.  
The choice is yours!



## OUR YOUNG GUESTS GET TO CHOOSE WITH OUR HAPPY MEALS.

**Books in Happy Meals**  
**7.74 million**  
books and Ravensburger  
games distributed

**Organic products in  
Happy Meals**  
**2,378 tons**  
of organic milk and organic  
apples (in organic fizzy apple  
juice drink and packs of organic  
apple slices)

**Fruit in every Happy Meal**  
**3,474 tons**  
of apples, bananas and  
cherries (in "Fruchtquatsch"  
fruit purée and packs of  
organic apple slices)



Our guests can put  
together their own menus to  
meet their individual needs.  
There are plenty of calorie  
options in the McMenu alone.  
A Big Mac McMenu with  
salad and water, for example,  
has half as many calories as a  
Big Mac McMenu with  
fries and a Coca-Cola.  
All information on the  
ingredients, contents and  
nutritional value of  
our food is available in  
restaurants and online.



What's inside? Take a look at our  
ingredients checker.

### Big Mac McMenü

with salad, balsamic  
dressing and water



**544 kcal**

## A BIG MAC® = PLEASE =



### Big Mac McMenü

with large fries, ketchup  
and 0.5 l Coca-Cola



**1,173 kcal**

IT'S YOUR CHOICE

## HOW DID WE DO?

From November 2016 on, each  
guest can go online to rate  
their visit at McDonald's. Every  
receipt contains a code that  
guests can enter at  
[www.mcdonalds.de/  
deinfeedback](http://www.mcdonalds.de/deinfeedback).

We also monitor our own  
performance, of course. Every  
restaurant is visited at least  
seven times a year by our Field  
& Operations Consultants.



# 99% McDONALD'S FRIES ARE MADE OF WOOD AND SAWDUST. 1%

OK. That would still be vegetarian, but we prefer potatoes!

## WHAT'S IN OUR FRIES:

### POTATOES

116,964 tons

77% 23% 0%

116,964 tons of potatoes were processed for us in 2016; 77 percent of these originated from Germany, the remaining 23 percent came from neighboring European countries. All potatoes prepared for us are grown under contract.



Think our fries are made of wood? Take a look for yourself.

### Dextrose

We use dextrose to make sure that our fries are all the same color. The natural sugar content in potatoes varies from tuber to tuber, so if we didn't use dextrose our fries would all be different colors and speckled.

### Disodium pyrophosphate

We use disodium pyrophosphate as a processing aid. Small amounts are added to the process water to stop the fries from turning gray once they have been cut and before they are fried.

### RAPESEED AND SUNFLOWER OIL

In 2016, 12,300 tons of oil was used for frying in our restaurants. The oil was made from rapeseed and sunflowers grown in Hungary, France, the UK and Germany and is low in saturated fats. An antifoaming agent prevents the frying oil from undergoing oxidative degradation.



Once they have been fried, we salt our fries with iodized table salt.

# 64% OF OUR RAW MATERIALS ORIGINATE FROM GERMANY

32% originate from the EU  
4% originate from other countries



We source the majority of our raw materials from Germany. This ensures that our ingredients are fresh and that we support the regional farming communities. It also reduces the distances goods are transported, which helps reduce our environmental footprint. We rely on established quality labels to ensure products meet key ecological and social standards. This is particularly important for raw materials sourced from outside of Europe.

Germany Europe Global



### BEEF

36,673 tons

93% 7% 0%



### WHEAT FLOUR

33,175 tons

90% 10% 0%



### MILK

27,182 tons

98% 2% 0%



### TOMATOES

22,150 tons

0% 94% 6%



### CHICKEN

20,091 tons

19% 60% 21%



### LETTUCE

10,357 tons

32% 66% 2%



### ONIONS

10,081 tons

0% 98% 2%



### CHEESE\*

6,082 tons

43% 45% 12%



### CUCUMBERS

4,490 tons

95% 5% 0%



### COFFEE

1,526 tons

0% 0% 100%



### EGGS

1,644 tons

100% 0% 0%



### FISH & SHRIMP

1,407 tons

0% 29% 71%

100% of caffeinated coffee from certified sustainable plantations



100% of fish from certified sustainable fisheries



100% of seafood from certified sustainable aquaculture farms



\*Includes processed cheese slices

# THERE'S ALWAYS SO MUCH LITTER AROUND McDONALD'S RESTAURANTS.

Unfortunately, that is sometimes the case. But we are doing a lot to tackle this.



We place numerous highly visible waste containers around our restaurants and actively encourage our guests to dispose of their waste in them.



Many of our franchisees and restaurant staff collaborate with city and town councils as well as associations and other organizations to support and implement local waste collection campaigns.

Our employees regularly collect carelessly discarded waste from around restaurants as well as from local parking lots, bus stops and public parks. These waste collection rounds are an integral part of our standards and carried out as the need arises.

## Input



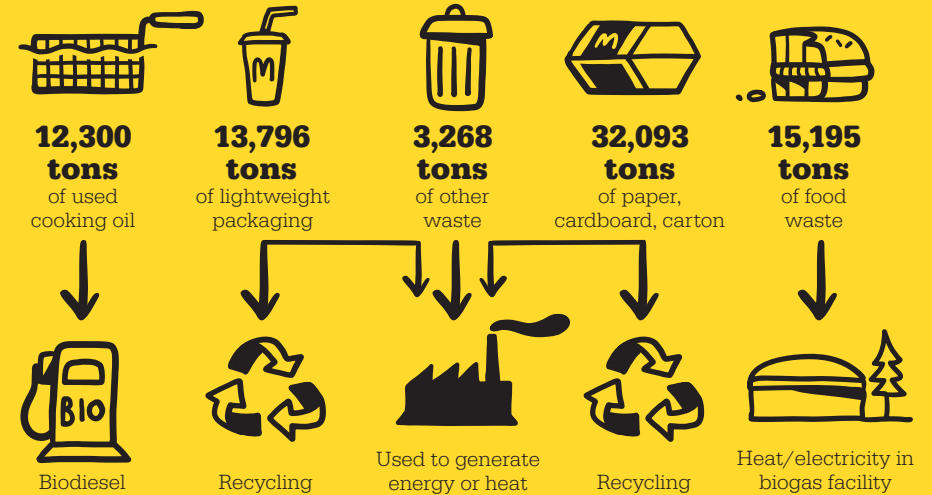
## PAYING DOUBLE FOR PACKAGING

We pay twice for our packaging. Once for purchasing the boxes, cups and bags we need. And once again for their disposal. We pay a license fee for all the packaging we circulate, as part of Germany's dual system waste separation scheme. So reducing the amount of packaging we use and making our waste more recyclable isn't just good for the environment – it's good for our bottom line too.

## Output



## ALL WASTE IN OUR RESTAURANTS IS SEPARATED AND RECYCLED.



## BRING YOUR OWN CUP:

As of November 2016, our guests can bring their own clean cups for coffee-to-go.

It's a win-win situation: Our guests get a 10-cent discount as a thank-you for bringing their own cup. And we save on packaging.



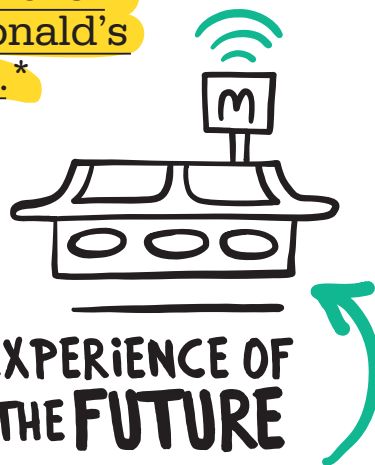
In 2016, we used 45,889 tons of packaging in total. Paper, cardboard and carton accounted for 70 percent of this. 100 percent of our fresh fiber paper is sourced from FSC- or PEFC-certified forestries.

What happens to packaging once our food has been eaten? In-restaurant waste is sorted into categories by restaurant employees and fed back into the materials cycle. We continually look for ways to make our packaging more recyclable.

99 "MCDONALD'S,  
NO ONE GOES THERE  
ANYMORE."

Wrong! 50% of Germans over  
the age of 14 visits McDonald's  
at least once a year.\*

WE  
WELCOME  
MORE THAN  
**TWO MILLION**  
GUESTS TO OUR  
**1,470**  
RESTAURANTS  
EVERY DAY



EXPERIENCE OF  
THE FUTURE

We already know today what our  
restaurants of the future will look  
like. They are places where our  
guests can order at a digital kiosk,  
personalize their burgers, have all  
products freshly prepared to order  
and be served at their table. There  
are already around 330 of these  
modernized restaurants in Germany  
(May 31, 2017). The majority of our  
restaurants will be converted to this  
new concept by the end of 2019.

**58,247**  
TOTAL NUMBER OF  
EMPLOYEES

MCDONALD'S  
FRANCHISES:

**89%**

of all restaurants  
are operated by  
**FRANCHISEES.**

**238**

**FRANCHISEES**  
in Germany:  
40 women / 198 men



Every franchisee  
runs **5.6 restaurants**  
on average.

SUPPLIERS &  
THE QUALITY CHAIN

We buy products from  
**136** different suppliers.

**79%** of our purchased  
volume comes from  
**30 suppliers** that we  
have worked  
with for more than  
**20 years.**

Find out more about  
McDonald's suppliers:



With a share of around 25%\*\*,  
McDonald's Germany is the clear market  
leader in the German foodservice sector.  
In collaboration with our franchisees and  
suppliers, we are committed to  
gradually making our entire value chain  
more sustainable. Our efforts here  
extend from farming through processing  
and transport to restaurant operations  
and waste recycling.



99 ONLY PEOPLE WHO  
CAN'T GET A JOB  
ANYWHERE ELSE  
WORK FOR  
McDONALD'S 66

Sure about that? We offer talent  
development opportunities for everyone.



## TRAINING AT McDONALD'S

In 2016, a total of

**1,464**

trainees and students took part in  
one of our three training programs.

We have the right training opportunity for people at all different levels: from students who have completed basic secondary schooling to young people who qualify for university access.

APPLYING  
FOR A  
JOB HAS  
NEVER BEEN  
EASIER.



As of May 2016, candidates  
can apply online quickly and  
easily in less than a minute.

Check it out:

This puts us above  
the industry average.  
After completing their  
training and/or  
studies, most trainees  
and students go straight  
to a career in restaurant  
management.



Careers at  
McDonald's

In 2016  
**11,538**  
**EMPLOYEES**  
took part in **1,374** training courses.

IN 2016  
WE OFFERED JOBS TO  
**79%**  
OF OUR TRAINEES AND  
STUDENTS IN THE  
COMBINED WORK/  
STUDY PROGRAM.



We are the largest employer in the  
German restaurant business with a  
workforce of 58,247 people.  
Our employees are paid in line with the  
collective wage agreement  
negotiated by the Federal Association of  
the Foodservice Sector (BdS) and the Food,  
Beverages and Catering Union (NGG).  
We offer flexible work models, fair wages  
and many opportunities to advance  
through the company. Just ask our  
employees: two-thirds would  
unreservedly recommend  
McDonald's as an employer.

POWER OF  
FEMALE  
Talent

45% of management-level  
employees in our restaurants  
are female.\*



## COUNTRIES

**Discrimination-free zone:**

Employees from

**124 countries** work for us.\*  
We employed over **800 refugees**  
in 2016 alone.



\*Only applies to restaurants operated by McDonald's Germany.

# ALL CHILDREN HAVE ACCESS TO GOOD MEDICAL CARE.

Yes. But sometimes the right doctor is too far away.

**5,271** visitors

used the services offered by the kid's health truck in 2016. The truck has been on the road in the north of the city of Essen since September 2012. It helps improve children's health by raising awareness of health issues among parents and their children. The pilot phase came to an end in June 2016 and the kid's health truck is now a permanent fixture in the city.

KID'S HEALTH TRUCK



**R M H C**  
Germany

**RONALD McDONALD HOUSES**

In 2016, twenty-two Ronald McDonald Houses offered a total of **6,224 families** a place of comfort and support where they could be close to their seriously ill children while they were being treated in hospital. The average distance to their own homes was 92 kilometers.

**RONALD McDONALD FAMILY ROOMS**

Six Ronald McDonald family rooms provided **8,589 families** in total with a much-welcomed retreat within hospital walls in 2016.



**DONATIONS**

In 2016, our guests donated a total of EUR 3.2 million to Ronald McDonald House Charities in Germany via the collection boxes in our restaurants.



As a top family restaurant, McDonald's Germany has supported the Ronald McDonald House Charities in Germany since it was founded 30 years ago. We congratulate the organization on its 30-year anniversary.

Together with our guests, franchisees and suppliers, we donated a total of EUR 9.1 million to Ronald McDonald House Charities of Germany in 2016.



**HAPPY MEAL DONATIONS**

From February to December 2017, we will be donating 10 cents to Ronald McDonald House Charities for every book chosen with a Happy Meal instead of a toy.

# PUBLISHING DETAILS

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