

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

McDonald's Corporation, together with its subsidiaries (the "Company", "we" or "our"), operates and franchises McDonald's restaurants, which serve a locally relevant menu of quality food and beverages in more than 40,000 locations in over 100 countries. The McDonald's System is comprised of both Company-owned and Franchisee restaurants. McDonald's conventional franchisees, developmental licensees and affiliates are collectively referred to herein as "Franchisees." The Company is approximately 95% franchised and continually reviews its mix of restaurant models to help optimize overall performance.

The business relationship between the Company and Franchisees is supported by adhering to standards and policies, including McDonald's Global Brand Standards, and is of fundamental importance to overall performance and to protecting the McDonald's brand. The Company cannot prescribe ESG solutions for Franchisees. Rather, it works to raise awareness and provide tools and opportunities to support their sustainability journeys.

The Company believes franchising is paramount to delivering consistently great-tasting food and locally relevant customer experiences and driving profitability. Franchising enables an individual to be their own employer and maintain control over all employment related matters, marketing and pricing decisions, while also benefiting from the strength of the McDonald's global brand, operating system and financial resources.

Directly operating McDonald's restaurants contributes significantly to the Company's ability to act as a credible franchisor. One of the strengths of the franchising model is that the expertise from operating Company-owned restaurants allows McDonald's to improve the operations and success of all restaurants while innovations from franchisees can be tested and, when viable, efficiently implemented across relevant restaurants. Having Company-operated restaurants provides Company personnel with a venue for restaurant operations training experience. In addition, in Company-owned and operated restaurants, and in collaboration with Franchisees, the Company can further develop and refine operating standards, marketing concepts, and product and pricing strategies that will ultimately benefit all McDonald's restaurants.

The Company and Franchisees purchase food, packaging, equipment and other goods from numerous independent suppliers. The Company has established and enforces food safety and quality standards and product specifications and expects its suppliers to share its values and commitments. The Company has implemented numerous programs to encourage these practices. The Company also works with suppliers to mutually set sustainability-related objectives and goals and monitor their progress.

Restaurant energy and emissions data enclosed reflects information from 25 of McDonald's larger markets and the Company extrapolates data for the remaining markets listed in C0.3.

The data required for the raw material metrics is collected primarily through the McDonald's annual raw material survey of suppliers (TraQtion). It gathers data on volume, origin and sustainability certification across six categories of products supplied to McDonald's. TraQtion analyzes all supplier responses for variance from previous reported data. Where significant variances exist, manual review is conducted by the relevant McDonald's sourcing lead to ensure accuracy. Information is not approved or used without review. A governance team of Global Supply Chain (GSC) and Global Impact members meets weekly on reporting. McDonald's GSC Compliance team leads follow up with suppliers who do not report or report inaccurate or non-compliant information. We have worked with third parties to undertake supplier audits to ensure the rigor of our processes and information.

The humanitarian crisis caused by the war in Ukraine and the precipitating unpredictable operating environment led us to determine that continuing operations in Russia was no longer tenable nor consistent with McDonald's core values. Due to the sale of our Russian business in May of 2022, Russia has been excluded from our 2022 performance reporting across ESG topics, unless otherwise stated.

Additional detail about the Company's structure, as well as definitions of words used but not defined herein, are found on pages 3-5 of McDonald's Corporation's Annual Report on Form 10-K for the year ended December 31, 2022 and at <https://corporate.mcdonalds.com/corpmcd/our-purpose-and-impact/impact-strategy-and-reporting.html>.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data and indicate whether you will be providing emissions data for past reporting years.

Reporting year

Start date

January 1 2022

End date

December 31 2022

Indicate if you are providing emissions data for past reporting years

Yes

Select the number of past reporting years you will be providing Scope 1 emissions data for

3 years

Select the number of past reporting years you will be providing Scope 2 emissions data for

3 years

Select the number of past reporting years you will be providing Scope 3 emissions data for

3 years

C0.3

(C0.3) Select the countries/areas in which you operate.

American Samoa
Andorra
Argentina
Aruba
Australia
Austria
Azerbaijan
Bahamas
Bahrain
Belgium
Bolivia (Plurinational State of)
Bosnia & Herzegovina
Brazil
Brunei Darussalam
Bulgaria
Canada
Chile
China
China, Macao Special Administrative Region
Colombia
Costa Rica
Croatia
Cuba
Curaçao
Cyprus
Czechia
Denmark
Dominican Republic
Ecuador
Egypt
El Salvador
Estonia
Fiji
Finland
France
French Guiana
French Polynesia
Georgia
Germany
Greece
Guadeloupe
Guam
Guatemala
Honduras
Hong Kong SAR, China
Hungary
India
Indonesia
Ireland
Israel
Italy
Japan
Jordan
Kuwait
Latvia

Lebanon
Lithuania
Luxembourg
Malaysia
Malta
Martinique
Mauritius
Mexico
Morocco
Netherlands
New Caledonia
New Zealand
Nicaragua
Northern Mariana Islands
Norway
Oman
Pakistan
Panama
Paraguay
Peru
Philippines
Poland
Portugal
Puerto Rico
Qatar
Republic of Korea
Republic of Moldova
Réunion
Romania
Saint Martin (French part)
Samoa
Saudi Arabia
Serbia
Singapore
Slovakia
Slovenia
South Africa
Spain
Sri Lanka
Suriname
Sweden
Switzerland
Taiwan, China
Thailand
Trinidad and Tobago
Tunisia
Turkey
Ukraine
United Arab Emirates
United Kingdom of Great Britain and Northern Ireland
United States of America
United States Virgin Islands
Uruguay
Venezuela (Bolivarian Republic of)
Viet Nam

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, a Ticker symbol	MCD

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual or committee	Responsibilities for climate-related issues
Board-level committee	Our Board of Directors' Sustainability and Corporate Responsibility Committee (the "Committee") reviews and monitors the Company's strategies and efforts to address sustainability and resiliency through its performance as a sustainable organization, including environmental and social issues. This includes updates and discussion on the Company's climate change strategy, risk management practices, commitments and progress. For example, in 2017 the Committee endorsed the commitment to and public launch of McDonald's Climate Action strategy, which includes the Company's Science Based Target for greenhouse gas emissions reductions, approved by the Science Based Targets initiative (SBTi.) The Committee also reviews and monitors the development and implementation of performance metrics with respect to the Company's sustainability priorities. In 2021, we announced our commitment to evolve our current 2030 targets to align with the SBTi Business Ambition for 1.5°C campaign, which focuses on reducing emissions by the end of 2030 to keep global temperature rises under 1.5°C, and to develop a longer-term emissions reduction and neutralization strategy to reach net zero emissions by the end of 2050. The Committee drew on its diverse experience to support the development of this strategy and will continue to oversee progress to ensure we hold the Company accountable to its targets. The Committee regularly reports to the full Board and, from time to time, other Board committees regarding its activities, and the full Board receives reports on the Company's sustainability efforts as circumstances warrant. See the Committee's charter and page 39 of the Company's 2023 Proxy Statement, both of which are attached in 12.4. Also available here: Proxy: https://corporate.mcdonalds.com/content/dam/sites/corp/nfl/pdf/MCD_2023_Proxy_Statement.pdf Committee Charter: https://corporate.mcdonalds.com/content/dam/sites/corp/nfl/pdf/Sustainability and Corporate Responsibility Committee Charter.pdf
Chief Sustainability Officer (CSO)	The Company's Executive Vice President (EVP) Global Chief Impact Officer and reporting Vice President (VP) Chief Sustainability & Social Impact Officer are responsible for overseeing performance, actions, and goals relating to climate change and climate-related issues. They serve as the executive sponsors of McDonald's sustainability aspirations.
Other C-Suite Officer	The Company's EVP Global Chief Impact Officer and VP Chief Sustainability & Social Impact Officer serve together with the EVP Global Chief People Officer, EVP Chief Supply Chain Officer, EVP Global Chief Marketing Officer and New Business Ventures, and Chief Legal Officer overseeing cross-functional aspects of McDonald's Impact Strategy, which ensures the organization fulfills its overall global sustainability performance, including goals and actions relating to climate-related issues.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – some meetings	Please select	<Not Applicable>	The principal oversight responsibilities of the Sustainability & Corporate Responsibility (SCR) Committee, a standing committee of our Board of Directors, include: (1) the review and monitoring of the Company's strategies and efforts to address McDonald's short- and long-term brand trust opportunities and brand leadership priorities that are significant to the Company, its customers, Franchisees, developmental licensees and other stakeholders; including food, sourcing, the environment, community engagement, philanthropy, and diversity and inclusion; (2) the review and monitoring of the development and implementation of the goals the Company may establish from time to time for its performance with respect to its global sustainability framework and initiatives, the review and monitoring of the development of metrics and procedures to gauge progress toward achievement of those goals, and the monitoring of the Company's progress against those goals; (3) the review of the Company's global sustainability communication plans and the global reports issued from time to time in connection with the sustainability initiatives as outlined in the Committee's charter. The Committee also assists the Board of Directors in fulfilling its enterprise risk oversight responsibility by periodically assessing and responding, as appropriate, to risks relating to matters within its purview. pg. 39 of 2023 Proxy Statement, attached in C12.4. The Sustainability & Corporate Responsibility Committee met four times in 2022. McDonald's 2023 Proxy Statement: https://corporate.mcdonalds.com/content/dam/sites/corp/nfl/pdf/MCD_2023_Proxy_Statement.pdf Committee Charter: https://corporate.mcdonalds.com/content/dam/sites/corp/nfl/pdf/Sustainability%20and%20Corporate%20Responsibility%20Committee%20Charter.pdf

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1	Yes	McDonald's Directors have senior executive experience, including having served as CEOs or high-level executives of large, complex, global organizations and more than half have significant sustainability / corporate responsibility expertise. For example, Sustainability & Corporate Responsibility Committee members have leadership and Director experience at leading global companies with connections to food and real estate footprints, and their own strategic climate and sustainability agendas, which is highly pertinent experience for the climate strategy context for McDonald's. They have significant experience working with management to incorporate and balance perspectives from a wide range of stakeholders to inform the Company's sustainability approach, including regular reviews of its climate strategy and feedback from scientists, non-governmental organizations, partners and investors.	<Not Applicable>	<Not Applicable>

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Position or committee

Chief Sustainability Officer (CSO)

Climate-related responsibilities of this position

Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities

<Not Applicable>

Reporting line

Please select

Frequency of reporting to the board on climate-related issues via this reporting line

Half-yearly

Please explain

The Company's Executive Vice President (EVP) Global Chief Impact Officer and Vice President (VP) Chief Sustainability & Social Impact Officer are responsible for overseeing actions relating to climate change. They serve as the executive sponsors of McDonald's sustainability aspirations. In late 2020, the Company added the role of Executive Vice President Chief Global Impact Officer, as the executive leader of the newly formed Global Impact Team (GIT). The Vice President Chief Sustainability & Social Impact Officer reports to the Chief Global Impact Officer and partners to oversee actions relating to climate change.

Position or committee

Other C-Suite Officer, please specify (Chief Global Impact Officer)

Climate-related responsibilities of this position

Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities

<Not Applicable>

Reporting line

Please select

Frequency of reporting to the board on climate-related issues via this reporting line

Half-yearly

Please explain

The Company's Executive Vice President (EVP) Global Chief Impact Officer and Vice President (VP) Chief Sustainability & Social Impact Officer are responsible for overseeing actions relating to climate change. They serve as the executive sponsors of McDonald's sustainability aspirations. In late 2020, the Company added the role of Executive Vice President Chief Global Impact Officer, as the executive leader of the newly formed Global Impact Team (GIT). The Vice President Chief Sustainability & Social Impact Officer reports to the Chief Global Impact Officer and partners to oversee actions relating to climate change.

Position or committee

Other committee, please specify (McDonald's Impact Strategy Cross-Functional Leadership Team)

Climate-related responsibilities of this position

Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities

<Not Applicable>

Reporting line

Please select

Frequency of reporting to the board on climate-related issues via this reporting line

Half-yearly

Please explain

The Company's EVP Global Chief Impact Officer and VP Chief Sustainability & Social Impact Officer served together with the EVP Chief Supply Chain Officer, EVP Global Chief Marketing Officer and New Business Ventures, and Chief Legal Officer overseeing cross-functional aspects of McDonald's Impact Strategy, which ensures the organization fulfills its overall global sustainability performance, including goals and actions relating to climate-related issues. The Impact Strategy and this cross-functional leadership team is endorsed by the Chief Executive Officer, placing accountability at the top of the organization.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive

Chief Sustainability Officer (CSO)

Type of incentive

Monetary reward

Incentive(s)

Please select

Performance indicator(s)

Reduction in absolute emissions

Incentive plan(s) this incentive is linked to

Please select

Further details of incentive(s)

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

The Global Chief Impact Officer and Chief Sustainability & Social Impact Officer's annual individual performance plans set out objectives related to the Company's climate change strategy, targets and issues, salary increases and bonuses are directly related to the attainment of those objectives (along with other factors). Examples of such individual performance plan objectives might include advancing progress on McDonald's Climate Action goals to reduce greenhouse gas emissions across McDonald's restaurants, offices and supply chain, such as through energy or emissions reduction projects, efficiency improvements, supplier engagement, and/or behavior changes.

Entitled to incentive

Corporate executive team

Type of incentive

Non-monetary reward

Incentive(s)

Please select

Performance indicator(s)

Other (please specify) (McDonald's Impact Strategy)

Incentive plan(s) this incentive is linked to

Please select

Further details of incentive(s)

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

We recognize the importance of our global sustainability vision and goals as a central part of our Company's values. As part of our Global Impact Strategy, climate action is a top global priority: See pages 42-43 of the Company's 2023 Proxy Statement. Page 43 of the Company's 2023 Proxy Statement states: "In partnership with our franchisees, suppliers and producers, we are finding new and innovative ways to drive climate solutions, help keep waste out of nature and help preserve natural resources. From minimizing how much packaging we use to investing in renewable energy and partnering to advance sustainable and regenerative agriculture practices—we want to help protect our planet for communities today and in the future."

Entitled to incentive

Environment/Sustainability manager

Type of incentive

Monetary reward

Incentive(s)

Please select

Performance indicator(s)

Implementation of an emissions reduction initiative
Energy efficiency improvement
Increased engagement with suppliers on climate-related issues
Increased supplier compliance with a climate-related requirement

Incentive plan(s) this incentive is linked to

Please select

Further details of incentive(s)

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

Where these employees' annual individual performance plans set out objectives related to the Company's climate change strategy, targets and issues, salary increases, and bonuses are directly related to the attainment of those objectives (along with other factors). Examples of such individual performance plan objectives might include advancing progress on McDonald's Climate Action goals to reduce greenhouse gas emissions across McDonald's restaurants, offices and supply chain, such as through energy or emissions reduction projects, efficiency improvements, supplier engagement, and/or behavior changes.

Entitled to incentive

Buyers/purchasers

Type of incentive

Monetary reward

Incentive(s)

Please select

Performance indicator(s)

Increased supplier compliance with a climate-related requirement

Incentive plan(s) this incentive is linked to

Please select

Further details of incentive(s)

Explain how this incentive contributes to the implementation of your organization’s climate commitments and/or climate transition plan

McDonald’s sustainable sourcing and Climate Action goals map out specific environmental priorities for key commodities and supplier engagement in our supply chain. Where these purchasing managers and their employees’ annual individual performance plans set out objectives related to sustainable sourcing and climate action strategy, targets and issues, salary increases, and bonuses are directly related to the attainment of those objectives (along with other factors). Examples of such individual performance plan objectives might include partnering with the Sustainability team as the Company establishes:

- New supplier engagement programs related to sustainability and regenerative agriculture (e.g. <https://corporate.mcdonalds.com/corpmcd/our-purpose-and-impact/food-quality-and-sourcing/responsible-sourcing.html>)
- Supplier engagement programs to advance progress on McDonald’s Climate Action goals to reduce greenhouse gas emissions across McDonald’s supply chain or McDonald’s Commitment on Forests to eliminate deforestation from its supply chain, coordination of supplier recognition and awards for sustainability, and/or behavior changes.

Entitled to incentive

Other, please specify (Suppliers, company staff)

Type of incentive

Non-monetary reward

Incentive(s)

Please select

Performance indicator(s)

Other (please specify) (Several as explained in following comment)

Incentive plan(s) this incentive is linked to

Please select

Further details of incentive(s)

Explain how this incentive contributes to the implementation of your organization’s climate commitments and/or climate transition plan

Supplier Performance Metrics (SPM): The SPM is an evaluation tool which McDonald’s and suppliers use to drive consistent high performance and ensure self-managed excellence across a number of areas, including sustainability leadership. Through the SPM self-assessment process, suppliers confirm annually that they have followed a comprehensive Strategic Sustainability Process (SSP), including understanding their upstream supply chain, materiality assessment, and plans for impact and measurement, that they have time-bound roadmaps in place to meet all relevant McDonald’s strategic expectations applicable to the supplier’s company, facilities and/or product(s) supplied to all McDonald’s markets, as outlined in McDonald’s Global Sustainable Sourcing Guide (GSSG) and Supplier Quality Expectations (SQE). Through this process they are able to demonstrate their external engagement strategy aimed at industry leadership in quality, sustainability and operational excellence and their support for the McDonald’s System to achieve its strategic sustainability expectations through engagement and collaboration beyond the McDonald’s system. For strategic suppliers, this self-assessment is reviewed by McDonald’s with alignment meetings held to discuss areas in greater depth and provide feedback.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	2	Time horizon to nearest term sustainability goals, such as our Packaging & Recycling goals, maintaining our sustainability sourcing goals, and for any analysis leading to the setting of new long-term strategies. Time horizon ranges provided in context of climate-related impacts.
Medium-term	2	11	Time horizon to Climate Action target year and Commitment on Forests. Time horizon ranges provided in context of climate-related impacts.
Long-term	11	30	Time horizon beyond the Climate Action target year. Time horizon ranges provided in context of climate-related impacts.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

The Company’s risk management process identifies, prioritizes and addresses a broad range of risks that can directly or indirectly impact the organization in the short-, medium-, and long-term, and we tier risks accordingly. The risks are determined as substantive based on a variety of quantitative and qualitative factors that our risk management process uses to monitor and assess the complexity of these topics. Our Risk and Sustainability teams partner closely with Global Finance to determine potential financial impact to the Company and its Franchisees. Climate, forests, water and other natural resource related risks are assessed based on both breadth as well as depth of impact to the McDonald’s System (Company, Franchisees, suppliers). Each is measured distinctly depending on the topic, but may include impact on factors such as sales, price stability, competitive advantage, restaurants and Franchisees, customers and communities, supply chain commodities, suppliers and producers/farmers. Assessment of substantive impact may include magnitude, duration and/or dependency. As well, we assess impact based on existing crisis preparedness or the ability to develop such crisis preparedness, contingency and resiliency plans, and expressed external stakeholder concern or inquiry.

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.**Value chain stage(s) covered**

Direct operations
Upstream
Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

The Company's risk management process identifies, prioritizes and addresses a broad range of risks that can directly or indirectly impact the organization in the short-, medium-, and long-term. Examples of the risks that are identified throughout this process include: risks to brand reputation or trust among our customers and stakeholders; risks to the ongoing functions of our operations and assets, including our restaurants and supply chain; financial risks; legal risks, and risks to the continuing viability of our business model. In addition to material risk identification, we account for the varying velocities of change that might occur relative to different risks and incorporate these considerations into contingency planning. The risks, and opportunities, identified also include those related to climate and the environment, and the Company's other sustainability initiatives, such as human rights.

The Company's internal time horizons for climate change risk and opportunity considerations vary depending on the topic and scope of impact. For example, increasing regulatory complexity related to climate change could have a different time horizon from country to country. Fluctuations in commodity markets for some of the ingredients we use due to seasonal shifts or climate conditions can vary over place and time.

Identifying/Assessing Risk:

Senior managers in a wide range of functional areas are responsible for identifying and managing risks within their areas of expertise. In many cases, they have their own formal risk identification and management processes. A cross-functional working group helps ensure timely risk information is shared across internal stakeholders and elevated within the organization as appropriate. Input is also incorporated from partners outside the Company, such as strategic suppliers and industry experts. For example, the Company leverages partnerships and insights from leading external environmental stakeholders and industry groups to continually monitor and integrate the latest factors (science, policy, geo-politics, trends) into our climate risk and resiliency planning.

One such functional area is our supply chain, which has a process in place to identify, assess and manage . Identification, assessment and management of risks in our supply chain, and to is overseen by a Corporate Vice-President for Risk Management and Advisory Services that reports directly to the Chief Supply Chain Officer. This vice-president role is supported by a team of colleagues to lead the design, development and implementation of a comprehensive risk management strategy for our supply chain organization around the world. They regularly assess supply chain risks, working with the EVP Global Chief Impact Officer, VP Chief Sustainability & Social Impact Officer and other Sustainable Sourcing Directors on identified environmental risks. Most recently, the Company has committed additional resources to focus on climate-related risks and developed a supply chain cross-commodity working team dedicated to supply chain resiliency, including climate. Commodity risk management strategies are also developed through a collaboration among McDonald's Treasury, Supply Chain and suppliers. The Company and its suppliers manage risks for many of the commodity categories with the goal being to provide predictable and competitive pricing to the restaurants. Other risk management strategies include mitigation and adaptation planning to ensure suppliers can meet both our sustainability and Company growth plans.

Examples of physical and transition risk assessment and response:

We recognize that we need to work with our suppliers to assess and address climate related risks and take opportunities through CDP Supply Chain and internal supplier surveys and workstreams to engage our supply chain. We respond to risks in different ways appropriate to the risk. One example is our approach to deforestation risk which has been identified as having a significant impact on climate change and exacerbating the associated physical and transition risks. We worked with WWF to assess projected deforestation priority areas linked to our beef supply and worked with Agrotools, Proforest and local stakeholders to establish a Deforestation Free Beef Procurement Policy. After determining prioritization, we use a combination of satellite imagery of the farm area and data analysis to assess whether deforestation has happened on the farms which supply McDonald's. Where a farm is linked to deforestation, suppliers are expected to mitigate this risk and implement corrective action plans with any farms in their supply chain that are not in compliance.

In 2021-2022, the Company continued its quantitative and qualitative physical risk (medium and long-term) assessments and transition risk (long-term) assessments relating to climate change. Company subject matter leads in Climate worked alongside our climate analytics partners to develop foundational scenarios to assess both carbon pricing and water-related risks that included:

1. A low carbon transition scenario to assess transition risks that considers the financial implications of carbon taxes for McDonald's across its markets, including North America, Europe, Latin America and APMEA, and our suppliers, across priority commodities, under the Sustainable Development Scenario (SDS) from the International Energy Agency (IEA).
2. A business-as-usual scenario to assess physical risks that considers exposure to water-related risks for McDonald's restaurants (across North America, Europe, Latin America and APMEA) and our supply chain (across key commodities), under the Intergovernmental Panel on Climate Change (IPCC) RCP8.5 scenario.

We are now in the process of analyzing medium- and long-term implications from such carbon pricing mechanisms and water stress risks for both McDonald's restaurants and supply chain. The results of these assessments will be integrated into our climate modeling tools to advance climate-related risk discussions within the business, to ensure we are appropriately managing these risks and related opportunities, and to support effective alignment with the Task Force on Climate-related Financial Disclosures (TCFD) as part of our future planning.

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & Inclusion	Please explain
Current regulation	Relevant, always included	<p>The Company has global operations and is therefore subject to the laws of the United States and all foreign jurisdictions in which the Company operates, and the rules and regulations of various governing bodies, which may differ among jurisdictions. Compliance to existing regulations is a requirement for our Company and our Franchisees and changes in regulation are assessed regularly and feedback is shared via our Government Relations Team. Many of our markets are subject to increasing, conflicting and highly prescriptive regulations involving, among other matters, product packaging. Our success depends in part on our ability to manage the impact of regulations that can affect our business plans and operations and have increased our costs of doing business and exposure to litigation, governmental investigations or other proceedings.</p> <p>An example of current regulatory impact is the European Union's Single-Use Plastics (SUPD). As part of this directive, from July 2021, the EU no longer allows certain single-use plastic items, such as plastic cutlery and straws, to be placed on the Member States market. Specialist corporate and cross functional teams on packaging are well established in the Company to identify and develop strategies to respond to such risks. EU compliant alternatives to single-use plastic straws, cutlery and stirrers are currently in place across all 27 EU Member states, including Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden. In addition, three additional European markets that are not in the EU (Norway, Switzerland, and the United Kingdom) also have SUPD compliant solutions in place.</p>
Emerging regulation	Relevant, always included	<p>Emerging laws and regulations are assessed regularly with feedback shared via the Government Relations Team. Specialist corporate teams exist within the Company that also identify actual or perceived risks relating to emerging regulation in areas such as climate, packaging and energy to support the development of mitigation strategies. One example of a considered climate-related risk is that of emerging carbon pricing regulation and potential financial impact on restaurants operating in jurisdictions where carbon tax schemes are proposed for implementation and the potential increase in raw material costs associated with production in jurisdictions where carbon pricing systems may be implemented by national governments. Cross-functional teams are also monitoring emerging reporting regulations, such as the Corporate Sustainability Reporting Directive (CSRD) and enhanced climate disclosure requirements from the Securities Exchange Commission (SEC). Additionally, in the EU, the team is actively monitoring and assessing the potential impact of several emerging regulations, including: the 2030 Climate Plan, the strategy to increase EU's ambition on reducing greenhouse gas emissions to at least 55% below 1990 levels to better achieve climate neutrality by 2030; the Farm-to-Fork, the EU's sustainable food blueprint and major component of the Green Deal, including an Action Plan with 27 measures aimed at greener food production, healthier and more sustainable diets, and less food waste; and the EU Deforestation Regulation, which requires relevant commodities within the value chain, such as cattle and coffee, to be deforestation-free, among other emerging regulations.</p>
Technology	Relevant, sometimes included	<p>Technology solutions and associated risks, including our investments potentially not generating expected returns, are evaluated as part of both restaurant sustainability and supply chain sustainability programs. Our long-term business objectives depend on the successful systemwide execution of our strategies. We continue to build upon our investments in technology and modernization, in order to transform the customer experience. For Company restaurants, this can include the substitution of existing products and services with lower emissions options, including but not limited to renewable energy, packaging, or restaurant equipment. If these initiatives are not well executed, or if we do not fully realize the intended benefits of these significant investments, our business results may suffer.</p>
Legal	Relevant, always included	<p>Our regulatory and legal environment worldwide exposes us to complex compliance, litigation and associated risks including growing climate-related risks.</p> <p>Many of our markets are subject to increasing, conflicting and highly prescriptive regulations involving, among other matters, product packaging, the safety of our food and other products, labelling and other disclosure practices. Compliance efforts with those regulations may be affected by ordinary variations in food preparation among our own restaurants and the need to rely on the accuracy and completeness of information from third-party suppliers. Our success depends in part on our ability to manage the impact of regulations that can affect our business plans and operations and have increased our costs of doing business and exposure to litigation, governmental investigations, or other proceedings. As such, legal compliance is assessed regularly across local laws to ensure our Company is in line with all applicable laws and obligations.</p>
Market	Relevant, sometimes included	<p>We regularly assess fluctuations in commodity markets in partnership with suppliers across different geographies to monitor raw material availability. For example, McDonald's utilizes public commodity reporting to assess anticipated fluctuations in commodities that may impact future prices or assured supply. Beyond direct crop impact, extreme weather incidents may impact manufacturing facilities causing unplanned downtime and resulting pressure on pricing and/or supply.</p> <p>We also monitor trends in consumer preferences and regulatory developments that may impact markets in relation to climate action to implement appropriate mitigation controls and minimize impact on operations.</p>
Reputation	Relevant, always included	<p>Climate change and other environmental factors are included in the criteria we evaluate regularly for customer and external stakeholder feedback. The Company conducts consumer and stakeholder research to better understand expectations and perceptions of McDonald's, which helps us to understand the strength of the McDonald's brand. The Company conducts consumer and stakeholder surveys, interviews and stakeholder engagements that allow us to understand expectations and gauge reputation within the context of the food and beverage industry, as well as among corporate sustainability leaders. These insights inform our communications and engagement on sustainability topics and are considered in our sustainability strategies including Climate Action, Nature, Forests & Water, Responsible Sourcing, and Packaging, Toys and Waste, which are intended to demonstrate to customers, as well as internal and external stakeholders, that the Company understands the interconnectivity of environment, social and economic business drivers. For example, packaging and waste topics have emerged as a top environmental concern for customers from recent multi-market customer research, which reinforces our work in this area as a priority for the Company.</p>
Acute physical	Relevant, sometimes included	<p>The impacts of specific events with acute physical risk (e.g. hurricanes or other natural disasters) are included in regular evaluations. Severe weather conditions and natural disasters can adversely affect consumer spending and confidence levels, supply availability and costs, as well as the local operations in impacted markets, all of which can affect our business results and prospects. In the U.S. for example, we recently assessed flood risk to identify restaurants located in high-risk areas and develop local level response plans.</p>
Chronic physical	Relevant, sometimes included	<p>The impact of chronic physical risks (e.g., changes in temperature or water access) are included in regular evaluations, especially for agricultural supply chains. Severe weather conditions and shifting climate patterns can adversely affect consumer spending and confidence levels, supply availability and costs, as well as the local operations in impacted markets, all of which can affect our results and prospects. For example, working with external consulting partners, we recently conducted an assessment to understand water risk scenarios and identify long-term physical risk as it relates to our restaurants across North America, Latin America, Europe and APMEA.</p>

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Emerging regulation	Carbon pricing mechanisms
---------------------	---------------------------

Primary potential financial impact

Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Carbon pricing mechanisms are increasing at an international, national and sub-national level and according to The World Bank’s “State and Trends of Carbon Pricing” 2022 report, a total of 68 carbon pricing instruments are now in operation around the world. The Company operates in many different countries, including but not limited to the United States, Canada, the U.K., France, and Sweden and within multiple jurisdictions within countries and may therefore be subject to varying forms of emerging climate-related regulations resulting in increased costs for restaurant operations in those jurisdictions where carbon pricing systems, including carbon tax schemes, are in development or scheduled for implementation.

Time horizon

Long-term

Likelihood

More likely than not

Magnitude of impact

Unknown

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

We are currently in the process of analyzing the potential financial implications of medium- and long-term climate-related risks to McDonald’s based on our initial assessment.

Cost of response to risk

Description of response and explanation of cost calculation

We recognize the actions being taken by national governments across the world to address their climate impact through nationally determined contributions in line with the Paris Agreement. These actions are likely to affect our restaurants with a potential increase in operating costs through regulation or tax. For that reason, we are assessing our potential exposure to this risk. While we take steps to achieve our emissions reduction targets, we are committed to upholding our customer experience and plan to keep this commitment as part of our planning steps.

In 2020-2021, the Company initiated an initial assessment of climate-related financial risks, to establish a foundational scenario for assessing the transition risk and potential increased costs associated with carbon pricing systems on restaurants globally. This scenario considers the financial implications of carbon pricing and taxes under the Sustainable Development Scenario (SDS) from the International Energy Agency (IEA) to keep global temperatures well below 2 degrees Celsius. We conducted our assessment on nearly 40,000 Company-owned and Franchisee restaurants across North America, Latin America, Europe and APMEA at that time to assess energy spend and associated emissions. The result of this work provides a platform to advance climate-related risk discussions for the business and support effective engagement with stakeholders, in particular investors, Franchisees, and suppliers. While we are not in a position to share the potential cost of response at this time, the work is being undertaken as a priority for climate-related risk mitigation.

In addition, risk mitigation actions are set up to engage with Franchisees to manage energy costs including implementation of more energy efficient equipment, management of energy use, and more sustainable sourcing practices in many markets that support the Company’s approved Science Based Target to partner with Franchisees to reduce greenhouse gas emissions related to McDonald’s restaurants and offices by 36% by the end of 2030.

The Company continues to monitor developments related to environmental regulations and plans to respond to governmental initiatives in a timely and appropriate manner.

As we are not in a position to release the projected financial impact of this risk, we have not released a figure for cost of response.

Comment

For the purpose of our disclosure, we are highlighting this risk as just one of the key risks with the potential to have a business. This risk is not disclosed in order of magnitude to the Company, nor is the potential climate-related risk to the business limited to the risks we have chosen for this disclosure.

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Downstream

Risk type & Primary climate-related risk driver

Market	Increased cost of raw materials
--------	---------------------------------

Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Potential for increased cost of raw materials driven by both physical and regulatory risk from climate change and production in jurisdictions where carbon pricing systems and/or carbon tax schemes may be implemented by national governments. Adoption of new regulations or costs of changing business practices in response to taxation or regulation may increase costs for suppliers to McDonald’s. McDonald’s suppliers operate in over 100 countries and sub-national jurisdictions across North America, Latin America, Europe and APMEA. As regulations are uncertain and vary by jurisdiction, there is a risk that regulations will affect some suppliers significantly more than others. The Company will therefore be exposed to this uncertainty in regulation and its potential to impact costs of our raw materials.

Time horizon

Long-term

Likelihood

More likely than not

Magnitude of impact

Unknown

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

We are currently in the process of analyzing financial implications of medium- and long-term risks based on our initial assessment of climate-related financial risks to McDonald's.

Cost of response to risk**Description of response and explanation of cost calculation**

We recognize national governments across the world are acting to address their climate impact through nationally determined contributions in line with the Paris Agreement. This is likely to affect the operating environment for our suppliers with potential to add costs through regulation or tax. We are assessing our potential exposure to this risk and, in addition to taking steps to achieve our emissions reduction target, are taking steps in partnership with our suppliers to reduce this exposure while continuing to supply food our customers love.

In 2020-2021, we initiated an assessment of climate-related financial risks to model a foundational scenario for assessing the transition risk associated with carbon pricing systems on our supply chain. This scenario considers the financial implications of carbon pricing and taxes under the Sustainable Development Scenario (SDS) from the International Energy Agency (IEA) to keep global temperatures well below 2 degrees Celsius.

We are conducting our assessment on supply chain energy spend and emissions intensities of selected agricultural commodities that represent our main supply chain GHG drivers globally. The result of this work provides a platform to advance climate-related risk discussions for the business and will support effective future engagement with stakeholders, in particular suppliers.

In addition, risk mitigation actions are embedded in our strategy to meet the Company's Science Based Targets. For example, McDonald's is a lead member of CDP Supply Chain to engage our suppliers on actions they are taking to identify climate risk to their businesses and mitigate their climate impact. In 2022, we requested 145 of our key suppliers in our largest categories of emissions to set targets, measure emissions, make reductions, and report progress to CDP. This represents over 81% of McDonald's global spend across Food & Beverage, Paper & Packaging, and Logistics & Equipment. This is up from 131 suppliers for Climate in 2021. In addition, in the U.S., the Company tracks cost-saving actions among supplier companies & categorizes which are sustainability-related actions.

As we are not in a position to release the projected financial impact of this risk, we have not released a figure for cost of response. As we are not in a position to release the projected financial impact of this risk, we have not released a figure for cost of response.

Comment

For the purpose of our disclosure, we are highlighting this risk as just one of the key risks with the potential to have a financial or strategic impact on our business. This risk is not disclosed in order of magnitude to the Company nor is the potential climate-related risk to the business limited to the risks we have chosen for this disclosure.

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Downstream

Risk type & Primary climate-related risk driver

Current regulation	Mandates on and regulation of existing products and services
--------------------	--

Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Designing out waste, improving the sustainability of our packaging and ultimately moving toward a circular economy are top priorities for our business. These strategies support our long-term business resilience, help us to keep the communities where we live and work clean, and reduce our environmental footprint to help protect the planet for future generations. The shifting consumer demand toward sustainable packaging and the increasing regulation on disposable packaging in jurisdictions in which McDonald's operates, specifically adoption of new environmentally-driven legislation on packaging (e.g., EU Circular Economy Package), are a potential risk to our business as there is a potential increase in costs and impact on supply chain optimization which is being monitored.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Unknown

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

We are currently in the process of analyzing financial implications of medium- and long-term risks based on our initial assessment of climate-related financial risks to McDonald's.

Cost of response to risk**Description of response and explanation of cost calculation**

In the case of packaging, TMS HAVI, a packaging sourcing and supply chain services partner of McDonald's, monitors and tracks these requirements to identify occurrences to enable compliance, as well as to identify important trends, which are considered during strategic planning.

Additionally, the Company has two key related commitments: Source 100% of our primary guest packaging from renewable, recycled, or certified sources by the end of 2025, and to implement global and local solutions across our business to advance the reduction, reuse or recycling of guest packaging, and help create demand for recycled materials by the end of 2025. Our actions to meet these goals include testing a range of new materials and designs to cut down on plastic (e.g., strawless lids, reusable cups, wooden cutlery), transforming our Happy Meals toys, installing sorting and recycling points in restaurants, and repurposing materials (e.g., reusing cooking oil, upcycling coffee waste).

McDonald's in Europe has been responding to legislation relating to disposable packaging, specifically the European Union's Single-Use Plastics Directive (SUPD). As part of this directive, from July 2021, the EU no longer allows certain single-use plastic items, such as plastic cutlery and straws, to be placed on the Member States market. Specialist corporate and cross functional teams on packaging, alongside our partner TMS HAVI, identified and developed strategies to respond to such risks. EU compliant alternatives to single-use plastic straws, cutlery and stirrers are currently in place across all 27 EU Member states. In addition, three additional European markets that are not in the EU (Norway, Switzerland, and the United Kingdom) also have SUPD compliant solutions in place.

In recent years, we have been exploring the potential role and impact of implementing reusable packaging in McDonald's restaurants. While reusables may have the potential to be one solution amongst others to drive circularity, additional solutions – such as recycling, recovery and reduction – must continue to be part of an overall waste reduction strategy. In numerous markets we implemented reusable packaging systems, and we are still learning about the benefits and potential unintended consequences of reuse systems in our industry.

As we are not in a position to release the projected financial impact of this risk, we have not released a figure for cost of response.

Comment

For the purpose of our disclosure, we are highlighting this risk as just one of the key risks with the potential to have a financial or strategic impact on our business. This risk is not disclosed in order of magnitude to the Company nor is the potential climate-related risk to the business limited to the risks we have chosen for this disclosure.

Identifier

Risk 4

Where in the value chain does the risk driver occur?

Upstream

Risk type & Primary climate-related risk driver

Chronic physical	Water scarcity
------------------	----------------

Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Water is one of the world's most precious resources, with supplies under increasing pressure from climate change, extreme weather, floods, growing populations and swelling demand. The Company is primarily an operator and franchisor of McDonald's restaurants which serve locally relevant food and beverage at locations across the world. Risks to the business relating to water, including but not limited to water stress or flooding, could potentially impact operations through a combination of restaurant closures, operational delays, higher operating costs, loss of license to operate, disruption to sales, supply chain disruption, water supply disruption and reputational and brand damage which would each have a financial and/or strategic impact on our business.

Time horizon

Long-term

Likelihood

More likely than not

Magnitude of impact

Unknown

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

We are currently in the process of analyzing financial implications of medium- and long-term risks based on our initial assessment of climate-related financial risks to McDonald's.

Cost of response to risk

Description of response and explanation of cost calculation

In 2020-2021, we engaged in an initial assessment of climate-related financial risks, to establish a foundational scenario for assessing the physical risk related to climate change and water. We used a business-as-usual scenario to assess physical risks. This scenario assessed the exposure to water-related risks for McDonald's restaurants across North America, Latin America, Europe and APMEA and key suppliers under the Intergovernmental Panel on Climate Change (IPCC) RCP 8.5 scenario. The analysis focused on water stress under the conditions of a rapidly heating planet.

While our scenario modeling has been used to identify and address water risk at a global level, many McDonald's markets have also been conducting water related risk assessments to identify and mitigate risk at a local level. For example, McDonald's has undertaken risk analysis using the WRI Aqueduct Water Risk Atlas to identify areas in the country at high risk. In response to the risk identified, the U.S. team began designing a restaurant engagement pilot program to assist Franchisees in highly water-stressed areas in identifying water efficiency opportunities in their restaurants and building engagement in their communities around local water issues. Potential opportunities for engagement include watershed clean-up activities and awareness campaigns.

As we are not in a position to release the projected financial impact of this risk, we have not released a figure for cost of response.

Comment

For the purpose of our disclosure, we are highlighting this risk as just one of the key risks with the potential to have a financial or strategic impact on our business. This risk is not disclosed in order of magnitude to the Company nor is the potential climate-related risk to the business limited to the risks we have chosen for this disclosure.

Identifier

Risk 5

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Chronic physical	Changing precipitation patterns and types (rain, hail, snow/ice)
------------------	--

Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Severe weather conditions and natural disasters can adversely affect consumer spending and confidence levels or other factors that affect our results and prospects, such as commodity costs. Our receipt of proceeds under any insurance we maintain with respect to certain of these risks may be delayed or the proceeds may be insufficient to offset our losses fully.

For example, the Company sources food and beverage products and ingredients from suppliers in over 100 countries across North America, Latin America, Europe and APMEA. Changes in weather patterns and increased frequency of extreme weather-related events (temperature changes, precipitation, floods, droughts, cyclones, and quality or quantity impacts to other natural resources) could have a direct impact on our operations, Franchisees and restaurants and the operations of our suppliers by causing disruption to the supply and availability of key commodities and ingredients such as protein, produce and coffee for McDonald's iconic menu items and a direct impact.

Time horizon

Medium-term

Likelihood

More likely than not

Magnitude of impact

Unknown

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

We are currently in the process of analyzing financial implications of medium- and long-term risks based on our initial assessment of climate-related financial risks to McDonald's.

Cost of response to risk

Description of response and explanation of cost calculation

We understand the value and strength of our supply chain and the Company invests significant resources to mitigate supply chain risks to assure supply of the food and paper resources we procure. We create long-term relationships with our suppliers and ensure due diligence is built into our supply chain management through the methods discussed in C2.2.

We mitigate climate-related risks in our supply chain through our responsible sourcing policies to accompany our approved Science Based Target. We prioritize six products, identified through independent analysis by the World Wildlife Fund (WWF) as those with the greatest environmental risks and sustainability impacts: beef, chicken, coffee, palm oil, fish and fiber-based packaging. On these commodities and more, we continue work with WWF and others to address risks. Further information:

<https://corporate.mcdonalds.com/corpmcd/our-purpose-and-impact/food-quality-and-sourcing/responsible-sourcing.html>.

To further improve climate-related risk identification in our supply chain, the Company engages our suppliers in CDP Supply Chain and as of 2022, requests 145 of our top suppliers to respond to CDP Climate Change, and where applicable, CDP Forests. Our supplier response rate to CDP Climate was 88% in 2022. We also expect all proactive suppliers to set climate targets relevant for their own businesses, and to measure, reduce and report emissions through CDP.

We also focus on collaborative action and investment to address climate-related risk associated with our agriculture value chain. For example, as part of our five-year pilot initiative with Cargill, the Walmart Foundation and World Wildlife Fund, we have invested \$1.6 million to support ranchers in the Northern Great Plains through the Ranch Systems and Viability Planning (RSVP) network. Through RSVP, ranchers have access to: ecological monitoring; educational scholarships to attend grazing and soil health workshops; a grazing management cost-share program that helps them improve grazing infrastructure on their ranches; technical assistance; and access to a peer to peer learning network. Currently, the program is working with 80 ranches impacting almost 800,000 acres across Montana, South Dakota, Nebraska and Wyoming.

We do not centrally collate these costs specifically in relation to this type of risk; they are embedded in our responsible sourcing strategies across multiple categories. As such, we have not provided a cost of response figure.

Comment

For the purpose of our disclosure, we are highlighting this risk as just one of the key risks with the potential to have a financial or strategic impact on our business. This risk is not disclosed in order of magnitude to the Company nor is the potential climate-related risk to the business limited to the risks we have chosen for this disclosure.

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Move to more efficient buildings

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

McDonald's is moving to more efficient buildings and kitchen equipment. Together with our Franchisees, we are working across our restaurants to be more innovative and efficient, with investments in areas such as renewable energy, LED lighting and energy-efficient kitchen and restaurant equipment (e.g., refrigeration, heating, ventilation and air conditioning systems).

For example, to advance the overall sustainability of McDonald's restaurants, we have incorporated building/equipment efficiency guidance into McDonald's Global Restaurant Standards (GRS, formerly GRBES), partnering with Franchisees on energy usage and GHG emissions reduction programs, and innovating new restaurant solutions. The GRS platform is designed to provide Building/Equipment requirements for new restaurants and guidance on exterior/site LED lighting, Energy Management, Building construction, Refrigeration, HVAC, Local Equipment, Recycling Bins and Water Conservation. The GRS requirements and recommendations are reviewed and updated annually. In addition, in 2020, McDonald's unveiled a first-of-its-kind Net Zero Energy-designed restaurant at Walt Disney World Resort in Orlando, Florida. The global flagship restaurant is designed to create enough renewable energy on-site to cover 100% of its annual energy needs, and will serve as a learning hub to test solutions for reducing energy and water use.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Unknown

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Financial implications vary by region as there are unique upfront costs and efficiency gain associated with the move to more energy-efficient buildings. We are planning to centrally track more of the costs and gains associated with select initiatives in the future.

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation

In 2018, we committed to reducing greenhouse gas (GHG) emissions related to our restaurants and offices by 36% by the end of 2030 from a 2015 base year. This science-based targets was approved by the SBTi in 2018, and we have continued to work toward them by collaborating with industries, governments, Franchisees, suppliers, consumers and local communities. In 2021, we joined the United Nations Race to Zero campaign, with an ambition to reach net zero emissions by 2050. Through the SBTi Business Ambition for 1.5°C campaign, we are also in the process of adapting our interim 2030 climate targets to help keep global temperature rises below 1.5°C. We intend to share more on our climate journey later this year.

Energy and building efficiency is a key strategy lever to meet our target. Examples of initiatives we are taking in this area include incorporating building/equipment efficiency guidance into McDonald's Global Restaurant Standards (GRS, formerly GRBES), partnering with Franchisees on energy usage and GHG emissions reduction programs, and innovating new restaurant solutions.

The GRS platform is designed to provide Building/Equipment requirements for new restaurants and guidance on exterior/site LED lighting, Energy Management, Building construction, Refrigeration, HVAC, Local Equipment, Recycling Bins and Water Conservation. The GRS requirements and recommendations are reviewed and updated annually.

Our efforts to realize this opportunity are measured as part of our GHG and energy tracking platform on an annual basis. We do not centrally collate costs specifically in relation to our investment in resource efficiency. They are embedded in strategies across multiple functions and markets and as such, we have not provided a cost to realize this opportunity. We are planning to centrally track costs and gains associated with select initiatives in the future.

Comment

Opportunities identified are not disclosed in order of magnitude to the Company nor is the potential financial or strategic impact to the business limited to the climate-related opportunities identified in this disclosure.

Identifier

Opp2

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Energy source

Primary climate-related opportunity driver

Use of lower-emission sources of energy

Primary potential financial impact

Other, please specify (Mitigating energy cost volatility and increasing resilience)

Company-specific description

A primary climate-related opportunity driver for McDonald's is the procurement of renewable electricity for the operation of restaurants. This enables McDonald's and Franchisees to manage risks of increased operational costs and price volatility due to tax and regulations.

During 2022, we added two large scale U.S. Virtual Power Purchase Agreements (VPPAs) to contribute more renewable energy to the grid.

As the projects for which contracts were executed between 2019–2023 continue coming online over the next few years, the energy generated is expected to be equivalent to more than 11,700 restaurants'-worth of electricity globally.

While this represents the impact of our contracted projects, the landscape of the renewable energy industry continues to experience supply chain issues and other headwinds and we also recognize that the impact from some contracted projects in the portfolio could be replaced with other future projects. We continue to monitor the progress of all projects to ensure they meet our selection criteria as we make progress towards our climate targets.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Unknown

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Financial implications vary by region. We are planning to centrally track more of the costs and gains associated with select initiatives in the future.

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation

In 2018, we committed to reducing greenhouse gas (GHG) emissions related to our restaurants and offices by 36% by the end of 2030 from a 2015 base year. This science-based targets was approved by the SBTi in 2018, and we have continued to work toward them by collaborating with industries, governments, Franchisees, suppliers, consumers and local communities. In 2021, we joined the United Nations Race to Zero campaign, with an ambition to reach net zero emissions by 2050. Through the SBTi Business Ambition for 1.5°C campaign, we are also in the process of adapting our interim 2030 climate targets to help keep global temperature rises below 1.5°C. We intend to share more on our climate journey later this year.

Through 2022 McDonald's had increased its investment to 14 renewable energy projects through virtual power purchase agreements (VPPAs) and continues to be among

other leading corporate renewable energy buyers in adding new, large-scale renewable energy to the U.S. grid. Our renewable energy projects cover both solar and wind technologies, and are planned to be located in Texas, Illinois, North Carolina and Louisiana. As the projects for which contracts were executed between 2019–2023 continue coming online over the next few years, the energy generated is expected to be equivalent to more than 11,700 restaurants' worth of electricity. They are expected to contribute to a 33% reduction in GHG emissions associated with U.S. restaurant electricity usage, from our 2015 baseline. McDonald's portion of these renewable energy projects is expected to help prevent approximately 3,300,000 metric tons of CO₂e emissions annually.

We do not centrally collate and report costs specifically in relation to our investment in renewable energy procurement. They are embedded in sustainability strategies across multiple markets and as such we have not provided an investment cost to realize this opportunity.

Comment

Opportunities identified are not disclosed in order of magnitude to the Company nor is the potential substantive financial or strategic impact to the business limited to the climate-related opportunities identified in this disclosure.

Identifier

Opp3

Where in the value chain does the opportunity occur?

Upstream

Opportunity type

Resilience

Primary climate-related opportunity driver

Other, please specify (Regenerative Agriculture)

Primary potential financial impact

Increased revenues resulting from increased production capacity

Company-specific description

The majority of our environmental impacts occur beyond our own operations, through the Company's supply chain and so McDonald's journey toward sustainable sourcing begins with our suppliers. Among other activities, the Company is focused on collaborative action and investment to address climate related risk associated with our agriculture value chain and partnering to advance sustainable and regenerative agriculture practices to help protect our planet for communities today and in the future.

Time horizon

Long-term

Likelihood

More likely than not

Magnitude of impact

Unknown

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Financial implications vary by region. We are planning to centrally track more of the costs and gains associated with select initiatives in the future.

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation

We approach sustainable agriculture holistically and consider our impact on the planet, the livelihoods of the people who produce our food, the communities in which they live and the well-being of the animals we rely on. We want to create positive impact, such as boosting resiliency, improving biodiversity, maintaining native grasslands, and rebuilding soils. We are working on a number of activities in this area, including:

In collaboration with Cargill, The Nature Conservancy and Target, we're supporting row crop farmers in Nebraska to implement regenerative agriculture practices with the aim to help mitigate climate change and improve the resiliency of land. This five-year initiative is expected to impact 100,000 acres of land used for corn production through a joint \$8.5M investment. By improving soil health and optimizing processes, we have the potential to sequester an estimated 75,000 metric tons of carbon.

We committed to match up to \$4.5M in a research project with The ASU Foundation for A New American University to analyze the impact of Adaptive Multi-Paddock grazing practices against continuously grazed ranches. This helps identify beneficial techniques for the environment and farming communities, such as improved soil health, sequestered carbon, increased grassland biodiversity, farmer livelihoods and animal welfare.

We partnered with Ducks Unlimited Canada and Cargill to conserve Canadian grasslands, with the goal of returning 125,000 acres of cropland to grass and pasture by 2025. In the second year of our partnership, we enrolled 24,243 acres of forage, including 229 new farmers, and sequestered 14,788 metric tons of CO₂e.

We are a partner of the tool CAP'2ER® for almost 10 years, which is an environmental footprint calculator that evaluates the positive and negative environmental impacts within beef farming, helping to identify where farmers can work especially to reduce their GHG emissions and improve their carbon storage. To date, more than 20,000 assessments have been carried out in the French cattle sector. We have verified through the ones undertaken at our suppliers' farms that 96,700 hectares of land are being managed to support biodiversity in 2022.

We do not centrally collate these costs specifically in relation to our investment in this type of farming system, they are embedded in our responsible sourcing strategies across multiple categories and markets and as such have not provided a cost to realize this opportunity.

Comment

Opportunities identified are not disclosed in order of magnitude to the Company nor is the potential financial or strategic impact to the business limited to the climate-related opportunities identified in this disclosure.

C3. Business Strategy

C3.1

(C3.1) Does your organization’s strategy include a climate transition plan that aligns with a 1.5°C world?

Row 1

Climate transition plan

Yes, we have a climate transition plan which aligns with a 1.5°C world

Publicly available climate transition plan

No

Mechanism by which feedback is collected from shareholders on your climate transition plan

We do not have a feedback mechanism in place, but we plan to introduce one within the next two years

Description of feedback mechanism

<Not Applicable>

Frequency of feedback collection

<Not Applicable>

Attach any relevant documents which detail your climate transition plan (optional)

Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world and any plans to develop one in the future

<Not Applicable>

Explain why climate-related risks and opportunities have not influenced your strategy

<Not Applicable>

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	Yes, qualitative and quantitative	<Not Applicable>	<Not Applicable>

C3.2a

(C3.2a) Provide details of your organization’s use of climate-related scenario analysis.

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Physical climate scenarios RCP 8.5	Company-wide	<Not Applicable>	The result of the analysis will help us understand the potential financial impact to our business by scenario and time period. The results will provide directional focus in terms of priority locations and commodities where further analysis and refinement is required along with identification and scaling of best practices for mitigating such risks to help build a more resilient McDonald’s ecosystem. The results will also help the business to build use-cases to further socialize the risk assessment.
Transition scenarios IEA SDS	Company-wide	<Not Applicable>	The result of the analysis will help us understand the potential financial impact to our business by scenario and time period. The results will provide directional focus in terms of priority locations and commodities where further analysis and refinement is required along with identification and scaling of best practices for mitigating such risks to help build a more resilient McDonald’s ecosystem. The results will also help the business to build use-cases to further socialize the risk assessment.

C3.2b

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

Focal questions

Not sharing at this time.

Results of the climate-related scenario analysis with respect to the focal questions

Not sharing at this time.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Evaluation in progress	We know there are risks, opportunities, and impacts from all products and services. While we continuously evaluate these risks and opportunities, we work with suppliers and Franchisees to reduce the climate risk and build resiliency across all products and services, rather than limit products and services.
Supply chain and/or value chain	Evaluation in progress	We have assessed climate related risks and opportunities through our supply chain using AITrack, our enterprise-level internal climate tracking system, and our approach is guided by the TCFD framework. We also assess our supply chain climate impact by category, market and supplier to prioritize and tailor our Climate Action and engagement strategy. Finally, we use CDP Supply Chain to better understand the risks our suppliers identify and build these into our strategic approach. Our initial climate risk analysis was completed in 2021 and we use climate impact and CDP Supply Chain insights to influence our strategy on an ongoing basis.
Investment in R&D	Yes	<p>As we decide how and where to pursue and scale innovation pilot programs, such as agricultural research projects or alternative energy technology and energy efficiency projects, we build on prior learnings and anticipate continuous future insights that will inform short, medium and long term future investments in R&D based on climate-related risks and opportunities. Many markets are testing energy sourcing/reduction, water saving, and recycling/waste related innovations. An example is the McDonald's Chicago Flagship restaurant in the U.S. that serves as a learning hub for McDonald's to test solutions for reducing energy and water use, a testament to the Company's ongoing commitment to sustainable innovation.</p> <p>The Company and its suppliers monitor and track packaging related legislation requirements to identify important trends for consideration during strategic planning.</p> <p>The Company is testing and deploying new packaging solutions in our restaurants around the world to learn how we can reduce packaging and switch to more sustainable materials, while still delivering a great experience for our customers.</p> <p>Additionally, the Company has two key commitments: Source 100% of our primary guest packaging from renewable, recycled, or certified sources by the end of 2025, and to implement global and local solutions across our business to advance the reduction, reuse or recycling of guest packaging, and help create demand for recycled materials by the end of 2025. We understand that recycling infrastructure, regulations and consumer behaviors vary from city to city and country to country, but we plan to be part of the solution and help influence powerful change. Meeting these goals and planning for upcoming legislation has resulted in an increase in R&D. This included partnering with suppliers on the development of re-usable packaging options for specific geographic regions/items.</p>
Operations	Yes	In cases of extreme weather events, restaurant operations and deliveries have been disrupted in some geographies. As we continue to pursue climate-related scenario modeling going forward – in the short term and to long-term, we will continue to assess the materiality of these impacts to the Company, Franchisees and suppliers. Energy and GHG reducing technologies and approaches identified as opportunities are being implemented across our restaurants. An example is McDonald's digital Global Restaurant Standards (GRS, formerly GRBES) which were rolled out to countries globally in 2021. The GRS platform is designed to provide minimum Building/Equipment requirements for new restaurants and guidance on exterior/site LED lighting, Energy Management, Building construction, Refrigeration, HVAC, Local Equipment, Recycling Bins and Water Conservation. Our efforts to realize this opportunity are measured as part of our GHG and energy tracking platform on an annual basis.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Direct costs Indirect costs Capital expenditures Capital allocation Assets	McDonald's corporate and markets assess and plan for the risks and opportunities related to climate change. There are significant investments being made to activate our strategies including opportunities integrated into our financial planning to achieve our Science Based Target to reduce GHG emissions, or to implement resilience/adaptation plans and other actions to accommodate transitional and physical risks and opportunities. For example, we have integrated building / equipment efficiency measures and the associated cost savings (e.g., from energy efficiency) have been identified and incorporated into asset reinvestment plans in the short to medium-term time horizon.

C3.5

(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition	Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy
Row 1	No, and we do not plan to in the next two years	<Not Applicable>

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

- Absolute target
- Intensity target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

2°C aligned

Year target was set

2018

Target coverage

Company-wide

Scope(s)

Scope 1

Scope 2

Scope 3

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Category 5: Waste generated in operations

Category 12: End-of-life treatment of sold products

Category 14: Franchises

Base year

2015

Base year Scope 1 emissions covered by target (metric tons CO2e)

Base year Scope 2 emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year total Scope 3 emissions covered by target (metric tons CO2e)

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1:

Purchased goods and services (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)

<Not Applicable>

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

Target year

2030

Targeted reduction from base year (%)

36

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

<Calculated field>

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

<Calculated field>

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

In 2018, we committed to reducing greenhouse gas (GHG) emissions related to our restaurants and offices by 36% by the end of 2030 from a 2015 base year. This science-based target was approved by the SBTi in 2018, and we have continued to work toward it by collaborating with industries, governments, Franchisees, consumers and local communities.

We continue to enhance our methodology and data quality and can expect our baseline and annual progress figures to further adjust in the coming years.

In 2021, we joined the United Nations Race to Zero campaign, with an ambition to reach net zero emissions by 2050. Through the SBTi Business Ambition for 1.5°C campaign, we are also in the process of adapting our interim 2030 climate targets to help keep global temperature rises below 1.5°C. We intend to share more on our climate journey later this year.

Plan for achieving target, and progress made to the end of the reporting year

Since 2019, McDonald's has contracted for eight renewable energy projects through virtual power purchase agreements (VPPAs), representing both solar and wind technologies, located in the United States in Texas, Illinois, North Carolina, and Louisiana. This includes three recent wind projects that are online and operational as of January 2022. Once all projects initiated between 2019–2022 come online, the energy generated by renewable energy projects is expected to be equivalent to more than 10,000 restaurants' worth of electricity and to contribute to a 27% GHG reduction from our 2015 baseline. McDonald's portion of these renewable energy projects is expected to help to prevent approximately 3,200,000 metric tons of CO2e emissions each year. Absolute emissions related to restaurants and offices have reduced from our 2015 base year.

List the emissions reduction initiatives which contributed most to achieving this target

<Not Applicable>

C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Target reference number

Int 1

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

2°C aligned

Year target was set

2018

Target coverage

Company-wide

Scope(s)

Scope 3

Scope 2 accounting method

<Not Applicable>

Scope 3 category(ies)

Other (upstream)

Intensity metric

Metric tons CO2e per metric ton of product

Base year

2015

Intensity figure in base year for Scope 1 (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 2 (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for total Scope 3 (metric tons CO2e per unit of activity)

Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)

% of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

<Not Applicable>

% of total base year emissions in Scope 2 covered by this Scope 2 intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 1: Purchased goods and services covered by this Scope 3, Category 1: Purchased goods and services intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 2: Capital goods covered by this Scope 3, Category 2: Capital goods intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) covered by this Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution covered by this Scope 3, Category 4: Upstream transportation and distribution intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 5: Waste generated in operations covered by this Scope 3, Category 5: Waste generated in operations intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 6: Business travel covered by this Scope 3, Category 6: Business travel intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 7: Employee commuting covered by this Scope 3, Category 7: Employee commuting intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 8: Upstream leased assets covered by this Scope 3, Category 8: Upstream leased assets intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution covered by this Scope 3, Category 9: Downstream transportation and distribution intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 10: Processing of sold products covered by this Scope 3, Category 10: Processing of sold products intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 11: Use of sold products covered by this Scope 3, Category 11: Use of sold products intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products covered by this Scope 3, Category 12: End-of-life treatment of sold products intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 13: Downstream leased assets covered by this Scope 3, Category 13: Downstream leased assets intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 14: Franchises covered by this Scope 3, Category 14: Franchises intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 15: Investments covered by this Scope 3, Category 15: Investments intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Other (upstream) covered by this Scope 3, Other (upstream) intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Other (downstream) covered by this Scope 3, Other (downstream) intensity figure

<Not Applicable>

% of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this total Scope 3 intensity figure

% of total base year emissions in all selected Scopes covered by this intensity figure

Target year

2030

Targeted reduction from base year (%)

31

Intensity figure in target year for all selected Scopes (metric tons CO2e per unit of activity) [auto-calculated]

<Calculated field>

% change anticipated in absolute Scope 1+2 emissions

0

% change anticipated in absolute Scope 3 emissions

Intensity figure in reporting year for Scope 1 (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 2 (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for total Scope 3 (metric tons CO2e per unit of activity)

Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)

Does this target cover any land-related emissions?

Yes, it covers land-related and non-land related emissions (e.g. SBT approved before the release of FLAG target-setting guidance)

% of target achieved relative to base year [auto-calculated]

<Calculated field>

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

In 2018, we committed to reducing greenhouse gas (GHG) emissions related to our restaurants and offices by 36% by the end of 2030 from a 2015 base year. We're also targeting a 31% reduction in emissions intensity (per metric ton of food and packaging) across our supply chain. This science-based target was approved by the SBTi in 2018, and we have continued to work toward it by collaborating with industries, governments, suppliers, consumers and local communities.

Our target includes all emissions from purchased food, beverage and packaging products sold to customers. Note that our Scope 3 emissions are split across our two SBTi targets to accurately reflect our unique franchisee business model. The Scope 3 emissions represented in the intensity target were approximately 62% of our total Scope 3 emissions in the baseline year, with further Scope 3 emissions included in the absolute target we have for restaurants and offices. We recognize that our supply chain is a significant contributor to our total greenhouse gas emissions. In order to accurately assess and manage this impact by supplier, category and market, we have developed a system to take the best available data sources across the range of commodities and markets in which McDonald's operates and use national and industry datasets to build detailed emissions profiles for our key categories. We use this information to create reduction strategies relevant for our supply chains and to have informed discussions with suppliers in our largest emitting categories. We continue to enhance our methodology and data quality and can expect our baseline and annual progress figures to further adjust in the coming years.

In 2021, we joined the United Nations Race to Zero campaign, with an ambition to reach net zero emissions by 2050. Through the SBTi Business Ambition for 1.5°C campaign, we are also in the process of adapting our interim 2030 climate targets to help keep global temperature rises below 1.5°C. We intend to share more on our climate journey later this year.

Plan for achieving target, and progress made to the end of the reporting year

McDonald's is fully committed to taking decisive action on climate change and we recognize the critical role that our suppliers play in achieving our sustainability goals. We have developed a comprehensive strategy in partnership with our suppliers to drive progress. Our focus is on responsible sourcing and sustainable agriculture, considering the planet, people, communities, and animal well-being.

To achieve our targets, we prioritize regenerative agriculture practices that restore ecosystems, promote soil health and resiliency, and sequester carbon. We also engage suppliers on renewable energy, energy efficiency, and logistics.

Going forward, we will continue collaborating with suppliers, fostering strong partnerships, and promoting sustainability best practices. We are committed to transparently reporting progress and strive to continually improve.

List the emissions reduction initiatives which contributed most to achieving this target

<Not Applicable>

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

No other climate-related targets

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	0	
To be implemented*	0	
Implementation commenced*	10	1786000
Implemented*	4	1513000
Not to be implemented	0	

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Low-carbon energy consumption	Other, please specify (Various: Hydro, Wind, Solar, Solar PV)
-------------------------------	---

Estimated annual CO2e savings (metric tonnes CO2e)

953538

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (location-based)

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

Investment required (unit currency – as specified in C0.4)

Payback period

No payback

Estimated lifetime of the initiative

Ongoing

Comment

The Company encourages markets to develop a roadmap to integrate renewable energy. In Europe, 11 reporting markets – Austria, France, UK and Ireland, Germany, the Netherlands, Poland, Portugal, Spain, Sweden, and Switzerland – have achieved purchasing over 75% renewable electricity for their restaurants, and in many cases are at or close to 100% renewable electricity.

Initiative category & Initiative type

Low-carbon energy consumption	Other, please specify (Various: Hydro, Wind, Solar, Solar PV)
-------------------------------	---

Estimated annual CO2e savings (metric tonnes CO2e)

3299000

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

Investment required (unit currency – as specified in C0.4)

Payback period

No payback

Estimated lifetime of the initiative

Ongoing

Comment

In the US, in 2019 McDonald's committed to buy electricity from one solar and one wind project that will continue to help expand the amount of RE available in the US. McDonald's energy offtake commitments from the projects will be in the form of virtual power purchase agreements (VPPAs) with both projects located in Texas. In September 2020, the wind project became operational and the energy that will be generated by this project alone is estimated to be equivalent to over 1,500 US restaurants-worth of electricity and will help to prevent approximately 500,000 metric tons of CO2e each year. We have noted 93,972 mtCO2e in the numeric field above as the number associated with savings in the reporting year, 2020 (as the wind project became operational in September 2020). In 2020, McDonald's completed three new VPPA transactions, with two wind farms and one portfolio of solar projects slated to be built in Illinois, Oklahoma, and North Carolina.

As the projects for which contracts were executed between 2019–2022 continue coming online over the next few years, the energy generated is expected to be equivalent to more than 11,700 restaurants' worth of electricity. They are expected to contribute to a 33% reduction in GHG emissions associated with U.S. restaurant electricity usage, from our 2015 baseline. McDonald's portion of these renewable energy projects is expected to help prevent approximately 3,300,000 metric tons of CO2e emissions annually.

Initiative category & Initiative type

Energy efficiency in production processes	Product or service design
---	---------------------------

Estimated annual CO2e savings (metric tonnes CO2e)

3200

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)**Investment required (unit currency – as specified in C0.4)****Payback period**

No payback

Estimated lifetime of the initiative

Ongoing

Comment

In 2018, McDonald's China announced its action plan to focus on more sustainable restaurants and packaging. They expect to open more than 1,800 restaurants from the end of 2018 to 2022, more than 95% of which will be designed to meet LEED v4 ID+C Standard via LEED Volume Program. For the existing restaurants, McDonald's China has been continuously updating and optimizing the energy management systems, including the use of LED energy-saving lamps, as well as more efficient air conditioning and kitchen equipment. Each LEED Certification restaurant may save approximately 30 tCO2 per year. 100 LEED Certification restaurants may save 3,200 tCO2 per year.

Initiative category & Initiative type

Energy efficiency in buildings	Lighting
--------------------------------	----------

Estimated annual CO2e savings (metric tonnes CO2e)**Scope(s) or Scope 3 category(ies) where emissions savings occur**

Scope 2 (location-based)

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)**Investment required (unit currency – as specified in C0.4)****Payback period**

<1 year

Estimated lifetime of the initiative

Ongoing

Comment

LED lighting investment amounts vary by region and are incorporated into the overall cost of a standard new or rebuilt restaurant (for both the Company and Franchisees), thus we do not represent an incremental investment cost. In the US LED lighting is standard for all new and rebuilt McDonald's restaurants (excluding certain signs and equipment lamps), and in Europe LED lights are part of the restaurant guidelines for all markets. India also implements LED lighting technology in new restaurants since 2012. Restaurants that have used LED lighting in the US have achieved an estimated average reduction of 7% in energy usage per year against a 2010 baseline.

Initiative category & Initiative type

Energy efficiency in buildings	Other, please specify (Energy and water efficiency)
--------------------------------	---

Estimated annual CO2e savings (metric tonnes CO2e)**Scope(s) or Scope 3 category(ies) where emissions savings occur**

Scope 2 (location-based)

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

Investment required (unit currency – as specified in C0.4)

Payback period

No payback

Estimated lifetime of the initiative

Ongoing

Comment

McDonald's US operates an environmental sustainability program, US 20x2020 By Design. The program aims to reduce energy and water by 20% by 2020 from a 2005 base year, using innovative strategies in the design of new restaurants. These include LED lighting, low oil-volume fryers, high-efficiency hand dryers, toilets and faucets, and low-spray valves. In a concluding study, McDonald's US 2020 prototype buildings have achieved a 26.4% reduction in electric use, and a 3.7% reduction in natural gas use from 2005. For water, they achieved a total water use reduction of 19% (including a reduction of approximately 27% for hot water and water to sewer). McDonald's ECO2 program continues to help US Franchisees identify and install cost-saving energy efficiency measures in their restaurants. McDonald's US works with experts to provide restaurants surveys, analysis of available upgrades and potential savings, utility incentive management, and coordination of equipment selection and installation for the Franchisees.

Initiative category & Initiative type

Energy efficiency in production processes	Machine/equipment replacement
---	-------------------------------

Estimated annual CO2e savings (metric tonnes CO2e)

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (location-based)

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

Investment required (unit currency – as specified in C0.4)

Payback period

1-3 years

Estimated lifetime of the initiative

Ongoing

Comment

The impact of COVID-19 reduced the equipment development pipeline, which limited the amount of new equipment designs released in 2020. However, continued purchasing and upgrading of legacy equipment continued, particularly in the 2nd half of 2020. For example, roll-out of the Next Gen Grill, which provides energy savings of approximately 16% compared to previous models; the High Density Universal Holding Cabinet that increases hot holding capacity and reduces energy use by about 31% compared to the previous holding cabinet; Continuing roll-out of bun toasters that provide up to 55% better energy efficiency than the previous model; Continuing roll-out of the "IDLE mode" for Henny Penny LOV Fryer, which reduces energy consumption when fryer vats are not actively cooking products. Typically, a vat will go into IDLE mode if there is no cooking for 30 minutes. Actual investment costs and estimated monetary and CO2e savings results will vary by restaurant.

Initiative category & Initiative type

Energy efficiency in buildings	Other, please specify (Various initiatives)
--------------------------------	---

Estimated annual CO2e savings (metric tonnes CO2e)

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

Investment required (unit currency – as specified in C0.4)

Payback period

No payback

Estimated lifetime of the initiative

Ongoing

Comment

In 2020, McDonald's launched a new Net Zero Energy restaurant in the US designed to create enough renewable energy on-site to cover 100% of its energy needs on a net annual basis. The restaurant includes a solar-paneled roof, photovoltaic glass panels integrated throughout the building, and solar parking lot lights on the property's exterior. It also has an automated energy system and passive ventilation dining-room that circulates air and regulates temperature. This global flagship restaurant will serve as a learning hub for McDonald's to test solutions for reducing energy and water use, a testament to the Company's ongoing commitment to sustainable innovation.

Initiative category & Initiative type

Waste reduction and material circularity	Waste reduction
--	-----------------

Estimated annual CO2e savings (metric tonnes CO2e)

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 3 category 5: Waste generated in operations

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)**Investment required (unit currency – as specified in C0.4)****Payback period**

No payback

Estimated lifetime of the initiative

Ongoing

Comment

The Company is testing and deploying new packaging solutions in our restaurants globally to reduce packaging and switch to more sustainable materials, while still delivering a great experience for our customers. We are accelerating our progress to reduce plastics across our portfolio, including:

- Paper straws and wooden cutlery have been deployed in 50 markets
- Transition to molded fiber technology is progressing across the European region for cold lids, hot lids, and sundae cup and lid packaging
- Wooden stirrers are now deployed in markets across the globe, with the remaining markets to complete transition in 2023.

Additionally, we've made progress in recycling of customer packaging at our restaurants. In 2022, more than 85% of restaurants in markets with advanced infrastructure* offered guests the opportunity to recycle packaging items. In these restaurants, guest packaging is collected in customer-facing recycling bins or back-of-house for off-site sorting and recycling utilizing existing local waste infrastructure systems.

*Markets with Advanced Infrastructure: Mature waste and recycling infrastructure at a national level that has: (1) recycling infrastructure network across the entire market, (2) multiple materials being recycled within this national infrastructure network, (3) existing legislation on recycling, (4) high customer awareness of waste and recycling. At the end of 2022, that included 21 markets where McDonald's operates.

Initiative category & Initiative type

Energy efficiency in buildings	Other, please specify (Various initiatives)
--------------------------------	---

Estimated annual CO2e savings (metric tonnes CO2e)**Scope(s) or Scope 3 category(ies) where emissions savings occur**

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)**Investment required (unit currency – as specified in C0.4)****Payback period**

No payback

Estimated lifetime of the initiative

Ongoing

Comment

McDonald's Australia launched its 1,000th restaurant as the market's first sustainability flagship and hub for testing industry-leading sustainability innovations. It features 25 core initiatives to reduce its environmental impact, from energy-efficiency to water conservation to recycling, and is designed to operate with 100% renewable energy, with elements like carbon neutral McDelivery.

C4.3c**(C4.3c) What methods do you use to drive investment in emissions reduction activities?**

Method	Comment
Dedicated budget for other emissions reduction activities	Varies by market
Employee engagement	Varies by market
Internal incentives/recognition programs	Supplier engagement programs and CDP Supply Chain
Internal incentives/recognition programs	Varies by market
Dedicated budget for energy efficiency	Varies by market
Compliance with regulatory requirements/standards	Varies by market

C4.5**(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?**

Yes

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.**Level of aggregation**

Group of products or services

Taxonomy used to classify product(s) or service(s) as low-carbon

Other, please specify (Energy efficiency leads to GHG reduction, we do not currently track according to a formal Taxonomy)

Type of product(s) or service(s)

Other	Other, please specify (Guidance provided to Franchisees on exterior/site LED lighting, Energy Management, Building construction, Refrigeration, HVAC, Local Equipment, Recycling Bins and Water Conservation)
-------	---

Description of product(s) or service(s)

As a franchise organization, the Company provides energy saving solutions and technologies to Franchisees which enable them to avoid emissions at their restaurants. An example is McDonald's digital Global Standards (GRS, formerly GRBES) which was rolled out to countries globally through 2021. The GRS platform is designed to provide Building/Equipment requirements for new restaurants as well as recommendations and shared learnings guidance, and includes guidance on exterior/site LED lighting, Energy Management, Building construction, Refrigeration, HVAC, Local Equipment, Recycling Bins and Water Conservation. Prior to the launch of GRS, markets in Europe developed their own internal building standards in consultation with external experts, designed to be scalable across all new and remodeled restaurants. In 2015, the Company issued an update of the guidelines on new store openings, which included a broader range of more impactful recommendations and sustainability solutions for restaurants, included expanded energy efficiency measures. These guidelines and standards, applicable for both Company-owned and Franchisee restaurants, can help to reduce GHG emissions.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

No

Methodology used to calculate avoided emissions

<Not Applicable>

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

<Not Applicable>

Functional unit used

<Not Applicable>

Reference product/service or baseline scenario used

<Not Applicable>

Life cycle stage(s) covered for the reference product/service or baseline scenario

<Not Applicable>

Estimated avoided emissions (metric tons CO₂e per functional unit) compared to reference product/service or baseline scenario

<Not Applicable>

Explain your calculation of avoided emissions, including any assumptions

<Not Applicable>

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year**Level of aggregation**

Product or service

Taxonomy used to classify product(s) or service(s) as low-carbon

Other, please specify (Electric vehicles can reduce GHGs, we do not currently track according to a formal Taxonomy)

Type of product(s) or service(s)

Please select

Description of product(s) or service(s)

Electric Vehicle Charging Stations: In some markets, McDonald's restaurants have installed Electric Vehicle Charging Units as an added service benefit for customers. We take a holistic approach to sustainability and that means exploring ways to help our customers reduce their own environmental impact. To help our customers embrace more sustainable technologies, we are in the process of rolling out electric vehicle (EV) charging points at numerous restaurants around the world.

In the Netherlands, there are over 100 fast-charging point across McDonald's restaurants.

McDonald's Sweden has worked with Recharge (formerly Fortum) since 2012 and with EON since 2018 to establish fast chargers for electric cars in Sweden. McDonald's U.K. has entered a partnership with InstaVolt to introduce EV rapid-charging points as standard across new freehold Drive-Thru restaurants.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

No

Methodology used to calculate avoided emissions

<Not Applicable>

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

<Not Applicable>

Functional unit used

<Not Applicable>

Reference product/service or baseline scenario used

<Not Applicable>

Life cycle stage(s) covered for the reference product/service or baseline scenario

<Not Applicable>

Estimated avoided emissions (metric tons CO₂e per functional unit) compared to reference product/service or baseline scenario

<Not Applicable>

Explain your calculation of avoided emissions, including any assumptions

<Not Applicable>

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

Yes, a divestment

Name of organization(s) acquired, divested from, or merged with

McDonald's Russia, Belarus, and Kazakhstan

Details of structural change(s), including completion dates

In response to the humanitarian crisis caused by the war in Ukraine and the resulting unpredictable operating environment in Russia, we paused our Ukrainian operations in March 2022 and exited the Russian market by selling our entire restaurant portfolio in June 2022. We reopened Ukrainian restaurants in September 2022.

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	Yes, a change in methodology Yes, a change in boundary	Divestiture of Russia, Belarus, and Kazakhstan markets. These markets are no longer included in the corporate footprint. Modeling of all major agricultural commodities has been updated include statistical land use change emissions. Addition information on land use change emissions locations has been added for beef sourced from Paraguay and Argentina in 2022 versus 2021.

C5.1c

(C5.1c) Have your organization's base year emissions and past years' emissions been recalculated as a result of any changes or errors reported in C5.1a and/or C5.1b?

	Base year recalculation	Scope(s) recalculated	Base year emissions recalculation policy, including significance threshold	Past years' recalculation
Row 1	No, because we do not have the data yet and plan to recalculate next year	<Not Applicable>	In 2021, we joined the United Nations Race to Zero campaign, with an ambition to reach to net zero emissions by 2050. Through the SBTi Business Ambition for 1.5°C campaign, we are also in the process of adapting our interim 2030 climate targets to help keep global temperature rises below 1.5°C. We intend to share more on our climate journey later this year.	Please select

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 2 (location-based)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 2 (market-based)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 1: Purchased goods and services

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 2: Capital goods

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 4: Upstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 5: Waste generated in operations

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 6: Business travel

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 7: Employee commuting

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 8: Upstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 9: Downstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 10: Processing of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 11: Use of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 12: End of life treatment of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 13: Downstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 14: Franchises

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 15: Investments

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (downstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

The Greenhouse Gas Protocol Agricultural Guidance: Interpreting the Corporate Accounting and Reporting Standard for the Agricultural Sector

The Greenhouse Gas Protocol: Scope 2 Guidance

The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

100009

Start date

January 1 2022

End date

December 31 2022

Comment

We are in the process of adapting our interim 2030 climate targets to help keep global temperature rises below 1.5°C. We intend to share more on our climate journey later this year.

Past year 1

Gross global Scope 1 emissions (metric tons CO2e)

102177

Start date

January 1 2021

End date

December 31 2021

Comment

Past year 2

Gross global Scope 1 emissions (metric tons CO2e)

Start date

End date

Comment

Past year 3

Gross global Scope 1 emissions (metric tons CO2e)

Start date

End date

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

338268

Scope 2, market-based (if applicable)

238734

Start date

January 1 2022

End date

December 31 2022

Comment

We are in the process of adapting our interim 2030 climate targets to help keep global temperature rises below 1.5°C. We intend to share more on our climate journey later this year.

Past year 1

Scope 2, location-based

365505

Scope 2, market-based (if applicable)

313022

Start date

January 1 2021

End date

December 31 2021

Comment

Past year 2

Scope 2, location-based

Scope 2, market-based (if applicable)

Start date

End date

Comment

Past year 3

Scope 2, location-based

Scope 2, market-based (if applicable)

Start date

End date

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1, Scope 2, or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source of excluded emissions

Emissions for Company-owned offices outside of the U.S., larger European markets (Austria, Belgium, Czech Republic, France, Germany, Ireland, Poland, Portugal, Slovakia, Spain, Switzerland, United Kingdom), Canada, China, Brazil, Japan, South Korea, and Australia

Scope(s) or Scope 3 category(ies)

Scope 1
Scope 2 (location-based)
Scope 2 (market-based)

Relevance of Scope 1 emissions from this source

Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of Scope 3 emissions from this source

<Not Applicable>

Date of completion of acquisition or merger

<Not Applicable>

Estimated percentage of total Scope 1+2 emissions this excluded source represents

1

Estimated percentage of total Scope 3 emissions this excluded source represents

<Not Applicable>

Explain why this source is excluded

These emissions sources were not estimated due to incomplete and insufficient data availability at corporate level for estimation and/or extrapolation. In recent years, estimated emissions for Company-owned offices based outside of larger markets represented less than 1% of both Scope 1 and Scope 2 emissions and were deemed not relevant to complete for the analysis.

Explain how you estimated the percentage of emissions this excluded source represents

Estimated based on office area footprint and associated average emissions onsite in comparison to restaurants.

Source of excluded emissions

Emissions for Company-owned or controlled fleets outside of the U.S.

Scope(s) or Scope 3 category(ies)

Scope 1

Relevance of Scope 1 emissions from this source

Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source

<Not Applicable>

Relevance of market-based Scope 2 emissions from this source

<Not Applicable>

Relevance of Scope 3 emissions from this source

<Not Applicable>

Date of completion of acquisition or merger

<Not Applicable>

Estimated percentage of total Scope 1+2 emissions this excluded source represents

1

Estimated percentage of total Scope 3 emissions this excluded source represents

<Not Applicable>

Explain why this source is excluded

These emissions sources were not estimated due to incomplete and insufficient data availability at corporate level for estimation and/or extrapolation. In recent years, estimated emissions for Company-owned or controlled fleets based outside of the U.S. represented less than 1% of both Scope 1 and Scope 2 emissions and were deemed not relevant to complete for the analysis.

Explain how you estimated the percentage of emissions this excluded source represents

Estimate based on number of vehicles in in owned and controlled fleets in comparison to restaurant operations.

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

51764160

Emissions calculation methodology

Average data method

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Emissions were calculated using Aligned Incentives' hybrid life cycle assessment models and database for 100% of procured food, beverage and packaging products procured over the reporting period for both Company owned and Franchisee restaurants.

All values represent cradle-to-gate emissions across all GHG emissions identified in the GHG Protocol Value Chain Standard, using GWP values from the IPCC Fifth Assessment Report.

Capital goods

Evaluation status

Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Due to lack of availability of consistent, global data at time of reporting to enable analysis, we will not report estimated emissions from capital goods at this time.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

108824

Emissions calculation methodology

Hybrid method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Emissions were calculated using data on the energy consumption for company owned restaurants only, as well as energy consumption for U.S. and European offices and fleets. Emissions factors represent upstream emissions from the production and transportation of fuels consumed in the reporting year as well as T&D losses associated with electricity use. For electricity, upstream fuel consumption was based on a market-based method, using the fuel mix for the local grid for each facility to calculate supply chain emissions. Values were calculated using GWP values from the IPCC Fifth Assessment Report.

Upstream transportation and distribution

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

1979226

Emissions calculation methodology

Hybrid method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

81

Please explain

The reported figure represents total emissions from outbound transportation and distribution center activities, as provided by the company's top suppliers. These emissions cover markets composing the vast majority of all restaurants globally (both company and Franchisee owned). Emissions from outbound transportation and distribution center activities for the remaining stores were estimated by using a weighted average per-store value, calculated across all reporting markets. Inbound emissions are also included in this estimate, but are extrapolated due to lack of data. Emissions from inbound transportation were calculated using country-level inbound-to-outbound emissions ratios from an analysis conducted by the company's largest suppliers.

Waste generated in operations

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

522182

Emissions calculation methodology

Average data method

Waste-type-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

The reported figure represents total emissions from waste generated in operations that are not associated with final food and packaging delivered to customers post sale for both Company and Franchisee restaurants.

Business travel

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

13375

Emissions calculation methodology

Fuel-based method

Other, please specify (Obtained from vendors)

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

The reported figure represents total emissions from all corporate air and rail travel, as well as lodging. These values are as reported directly by the company's travel vendors.

Employee commuting

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Not yet evaluated at time of disclosure. Emissions from this category represented less than 1% of total emissions when estimated in a prior years' more holistic Scope 3 analysis. As such, this category was excluded from the analysis.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Upstream leased assets are not applicable in the Company's business.

Downstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Downstream transportation and distribution to the end consumer is not currently a sizeable part of McDonald's operational model and the GHG emissions magnitude is estimated as small compared to other Scope 3 categories noted here. We will continue to evaluate relevance in future years.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Not relevant because there is no downstream processing of sold products for McDonald's.

Use of sold products

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Not relevant because there are no GHG emissions from the use of sold products.

End of life treatment of sold products

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

1660896

Emissions calculation methodology

Waste-type-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

The reported figure represents total emissions from waste generated in operations that are associated with final food and packaging delivered to customers post sale for both Company and Franchisee restaurants.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Emissions from assets that the Company owns and leases to Franchisees are represented in the franchise-related emissions figures.

Franchises

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

6569272

Emissions calculation methodology

Franchise-specific method
Other, please specify (Predictive model and linear extrapolation of refrigerant emissions)

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Represents Franchisee Scope 1 & 2 emissions. Primary data was collected from Franchisee restaurants in the largest markets. A predictive model drawing from the data collected from these stores was used to extrapolate energy data for all non-reporting stores open at some point during the reporting period. Refrigerant emissions were estimated using linear extrapolation of Company-owned restaurant data.

Investments

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

The Company does not have significant investments as part of its core business.

Other (upstream)

Evaluation status

Not evaluated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Other (downstream)

Evaluation status

Not evaluated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

C6.5a

(C6.5a) Disclose or restate your Scope 3 emissions data for previous years.

Past year 1

Start date

End date

Scope 3: Purchased goods and services (metric tons CO2e)

Scope 3: Capital goods (metric tons CO2e)

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

Scope 3: Upstream transportation and distribution (metric tons CO2e)

Scope 3: Waste generated in operations (metric tons CO2e)

Scope 3: Business travel (metric tons CO2e)

Scope 3: Employee commuting (metric tons CO2e)

Scope 3: Upstream leased assets (metric tons CO2e)

Scope 3: Downstream transportation and distribution (metric tons CO2e)

Scope 3: Processing of sold products (metric tons CO2e)

Scope 3: Use of sold products (metric tons CO2e)

Scope 3: End of life treatment of sold products (metric tons CO2e)

Scope 3: Downstream leased assets (metric tons CO2e)

Scope 3: Franchises (metric tons CO2e)

Scope 3: Investments (metric tons CO2e)

Scope 3: Other (upstream) (metric tons CO2e)

Scope 3: Other (downstream) (metric tons CO2e)

Comment

Past year 2

Start date

End date

Scope 3: Purchased goods and services (metric tons CO2e)

Scope 3: Capital goods (metric tons CO2e)

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

Scope 3: Upstream transportation and distribution (metric tons CO2e)

Scope 3: Waste generated in operations (metric tons CO2e)

Scope 3: Business travel (metric tons CO2e)

Scope 3: Employee commuting (metric tons CO2e)

Scope 3: Upstream leased assets (metric tons CO2e)

Scope 3: Downstream transportation and distribution (metric tons CO2e)

Scope 3: Processing of sold products (metric tons CO2e)

Scope 3: Use of sold products (metric tons CO2e)

Scope 3: End of life treatment of sold products (metric tons CO2e)

Scope 3: Downstream leased assets (metric tons CO2e)

Scope 3: Franchises (metric tons CO2e)

Scope 3: Investments (metric tons CO2e)

Scope 3: Other (upstream) (metric tons CO2e)

Scope 3: Other (downstream) (metric tons CO2e)

Comment

Past year 3

Start date

End date

Scope 3: Purchased goods and services (metric tons CO2e)

Scope 3: Capital goods (metric tons CO2e)

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

Scope 3: Upstream transportation and distribution (metric tons CO2e)

Scope 3: Waste generated in operations (metric tons CO2e)

Scope 3: Business travel (metric tons CO2e)

Scope 3: Employee commuting (metric tons CO2e)

Scope 3: Upstream leased assets (metric tons CO2e)

Scope 3: Downstream transportation and distribution (metric tons CO2e)

Scope 3: Processing of sold products (metric tons CO2e)

Scope 3: Use of sold products (metric tons CO2e)

Scope 3: End of life treatment of sold products (metric tons CO2e)

Scope 3: Downstream leased assets (metric tons CO2e)

Scope 3: Franchises (metric tons CO2e)

Scope 3: Investments (metric tons CO2e)

Scope 3: Other (upstream) (metric tons CO2e)

Scope 3: Other (downstream) (metric tons CO2e)

Comment

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.000014616

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

338832

Metric denominator

unit total revenue

Metric denominator: Unit total

23182600000

Scope 2 figure used

Market-based

% change from previous year

18.26

Direction of change

Decreased

Reason(s) for change

Other, please specify (This metric has marginally decreased between 2020 and 2021, largely driven by an increase in renewable energy sourcing. This is not a key metric we actively use to assess progress against our Science Based Targets.)

Please explain

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO ₂ e)	GWP Reference
CH ₄	41	IPCC Fifth Assessment Report (AR5 – 100 year)
CO ₂	85905	IPCC Fifth Assessment Report (AR5 – 100 year)
HFCs	14153	IPCC Fifth Assessment Report (AR5 – 100 year)
N ₂ O	0	IPCC Fifth Assessment Report (AR5 – 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/area/region.

Country/area/region	Scope 1 emissions (metric tons CO ₂ e)
Europe	20216
Other, please specify (Global/Unspecified)	31921
North America	46752
Asia, Australasia, Middle East and Africa	1210

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By activity

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO ₂ e)
Heating Oil	158
Natural Gas	54824
Propane / NGL	186
Refrigerants	13010
Mobile Fuels	31921

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/area/region.

Country/area/region	Scope 2, location-based (metric tons CO ₂ e)	Scope 2, market-based (metric tons CO ₂ e)
Europe	83405	31050
North America	188062	140883
Asia, Australasia, Middle East and Africa	66801	66801

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By activity

C7.6c

(C7.6c) Break down your total gross global Scope 2 emissions by business activity.

Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
District Heating	603	603
Electricity	337665	238130

C7.7

(C7.7) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Not relevant as we do not have any subsidiaries

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change in emissions	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption		<Not Applicable>		N/A
Other emissions reduction activities		<Not Applicable>		N/A
Divestment		<Not Applicable>		N/A
Acquisitions		<Not Applicable>		N/A
Mergers		<Not Applicable>		N/A
Change in output	736376	Decreased	18.39	o Total from 2021 (reporting year) = 338832 metric tons CO2e o Total from 2020 = 415199 metric tons CO2e
Change in methodology		<Not Applicable>		N/A
Change in boundary		<Not Applicable>		N/A
Change in physical operating conditions		<Not Applicable>		N/A
Unidentified		<Not Applicable>		N/A
Other		<Not Applicable>		N/A

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	Yes
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	430811	430811
Consumption of purchased or acquired electricity	<Not Applicable>	441043	567110	1008153
Consumption of purchased or acquired heat	<Not Applicable>	0	2838	2838
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	185	<Not Applicable>	185
Total energy consumption	<Not Applicable>	441228	1000759	1441987

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value

Please select

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Other biomass

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Other renewable fuels (e.g. renewable hydrogen)

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Coal

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Oil

Heating value

HHV

Total fuel MWh consumed by the organization

624

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

We are reporting on our use of Fuel Oil Number 2 for this response

Gas

Heating value

HHV

Total fuel MWh consumed by the organization

302531

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

We are reporting on our use of Natural Gas and Propane Gas for this response

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value

HHV

Total fuel MWh consumed by the organization

127656

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

We are reporting on our use of Jet Kerosene and Motor Gasoline for this response

Total fuel

Heating value

HHV

Total fuel MWh consumed by the organization

430811

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity				
Heat				
Steam				
Cooling				

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in C6.3.

Country/area of low-carbon energy consumption

Austria

Sourcing method

Unbundled procurement of energy attribute certificates (EACs)

Energy carrier

Electricity

Low-carbon technology type

Hydropower (capacity unknown)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

5314

Tracking instrument used

Please select

Country/area of origin (generation) of the low-carbon energy or energy attribute

Please select

Are you able to report the commissioning or re-powering year of the energy generation facility?

Please select

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

<Not Applicable>

Comment

Country/area of low-carbon energy consumption

Austria

Sourcing method

Retail supply contract with an electricity supplier (retail green electricity)

Energy carrier

Electricity

Low-carbon technology type

Please select

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

291

Tracking instrument used

Please select

Country/area of origin (generation) of the low-carbon energy or energy attribute

Please select

Are you able to report the commissioning or re-powering year of the energy generation facility?

Please select

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

<Not Applicable>

Comment

Country/area of low-carbon energy consumption

Belgium

Sourcing method

Physical power purchase agreement (physical PPA) with a grid-connected generator

Energy carrier

Electricity

Low-carbon technology type

Please select

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

700

Tracking instrument used

Please select

Country/area of origin (generation) of the low-carbon energy or energy attribute

Please select

Are you able to report the commissioning or re-powering year of the energy generation facility?

Please select

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

<Not Applicable>

Comment

Country/area of low-carbon energy consumption

France

Sourcing method

Unbundled procurement of energy attribute certificates (EACs)

Energy carrier

Electricity

Low-carbon technology type

Wind

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

23249

Tracking instrument used

Please select

Country/area of origin (generation) of the low-carbon energy or energy attribute

Please select

Are you able to report the commissioning or re-powering year of the energy generation facility?

Please select

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

<Not Applicable>

Comment

Onshore wind

Country/area of low-carbon energy consumption

France

Sourcing method

Unbundled procurement of energy attribute certificates (EACs)

Energy carrier

Electricity

Low-carbon technology type

Hydropower (capacity unknown)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

15212

Tracking instrument used

Please select

Country/area of origin (generation) of the low-carbon energy or energy attribute

Please select

Are you able to report the commissioning or re-powering year of the energy generation facility?

Please select

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

<Not Applicable>

Comment

Country/area of low-carbon energy consumption

France

Sourcing method

Unbundled procurement of energy attribute certificates (EACs)

Energy carrier

Electricity

Low-carbon technology type

Solar

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

8779

Tracking instrument used

Please select

Country/area of origin (generation) of the low-carbon energy or energy attribute

Please select

Are you able to report the commissioning or re-powering year of the energy generation facility?

Please select

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

<Not Applicable>

Comment

Offsite solar

Country/area of low-carbon energy consumption

France

Sourcing method

Unbundled procurement of energy attribute certificates (EACs)

Energy carrier

Electricity

Low-carbon technology type

Geothermal

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

62131

Tracking instrument used

Please select

Country/area of origin (generation) of the low-carbon energy or energy attribute

Please select

Are you able to report the commissioning or re-powering year of the energy generation facility?

Please select

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

<Not Applicable>

Comment

Country/area of low-carbon energy consumption

Germany

Sourcing method

Unbundled procurement of energy attribute certificates (EACs)

Energy carrier

Electricity

Low-carbon technology type

Hydropower (capacity unknown)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

35551

Tracking instrument used

Please select

Country/area of origin (generation) of the low-carbon energy or energy attribute

Please select

Are you able to report the commissioning or re-powering year of the energy generation facility?

Please select

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

<Not Applicable>

Comment

Country/area of low-carbon energy consumption

Ireland

Sourcing method

Physical power purchase agreement (physical PPA) with a grid-connected generator

Energy carrier

Electricity

Low-carbon technology type

Please select

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

760

Tracking instrument used

Please select

Country/area of origin (generation) of the low-carbon energy or energy attribute

Please select

Are you able to report the commissioning or re-powering year of the energy generation facility?

Please select

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

<Not Applicable>

Comment

Country/area of low-carbon energy consumption

Italy

Sourcing method

Unbundled procurement of energy attribute certificates (EACs)

Energy carrier

Electricity

Low-carbon technology type

Hydropower (capacity unknown)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

988

Tracking instrument used

Please select

Country/area of origin (generation) of the low-carbon energy or energy attribute

Please select

Are you able to report the commissioning or re-powering year of the energy generation facility?

Please select

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

<Not Applicable>

Comment

Country/area of low-carbon energy consumption

Italy

Sourcing method

Unbundled procurement of energy attribute certificates (EACs)

Energy carrier

Electricity

Low-carbon technology type

Solar

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

2035

Tracking instrument used

Please select

Country/area of origin (generation) of the low-carbon energy or energy attribute

Please select

Are you able to report the commissioning or re-powering year of the energy generation facility?

Please select

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

<Not Applicable>

Comment

Offsite solar

Country/area of low-carbon energy consumption

Netherlands

Sourcing method

Unbundled procurement of energy attribute certificates (EACs)

Energy carrier

Electricity

Low-carbon technology type

Wind

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

10396

Tracking instrument used

Please select

Country/area of origin (generation) of the low-carbon energy or energy attribute

Please select

Are you able to report the commissioning or re-powering year of the energy generation facility?

Please select

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

<Not Applicable>

Comment

Onshore wind

Country/area of low-carbon energy consumption

Poland

Sourcing method

Physical power purchase agreement (physical PPA) with a grid-connected generator

Energy carrier

Electricity

Low-carbon technology type

Hydropower (capacity unknown)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

20285

Tracking instrument used

Please select

Country/area of origin (generation) of the low-carbon energy or energy attribute

Please select

Are you able to report the commissioning or re-powering year of the energy generation facility?

Please select

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

<Not Applicable>

Comment

Country/area of low-carbon energy consumption

Portugal

Sourcing method

Retail supply contract with an electricity supplier (retail green electricity)

Energy carrier

Electricity

Low-carbon technology type

Hydropower (capacity unknown)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

7522

Tracking instrument used

Please select

Country/area of origin (generation) of the low-carbon energy or energy attribute

Please select

Are you able to report the commissioning or re-powering year of the energy generation facility?

Please select

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

<Not Applicable>

Comment

Country/area of low-carbon energy consumption

Spain

Sourcing method

Unbundled procurement of energy attribute certificates (EACs)

Energy carrier

Please select

Low-carbon technology type

Hydropower (capacity unknown)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

4894

Tracking instrument used

Please select

Country/area of origin (generation) of the low-carbon energy or energy attribute

Please select

Are you able to report the commissioning or re-powering year of the energy generation facility?

Please select

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

<Not Applicable>

Comment

Country/area of low-carbon energy consumption

Spain

Sourcing method

Unbundled procurement of energy attribute certificates (EACs)

Energy carrier

Electricity

Low-carbon technology type

Wind

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

16818

Tracking instrument used

Please select

Country/area of origin (generation) of the low-carbon energy or energy attribute

Please select

Are you able to report the commissioning or re-powering year of the energy generation facility?

Please select

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

<Not Applicable>

Comment

Onshore wind

Country/area of low-carbon energy consumption

Spain

Sourcing method

Unbundled procurement of energy attribute certificates (EACs)

Energy carrier

Electricity

Low-carbon technology type

Solar

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

3142

Tracking instrument used

Please select

Country/area of origin (generation) of the low-carbon energy or energy attribute

Please select

Are you able to report the commissioning or re-powering year of the energy generation facility?

Please select

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

<Not Applicable>

Comment

Offsite solar

Country/area of low-carbon energy consumption

Spain

Sourcing method

Unbundled procurement of energy attribute certificates (EACs)

Energy carrier

Electricity

Low-carbon technology type

Other biomass

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

712

Tracking instrument used

Please select

Country/area of origin (generation) of the low-carbon energy or energy attribute

Please select

Are you able to report the commissioning or re-powering year of the energy generation facility?

Please select

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

<Not Applicable>

Comment

Country/area of low-carbon energy consumption

Switzerland

Sourcing method

Unbundled procurement of energy attribute certificates (EACs)

Energy carrier

Electricity

Low-carbon technology type

Hydropower (capacity unknown)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

7808

Tracking instrument used

Please select

Country/area of origin (generation) of the low-carbon energy or energy attribute

Please select

Are you able to report the commissioning or re-powering year of the energy generation facility?

Please select

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

<Not Applicable>

Comment

Country/area of low-carbon energy consumption

United Kingdom of Great Britain and Northern Ireland

Sourcing method

Physical power purchase agreement (physical PPA) with a grid-connected generator

Energy carrier

Electricity

Low-carbon technology type

Please select

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

110370

Tracking instrument used

Please select

Country/area of origin (generation) of the low-carbon energy or energy attribute

Please select

Are you able to report the commissioning or re-powering year of the energy generation facility?

Please select

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

<Not Applicable>

Comment

Country/area of low-carbon energy consumption

United States of America

Sourcing method

Financial (virtual) power purchase agreement (VPPA)

Energy carrier

Electricity

Low-carbon technology type

Wind

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

102003

Tracking instrument used

Please select

Country/area of origin (generation) of the low-carbon energy or energy attribute

Please select

Are you able to report the commissioning or re-powering year of the energy generation facility?

Please select

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

<Not Applicable>

Comment

Onshore wind

Country/area of low-carbon energy consumption

United States of America

Sourcing method

Financial (virtual) power purchase agreement (VPPA)

Energy carrier

Electricity

Low-carbon technology type

Solar

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

2084

Tracking instrument used

Please select

Country/area of origin (generation) of the low-carbon energy or energy attribute

Please select

Are you able to report the commissioning or re-powering year of the energy generation facility?

Please select

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

<Not Applicable>

Comment

Offsite solar

C8.2g

(C8.2g) Provide a breakdown by country/area of your non-fuel energy consumption in the reporting year.

Country/area

Australia

Consumption of purchased electricity (MWh)

94063

Consumption of self-generated electricity (MWh)

185

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Austria

Consumption of purchased electricity (MWh)

6646

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

670

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Belgium

Consumption of purchased electricity (MWh)

700

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Canada

Consumption of purchased electricity (MWh)

67541

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Czechia

Consumption of purchased electricity (MWh)

89

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

France

Consumption of purchased electricity (MWh)

111570

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Germany

Consumption of purchased electricity (MWh)

46084

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

1242

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Ireland

Consumption of purchased electricity (MWh)

760

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Italy

Consumption of purchased electricity (MWh)

23241

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Netherlands

Consumption of purchased electricity (MWh)

10528

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

New Zealand

Consumption of purchased electricity (MWh)

7414

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Poland

Consumption of purchased electricity (MWh)

26471

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

630

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Portugal

Consumption of purchased electricity (MWh)

16391

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Slovakia

Consumption of purchased electricity (MWh)

3569

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Spain

Consumption of purchased electricity (MWh)

28121

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Switzerland

Consumption of purchased electricity (MWh)

7973

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

297

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Ukraine

Consumption of purchased electricity (MWh)

22240

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

United Kingdom of Great Britain and Northern Ireland

Consumption of purchased electricity (MWh)

110370

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

United States of America

Consumption of purchased electricity (MWh)

424381

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	No third-party verification or assurance
Scope 2 (location-based or market-based)	No third-party verification or assurance
Scope 3	No third-party verification or assurance

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, but we are actively considering verifying within the next two years

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, but we anticipate being regulated in the next three years

C11.1d

(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

We monitor regulations that will affect McDonald's operations through our internal cross-functional teams and respond accordingly as part of our holistic risk management approach, as outlined in C2.2.

The Company also leverages partnerships and insights from leading external environmental stakeholders and industry groups to continually monitor and integrate the latest factors (science, policy, geopolitics, trends) into our climate risk and resiliency planning.

Based on globally developed and leading climate scenarios, in 2021-2022 the Company conducted and analyzed scenario modeling to understand the transition and physical risks and opportunities for the McDonald's System, including our supply chain, Company offices, and Company-owned and Franchisee restaurants. The analysis will include the implications of carbon pricing mechanisms and water-related risks. In line with our corporate sustainability tracking system, a data analysis platform was developed for assessing the potential impact of carbon taxes and water-related risks across all global locations, and on key commodities and sourcing regions.

To assess transition risk, we chose the Sustainable Development Scenario (SDS) from the World Energy Model of the International Energy Agency (the IEA). In line with TCFD recommendations, we chose the IEA's SDS model as a recognized and comparable third-party scenario that allows us to assess our resilience in a world where global temperatures are limited to well below 2°C. The SDS outlines a major transformation of the global energy system by 2040 and is characterized by widespread adoption of clean energy policies and regulation. Our initial transition risk assessment is focused on emerging regulation on carbon pricing mechanisms, specifically the carbon price exposure to the McDonald's System in a low-carbon scenario. Our assessment covers all Company-owned and Franchisee restaurants globally. We also assessed our key agricultural commodities that represent our main supply chain GHG drivers globally, with the ambition to expand this modeling in the near future. The results of the analysis will help us understand the potential financial impact to our business by scenario and time period and directional focus in terms of priority locations and commodities.

C11.2

(C11.2) Has your organization canceled any project-based carbon credits within the reporting year?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect GHG emissions data at least annually from suppliers
Collect targets information at least annually from suppliers
Collect climate-related risk and opportunity information at least annually from suppliers
Collect climate transition plan information at least annually from suppliers
Collect other climate related information at least annually from suppliers

% of suppliers by number

15

% total procurement spend (direct and indirect)

81

% of supplier-related Scope 3 emissions as reported in C6.5

85.83

Rationale for the coverage of your engagement

We collect information on all of our sourcing through our TraQtion and Distribution Center information which would cover suppliers in every market we have data for. We cannot categorically state the % of total suppliers who respond to CDP Supply Chain so have used 15% as a conservative lower estimate of suppliers covered through information collection. We have calculated the spend with suppliers we request information on through CDP as a percentage of our annual food and paper spend as a conservative lower estimate of suppliers covered through information collection. In 2022, we asked 145 suppliers to report to CDP Climate and Forest reports. This was up from 2021 when we asked 131 suppliers to report to CDP Climate. For CDP Forest in 2021, we requested 124 suppliers to report, representing 80% of our global spend across Food & Beverage, Paper & Packaging, and Logistics & Equipment. The 2022 data encompasses all globally managed beef, chicken, dairy, cheese, fiber-based packaging, bakery and baked goods, logistics, equipment, produce, liquid products and potato suppliers, and the largest plastic packaging suppliers as well as a number of large volume & spend suppliers in key markets.

Impact of engagement, including measures of success

As a Lead Member of CDP Supply Chain, one way we track supplier information and progress on climate action is through their annual CDP disclosures. In 2022, we received an 88% disclosure response rate from suppliers to our CDP Supply Chain Climate information collection. This represents a 1% decrease in engagement score from an 89%

Comment

As a Lead Member of CDP Supply Chain, one way we track supplier information and progress on climate action is through their annual CDP disclosures. In 2022, we received an 88% disclosure response rate from suppliers to our CDP Supply Chain Climate information collection. This represents a 1% decrease in engagement score from an 89% response rate in 2021. This decreased response rate coincided with an increase in the number of suppliers invited to disclose – from 131 in 2021 to 145 in 2022. Based on information collected annually from suppliers and information collected from McDonald's markets globally on product volumes, origins, processing locations and markets supplied, we model the emissions impact every major supplier has within our supply chain by key product. We share this information with procurement leads globally and sustainability leads in key markets to support conversations on our expectations for climate action. For our highest emitting categories, we expect that all globally managed suppliers meet our expectations. All of McDonald's Global and North American independent logistics suppliers have set science-based targets, approved by the SBTi and all globally managed beef and chicken suppliers have either set or committed to set Science Based Targets. We are using CDP Supply Chain and emissions information to work more closely with suppliers in these categories to capture the impact of the reductions and removals under supplier-led climate strategies to the annual McDonald's supply chain emissions. In addition to our direct questions to suppliers through CDP Supply Chain, suppliers must adopt the McDonald's Supplier Code of Conduct. This requires that their facilities meet the standards and promote the principles outlined in the Code, which are intended to advance McDonald's commitment to all aspects of sustainability, including environmental management. The McDonald's Supplier Workplace Accountability program articulates our expectations of how suppliers should treat the people within their supply chain, and through the program's Self-Assessment Questionnaire, we ask suppliers if they utilize an environmental scorecard or comparable system to track environmental impacts and measure continuous progress, and if they have identified and documented environmental legal requirements.

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Run an engagement campaign to educate suppliers about climate change
Provide training, support, and best practices on how to make credible renewable energy usage claims
Directly work with suppliers on exploring corporate renewable energy sourcing mechanisms
Climate change performance is featured in supplier awards scheme

% of suppliers by number

100

% total procurement spend (direct and indirect)

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

o We have well-publicized expectations for all McDonald's suppliers to set climate strategies that include climate targets as well as the measurement, reduction and reporting of emissions. To underpin our engagement campaign, we have created a Climate Action Toolkit on our supplier facing sustainability web resource, the McDonald's Global Sustainable Sourcing Guide ("GSSG"), to encourage suppliers to take self-managed action on the climate. We have highlighted great examples of supplier action in this Toolkit to inspire others. We reinforce this supplier communication to key suppliers annually through two CDP Supply Chain webinars and periodically in individual supplier and category level meetings to explain our expectations for them to set holistic climate targets, monitor reductions, implement reduction initiatives, engage their supply chain and report progress. We also invite key McDonald's commercial and quality leads to these meetings, so they understand our expectations of suppliers and the specific asks for CDP reporting. We are lead members of CDP Supply Chain and in 2022 have partnered with CDP to engage with 145 our suppliers to complete both the Climate Change and Forest reports. This is up from 131 suppliers invited to engage with our CDP Supply Chain Climate Change Program in 2021. Of those invited to report to CDP Supply Chain Climate Change in 2022, 88% responded. For these responders, we evaluated their disclosures on the actions they are taking across 10 priority areas including but not limited to: Measuring emissions across all scopes, setting emissions reduction targets, enacting emissions reduction initiatives, aligning climate targets to the latest science and cascading action through their own supply chain. McDonald's recognizes suppliers that do well on climate change performance through various platforms. In the United States, we also celebrate our logistics suppliers who support McDonald's submission to the Environmental Protection Agency SmartWay program, which helps companies advance supply chain sustainability by measuring, benchmarking, and improving freight transportation efficiency. Moreover, we highlighted our supplier partnerships on climate at COP26, acknowledging their individual and our joint efforts to reduce emissions.

Impact of engagement, including measures of success

o While all suppliers have access to our Climate Action Toolkit and associated resources, we invited all globally managed suppliers across food, packaging, logistics and

equipment to engage in our CDP Webinars on Climate and Forests in March each year. These live webinars attracted record attendance with over 141 attendees joining the Climate and Forest webinars representing over 50% of requested suppliers for 2022. We believe by improving our engagement with suppliers, we are improving the understanding of McDonald's expectations of suppliers displaying self-managed excellence in climate action and improving the quality and quantity of disclosures we are seeing year on year. We have long-standing expectations for all suppliers to set holistic climate targets, monitor reductions, implement reduction initiatives, and report progress. Using CDP Supply Chain insights, we have integrated these expectations into bespoke feedback reports to suppliers to simply communicate whether a supplier meets or exceeds McDonald's expectations, meets many of our expectations or whether further action is recommended across 10 priority climate actions including, but not limited to, measuring emissions across all scopes, setting emissions reduction targets, enacting emissions reduction initiatives, aligning climate targets to the latest science and cascading action through their own supply chain. Measuring our engagement impact: A key measure of our success is the percentage of suppliers by category who are meeting our expectations through their CDP Supply Chain reports. Following our evaluation of supplier responses and our procurement spend with these suppliers, we identified that of the suppliers who reported through CDP Supply Chain Climate, 94% of spend was with suppliers who met many or all of our 10 climate expectations and 6% of spend was with suppliers who required further action (and were supported with recommended next steps) in 2022.

Comment

Type of engagement

Innovation & collaboration (changing markets)

Details of engagement

Collaborate with suppliers on innovative business models to source renewable energy

% of suppliers by number

1

% total procurement spend (direct and indirect)

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

As a global company, McDonald's believes that we have a responsibility to address the impact of climate change. By working with our supply partners to reduce our carbon footprint we are on a journey together to help lead the way toward a better and more sustainable future for the communities we serve around the world. In 2018 we announced our intent to partner with suppliers to reduce emissions intensity (per metric ton of food and packaging) across our global supply chain by 31 percent by the end of 2030. In 2022, McDonald's Corporation and all five members of the restaurant chain's North American Logistics Council (NALC) – Armada, Earp Distribution, Martin Brower, Mile Hi Foods and The Anderson-DuBose Company – have signed agreements with Enel North America to purchase renewable energy and the associated renewable energy certificates (RECs) from Enel Green Power's Blue Jay solar project in Grimes County, Texas.

Impact of engagement, including measures of success

The Blue Jay solar project is expected to be fully operational in 2023. Once complete, McDonald's and its suppliers' combined electricity purchase is expected to amount to an estimated average of over 470,000 megawatt hours (MWh) of renewable energy and to avoid over 170,000 metric tons of carbon emissions annually.

Comment

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

We're committed to building a better McDonald's and that includes using our scale to help address this defining issue for current and future generations. This strategy encompasses both our Company-owned restaurants and other partners, namely, our Franchisee restaurants, and suppliers as described above. In 2018, we became the first restaurant company in the world to address global climate change by setting a Science Based Target to significantly reduce our greenhouse gas emissions. In 2021, we joined the United Nations Race to Zero campaign, with an ambition to reach net zero emissions by 2050. Through the SBTi Business Ambition for 1.5°C campaign, we are also in the process of adapting our interim 2030 climate targets to help keep global temperature rises below 1.5°C. We intend to share more on our climate journey later this year. Franchisees operate approximately 95% of McDonald's restaurants worldwide so they are a key partner for us to work alongside to reach our target. Engagement with Franchisees on climate action is led at market level, and the methods of engagement vary.

We launched two projects in the U.S. in 2020, in collaboration with suppliers and other partner organizations focused on regenerative agricultural techniques with an aim to remove and sequester carbon through a change in farming practices:

- In collaboration with Cargill, The Nature Conservancy and Target, we are supporting row crop farmers in Nebraska to implement regenerative agriculture practices with the aim to help mitigate climate change and improve the resiliency of land. This five-year initiative is expected to impact 100,000 acres of land used for corn production through a joint \$8.5 million investment. By improving soil health and optimizing processes, we have the potential to sequester an estimated 75,000 metric tons of carbon.

- As part of our five-year pilot initiative with Cargill, the Walmart Foundation and World Wildlife Fund, we have invested \$1.6 million to support ranchers in the Northern Great Plains through the Ranch Systems and Viability Planning (RSVP) network. Through RSVP, ranchers have access to: ecological monitoring; educational scholarships to attend grazing and soil health workshops; a grazing management cost-share program that helps them improve grazing infrastructure on their ranches; technical assistance; and access to a peer to peer learning network. Currently, the program is working with 80 ranches impacting almost 800,000 acres across Montana, South Dakota, Nebraska and Wyoming.

In collaboration with others inside and outside the McDonald's value chain, we have worked to help develop tools and best practices to help everyone more credibly and practically account for impact on carbon reductions and removals.

Other climate-related engagements with partners in our value chain include:

- We partnered with Ducks Unlimited Canada and Cargill to conserve Canadian grasslands, with the goal of returning 125,000 acres of cropland to grass and pasture by 2025. In the second year of our partnership, we enrolled 24,243 acres of forage, including 229 new farmers, and sequestered 14,788 metric tons of CO₂e. We are a partner of the tool CAP'2ER® for almost 10 years, which is an environmental footprint calculator that evaluates the positive and negative environmental impacts within beef farming, helping to identify where farmers can work especially to reduce their GHG emissions and improve their carbon storage. To date, more than 20,000 assessments have been carried out in the French cattle sector. We have verified through the ones undertaken at our suppliers' farms that 96,700 hectares of land are being managed to support biodiversity in 2022.

- We helped found the Global Roundtable for Sustainable Beef (GRSB) to bring together key players in the beef value chain around a common purpose to help ensure that all aspects of the beef value chain are environmentally sound, socially responsible and economically viable. We have engaged with the Climate and Land Use Working Groups to collaborate to set a recently announced climate target and to find solutions to help members demonstrate impact.

- We are members of the GHG Protocol Land Based Technical Working Group, which is developing new technical guidance and standards on how companies account for and report emissions, reductions and removals from land use activities in their GHG inventories.

- In 2022, we were part of the SBTi FLAG project consultative group, which provided expert advice and direction for companies in land-intensive sectors, including developing guidance to ensure robust, clear and practical target-setting.

As members of the Gold Standard – a not-for-profit established to ensure projects that reduced carbon emissions featured the highest levels of environmental integrity – we work with others to test new techniques of carbon accounting in the supply chain and deal with challenges around traceability.

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

Yes, suppliers have to meet climate-related requirements, but they are not included in our supplier contracts

C12.2a

(C12.2a) Provide details of the climate-related requirements that suppliers have to meet as part of your organization's purchasing process and the compliance mechanisms in place.

Climate-related requirement

Complying with regulatory requirements

Description of this climate related requirement

We have long-standing expectations for all suppliers to set holistic climate targets, monitor reductions, implement reduction initiatives, and report progress to CDP.

% suppliers by procurement spend that have to comply with this climate-related requirement

81

% suppliers by procurement spend in compliance with this climate-related requirement

80

Mechanisms for monitoring compliance with this climate-related requirement

Supplier scorecard or rating

Response to supplier non-compliance with this climate-related requirement

Retain and engage

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

Yes, we engage directly with policy makers

Yes, our membership of/engagement with trade associations could influence policy, law, or regulation that may impact the climate

Yes, we fund organizations or individuals whose activities could influence policy, law, or regulation that may impact the climate

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

Yes

Attach commitment or position statement(s)

In October 2021, McDonald's joined the Business Ambition to 1.5 and the UN Race to Zero Campaign, which aims to align business, cities, regions, and governments to meet the goals of the Paris Agreement

Describe the process(es) your organization has in place to ensure that your external engagement activities are consistent with your climate commitments and/or climate transition plan

McDonald's global sustainability vision and goals are a central part of our Company's values and therefore are consistent across all activities. Specifically, however, the Global Impact department provides corporate staff leadership, coordination, and support for our global social and environmental impact policies, Company goals, programs, and reporting. This group includes Global Communications, Public Policy & Government Relations, and Sustainability and Social Impact teams, which help to manage overall climate change strategy integration and consistency for external engagement practices, such as with NGOs or policymakers. This global department coordinates with market-level subject matter experts and external advisors to manage the Company's goals across the Purpose and Impact platform, including the Company's Science Based Target for climate action and Commitment on Forests. The team also provides support for country-level sustainability staff for localized execution of environmental and social impacts relevant to our markets. The Company's senior leadership level, the Company's Executive Vice President (EVP) Global Chief Impact Officer and Vice President (VP) Chief Sustainability & Social Impact Officer are responsible for overseeing actions relating to climate change. The working partnership as the executive sponsors of McDonald's sustainability aspirations. Additionally, the EVP Chief Supply Chain Officer leads the Company's Global Supply Chain (GSC) department and works in partnership with Global Impact leadership to address Company sustainability priorities, including climate-related issues. For example, GSC and Global Impact work with suppliers to embed sustainability commitments, including climate change and deforestation, into global sourcing decisions for food and packaging through Global Sustainable Sourcing Specifications and direct collaboration in initiatives.

Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

C12.3a

(C12.3a) On what policy, law, or regulation that may impact the climate has your organization been engaging directly with policy makers in the reporting year?

Specify the policy, law, or regulation on which your organization is engaging with policy makers

Climate-related targets

Category of policy, law, or regulation that may impact the climate

Please select

Focus area of policy, law, or regulation that may impact the climate

<Not Applicable>

Policy, law, or regulation geographic coverage

National

Country/area/region the policy, law, or regulation applies to

United States of America

Your organization's position on the policy, law, or regulation

Support with minor exceptions

Description of engagement with policy makers

Since announcing McDonald's climate commitment in 2018, McDonald's has been meeting with members of the U.S. government, U.S. Congress and their staff to educate them on its climate goals and progress on climate action. In the run-up to the 2023 Farm Bill, McDonald's has increased its advocacy with Congress and the Administration on regenerative agriculture, carbon markets and curbing methane. Related, McDonald's has advocated with the U.S. government on climate related issues surrounding the Inflation Reduction Act and its implementation. It has also met with members to discuss broader policy issues including climate related financial disclosures, deforestation, renewable energy infrastructure and transmission, electric vehicles, circular economy, and transportation and logistics.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

In cases such as greenhouse gas emissions where the policies may differ based on region and geography, we may have exceptions to how we set our local and regional contributions to global targets.

Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?

Please select

Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?

Specify the policy, law, or regulation on which your organization is engaging with policy makers

Climate-related targets

Category of policy, law, or regulation that may impact the climate

Please select

Focus area of policy, law, or regulation that may impact the climate

<Not Applicable>

Policy, law, or regulation geographic coverage

Global

Country/area/region the policy, law, or regulation applies to

<Not Applicable>

Your organization's position on the policy, law, or regulation

Support with minor exceptions

Description of engagement with policy makers

McDonald's has proactively communicated with Members of the European Parliament and European Commission officials to inform them on the Company's activities and progress in the area of sustainability and climate action, including on sustainable farming.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

In cases such as greenhouse gas emissions where the policies may differ based on region and geography, we may have exceptions to how we set our local and regional contributions to global targets.

Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?

Please select

Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?

Specify the policy, law, or regulation on which your organization is engaging with policy makers

Packaging and packaging waste legislation

Category of policy, law, or regulation that may impact the climate

Please select

Focus area of policy, law, or regulation that may impact the climate

<Not Applicable>

Policy, law, or regulation geographic coverage

Regional

Country/area/region the policy, law, or regulation applies to

EU27

Your organization's position on the policy, law, or regulation

Please select

Description of engagement with policy makers

McDonald's has been meeting with members of the European Commission, European Parliament, Member State Permanent Representations to the EU, and national, regional and local governments across Europe to contribute to the debate on circular packaging solutions, and opportunities to enhance recycling and fiber-based packaging.

McDonald's is a founding member of the Together for Sustainable Packaging Alliance, a multi-sector alliance of companies and associations working towards a sustainable approach to the EU's packaging and packaging waste legislation.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

<Not Applicable>

Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?

How our packaging is designed, produced, transported, disposed and recovered impacts the planet. Our packaging and waste strategy aims to accelerate a circular economy approach – reducing waste while also reducing emissions across our operations and supply chain.

C12.3b

(C12.3b) Provide details of the trade associations your organization is a member of, or engages with, which are likely to take a position on any policy, law or

regulation that may impact the climate.

Trade association

Other, please specify (World Business Council for Sustainable Development)

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Please select

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

McDonald's joined the Forest Positive Coalition in beginning of 2022 and has been engaged with their Global Food Safety Initiative (GFSI), for many years.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

Describe the aim of your organization's funding

<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Please select

Trade association

Business Roundtable

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Please select

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

McDonald's worked with BRT in review of the SEC Climate Disclosure Rule in Fall 2022 as we have already been following TCFD standards, but did raise flags on the timing of the Scope 3 disclosures as the proposed rule did not necessarily provide ample time to scan, measure, calibrate, validate and substantiate all aspects of the Scope 3 emissions calculation.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

Describe the aim of your organization's funding

<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Please select

Trade association

California Chamber of Commerce

Is your organization's position on climate change policy consistent with theirs?

Unknown

Has your organization attempted to influence their position in the reporting year?

No, we did not attempt to influence their position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

<Not Applicable>

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

Describe the aim of your organization's funding

<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Please select

Trade association

Other, please specify (McDonald's VP, Global Public Policy & Government Relations was a board member of the National Restaurant Association (NRA))

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, and they have changed their position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

Describe the aim of your organization's funding

<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Please select

Trade association

Other, please specify (McDonald's Supply Chain Beverage Team Manager is an Advisory Council member of Conservation International's Sustainable Coffee Challenge (<https://www.sustaincoffee.org>))

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Please select

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

McDonald's collaborates with other organizations throughout the coffee supply chain through the Sustainable Coffee Challenge, led by Conservation International. As a SCC partner and Advisory Council Member, McDonald's has joined forces with other industry leaders to further the call to action of making coffee the world's first sustainable agricultural product. The Sustainable Coffee Challenge states that they aim to make coffee the world's first sustainable agricultural product, including addressing coffee's impact on and from a changing climate.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

Describe the aim of your organization's funding

<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Please select

Trade association

Other, please specify (McDonald's Europe Government Relations Director is Vice Chair of Serving Europe)

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

We are an active stakeholder in Serving Europe and have worked with the organization across a number of topics. Environment & Sustainability is one of their four priority areas, along with Nutrition & Health, Food Safety & Quality, and Employment & Community Engagement. Serving Europe members take their environmental responsibilities very seriously across their entire supply chains and work hard to reduce their environmental footprint where possible. Serving Europe members support smart government policies to protect the environment when they are effective. Member companies aspire to reduce their impact on the planet by actions that include:

- Minimization of waste, especially food waste, through corporate policies to recycle used cooking oil, food donations, implement separate collection of specific recyclable materials, etc.
- Foster eco-friendly suppliers, meaning both local agri-food producers for a shorter supply chain and eco-friendly packaging.
- Reduce their energy and water consumption by increasing the energy efficiency of their outlets.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

Describe the aim of your organization's funding

<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Please select

Trade association

Other, please specify (360° Foodservice)

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

360° Foodservice serves as a collaborative platform for sustainable service of food and drinks in Europe, and advocates for responsible reuse and sensible single-use.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

Describe the aim of your organization's funding

<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Please select

Trade association

Other, please specify (McDonald's SVP and Chief Restaurant Officer for International Owned Markets is a Board member of the European Paper Packaging Alliance - EPPA)

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

EPPA is a non-profit organization that speaks on behalf of fiber food and foodservice packaging industry. It aims to find real-world solutions that boost recycling of fiber-based packaging across Europe, lowers carbon emissions, and ensures food safety and health protection.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

Describe the aim of your organization's funding

<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Please select

Trade association

Other, please specify (McDonald's EU Government Relations Manager is Vice-Chair of the Agrifood Committee and Issue Lead of the Working Group on Packaging and

Waste)

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

AmChamEU members support and commend the efforts of the European Commission for the broad range of policy initiatives to achieve overarching climate objectives, including the green transition and the goal of net zero emissions by 2050. American companies are committed to the green transition of the European Union and achieving global climate goals.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

Describe the aim of your organization's funding

<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Please select

Trade association

Other, please specify (McDonald's Manager of Sustainable Sourcing is on the Executive Committee of the Global Roundtable for Sustainable Beef (GRSB))

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

We are an active stakeholder in GRSB and have worked with partners throughout the value chain to contribute to their position across a number of topics. The GRSB defines sustainable beef as a socially responsible, environmentally sound and economically viable product that prioritizes Planet, People, Animals and Progress. Clear criteria for this include that net greenhouse gas emissions from the beef value chain are minimized on a per unit of product basis; native forests are protected from deforestation; grasslands, other native ecosystems, and high conservation value areas are protected from land conversion and degradation and; soil health is maintained or improved through implementation of appropriate management practices. The GRSB have been developing and agreeing goals that will positively influence these criteria.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

Describe the aim of your organization's funding

<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Please select

C12.3c

(C12.3c) Provide details of the funding you provided to other organizations or individuals in the reporting year whose activities could influence policy, law, or regulation that may impact the climate.

Type of organization or individual

Non-Governmental Organization (NGO) or charitable organization

State the organization or individual to which you provided funding

NextGen Consortium

Funding figure your organization provided to this organization or individual in the reporting year (currency as selected in C0.4)

1500000

Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate

As one of the founding members of the NextGen Consortium, which aims to address single-use foodservice packaging waste globally, McDonald's has contributed a total of \$10 million to the NextGen Consortium over six years to support the Consortium's work in identifying, accelerating and scaling commercially viable, circular foodservice packaging solutions. Since inception, the Consortium joined The Recycling Partnership's Polypropylene Recycling Coalition as a Steering Committee member, supporting the allocation of millions of dollars in grants to recycling facilities to improve polypropylene recycling. The Consortium has worked to expand its efforts to continue to strengthen the sustainable packaging ecosystem and address recycling infrastructure challenges support the testing of reusable packaging systems, and explore the circularity of additional packaging materials such as fiber and polypropylene. McDonald's funding furthers the infrastructure for better, more sustainable packaging, which can inspire change in policy / regulation for packaging that may impact the climate.

Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?

Please select

Type of organization or individual

Political party or political candidate

State the organization or individual to which you provided funding

Alliance of Liberals and Democrats for Europe Party (ALDE)

Funding figure your organization provided to this organization or individual in the reporting year (currency as selected in C0.4)

10455.18

Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate

Sponsorship and participation in 2022 annual ALDE Party Congress as part of ALDE's corporate program and hosting a circular economy panel with Members of the European Parliament in ALDE Headquarters in Brussels as part of the Party Stakeholder Series events.

Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?

No, we have not evaluated

C12.4

(C12.4) Have you published information about your organization’s response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports

Status

Complete

Attach the document

Sustainability and Corporate Responsibility Committee Charter (4).pdf
MCD_2022_Annual_Report.pdf

Page/Section reference

Annual Report page numbers: Environmental matters: page 6; Growth Pillars: page 9; Risk Factors: page 27-32.
Committee Charter: Entirety (pages 1-3)

Content elements

Governance
Strategy
Risks & opportunities

Comment

Publication

In other regulatory filings

Status

Complete

Attach the document

Sustainability and Corporate Responsibility Committee Charter (4).pdf
MCD_2023_ProxyStatement.pdf

Page/Section reference

Committee Charter: Entirety (pages 1-3).
Proxy statement: Page 14: ESG Highlights – Our Purpose & Impact; Page 39: Sustainability and Corporate Responsibility Committee - Board governance approach on sustainability and commitments; Page 43: ESG: Our Purpose & Impact – Our Planet

Content elements

Governance
Strategy
Emission targets

Comment

Publication

In voluntary sustainability report

Status

Complete

Attach the document

McDonald’s_Purpose and Impact Reporting_Website Archive 2021.pdf

Page/Section reference

An archive of our Climate Action web page can be found pages 76-85, including an overview of our climate strategy and goals as of the end of 2021. View our most up-to-date Climate Action webpage at <https://corporate.mcdonalds.com/corpmcd/our-purpose-and-impact/our-planet/climate-action.html>

Content elements

Governance
Strategy
Risks & opportunities
Emission targets

Comment

This document is a download of the Our Purpose & Impact section of the McDonald’s corporate website, which acts as the Company’s living reporting platform. McDonald’s does not issue standalone ESG reports but rather continues its commitment to strong governance and regular ESG reporting with annual updates to its strategy, goals and performance KPI web pages. Content covers McDonald’s Corporation and its majority-owned subsidiaries worldwide operations during the fiscal year 2021 (January to December) unless otherwise stated.

C12.5

(C12.5) Indicate the collaborative frameworks, initiatives and/or commitments related to environmental issues for which you are a signatory/member.

	Environmental collaborative framework, initiative and/or commitment	Describe your organization's role within each framework, initiative and/or commitment
Row 1	Business Ambition for 1.5C Global Reporting Initiative (GRI) Community Member Pledge to Net Zero Race to Zero Campaign Task Force on Climate-related Financial Disclosures (TCFD) Task Force on Nature-related Financial Disclosures (TNFD) We Are Still In We Mean Business World Business Council for Sustainable Development (WBCSD) Other, please specify (America's Pledge, Palm Oil Collaboration Group, CGF Forest Positive Coalition, Cerrado Protocol)	

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight
Row 1	Yes, both board-level oversight and executive management-level responsibility	Our Board of Directors' Sustainability and Corporate Responsibility Committee (the "Committee") reviews and monitors the Company's strategies and efforts to address sustainability and resiliency through its performance as a sustainable organization, including environmental and social issues. This includes updates and discussion on the Company's sustainability strategy, risk management practices, public commitments and progress – including the Company's Commitment on Forests and 2030 Deforestation Commitment. The Committee regularly reports to the full Board and, from time to time, other Board committees regarding its activities, and the full Board receives reports on the Company's sustainability efforts as circumstances warrant. See the Committee's charter and page 39 of the Company's 2023 Proxy Statement, both of which are attached in 12.4. Also available here: Proxy Statement: https://corporate.mcdonalds.com/content/dam/sites/corp/nfl/pdf/MCD_2023_Proxy_Statement.pdf Committee Charter: https://corporate.mcdonalds.com/content/dam/sites/corp/nfl/pdf/Sustainability and Corporate Responsibility Committee Charter.pdf	<Not Applicable>

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	Yes, we have made public commitments and publicly endorsed initiatives related to biodiversity	Commitment to no conversion of High Conservation Value areas Commitment to secure Free, Prior and Informed Consent (FPIC) of Indigenous Peoples Other, please specify (Commitment to eliminate deforestation, to no development of High Carbon Stock forest areas and to no development on peatlands, regardless of depth, and the utilization of best management practices for existing commodity production on peatlands)	Other, please specify (New York Declaration on Forests • Cerrado Protocol • TNFD • Accountability Framework Initiative • CGF Forest Positive Coalition)

C15.3

(C15.3) Does your organization assess the impacts and dependencies of its value chain on biodiversity?

Impacts on biodiversity

Indicate whether your organization undertakes this type of assessment

No, but we plan to within the next two years

Value chain stage(s) covered

<Not Applicable>

Portfolio activity

<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity

<Not Applicable>

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)

<Not Applicable>

Dependencies on biodiversity

Indicate whether your organization undertakes this type of assessment

No, but we plan to within the next two years

Value chain stage(s) covered

<Not Applicable>

Portfolio activity

<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity

<Not Applicable>

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)

<Not Applicable>

C15.4

(C15.4) Does your organization have activities located in or near to biodiversity- sensitive areas in the reporting year?

Yes

C15.4a

(C15.4a) Provide details of your organization's activities in the reporting year located in or near to biodiversity -sensitive areas.

Classification of biodiversity -sensitive area

Other biodiversity sensitive area, please specify (Gran Chaco)

Country/area

Argentina

Name of the biodiversity-sensitive area

Gran Chaco

Proximity

Overlap

Briefly describe your organization's activities in the reporting year located in or near to the selected area

Our beef sourcing activity can overlap with regions such as Argentina (Chaco biome), Brazil (Amazon and Cerrado biomes), Paraguay (Chaco biome) in compliance with the requirements set out in our Deforestation-Free Beef Procurement Policy.

Indicate whether any of your organization's activities located in or near to the selected area could negatively affect biodiversity

Yes, but mitigation measures have been implemented

Mitigation measures implemented within the selected area

Operational controls

Explain how your organization's activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

McDonald's requires that all beef meets the requirements of our Deforestation-Free Beef Procurement Policy and Commitment on Forests with specific requirements for beef sourced from high-deforestation priority regions such as Argentina (Chaco biome), Brazil (Amazon and Cerrado biomes) and Paraguay (Chaco biome).

Classification of biodiversity -sensitive area

Other biodiversity sensitive area, please specify (Cerrado)

Country/area

Brazil

Name of the biodiversity-sensitive area

Cerrado and Amazon biomes

Proximity

Overlap

Briefly describe your organization's activities in the reporting year located in or near to the selected area

Our beef sourcing activity can overlap with regions such as Argentina (Chaco biome), Brazil (Amazon and Cerrado biomes), Paraguay (Chaco biome) in compliance with the requirements set out in our Deforestation-Free Beef Procurement Policy.

Indicate whether any of your organization's activities located in or near to the selected area could negatively affect biodiversity

Yes, but mitigation measures have been implemented

Mitigation measures implemented within the selected area

Operational controls

Explain how your organization's activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

McDonald's requires that all beef meets the requirements of our Deforestation-Free Beef Procurement Policy and Commitment on Forests with specific requirements for beef sourced from high-deforestation priority regions such as Argentina (Chaco biome), Brazil (Amazon and Cerrado biomes) and Paraguay (Chaco biome).

Classification of biodiversity -sensitive area

Other biodiversity sensitive area, please specify (Chaco)

Country/area

Paraguay

Name of the biodiversity-sensitive area

Chaco biome

Proximity

Overlap

Briefly describe your organization's activities in the reporting year located in or near to the selected area

Our beef sourcing activity can overlap with regions such as Argentina (Chaco biome), Brazil (Amazon and Cerrado biomes), Paraguay (Chaco biome) in compliance with the requirements set out in our Deforestation-Free Beef Procurement Policy.

Indicate whether any of your organization's activities located in or near to the selected area could negatively affect biodiversity

Yes, but mitigation measures have been implemented

Mitigation measures implemented within the selected area

Operational controls

Explain how your organization's activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

McDonald's requires that all beef meets the requirements of our Deforestation-Free Beef Procurement Policy and Commitment on Forests with specific requirements for beef sourced from high-deforestation priority regions such as Argentina (Chaco biome), Brazil (Amazon and Cerrado biomes) and Paraguay (Chaco biome).

C15.5

(C15.5) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity-related commitments
Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	Other, please specify (We integrate biodiversity-related commitments into our sustainable sourcing requirements for key commodities including beef, soy for chicken feed, palm oil, fiber and coffee.)

C15.6

(C15.6) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	No	Please select

C15.7

(C15.7) Have you published information about your organization’s response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
In voluntary sustainability report or other voluntary communications	Content of biodiversity-related policies or commitments	Our Nature, Forests & Water page (https://corporate.mcdonalds.com/corpmcd/our-purpose-and-impact/our-planet/nature-forests-water.html) acts as an ESG reporting platform, highlighting the Company’s current strategy to biodiversity.
In other regulatory filings	Content of biodiversity-related policies or commitments	2023 Proxy Statement: https://corporate.mcdonalds.com/content/dam/sites/corp/nfl/pdf/MCD_2023_Proxy_Statement.pdf Page 43: ESG: Our Purpose & Impact – Our Planet. MCD_2023_ProxyStatement.pdf

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Chief Sustainability & Social Impact Officer	Chief Sustainability Officer (CSO)

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms