ENVIRONMENTAL, SOCIAL, GOVERNANCE (ESG) IN CONTEXT

• McDonald’s Corporation is an American fast-food chain. It is also one of the world’s largest global brands and philanthropic organizations, with operations in over 100 countries.

• Through its ESG strategies and reporting, McDonald’s supports progress towards the United Nations Sustainable Development Goals (UN SDGs). McDonald’s Corporation has been publishing ESG reports since 2016 (inclusive of reporting against the CDP framework since 2017, and the Sustainability Accounting Standards Board (SASB) Index since 2019).

• McDonald’s Germany has also been publishing reports in alignment with the Global Reporting Initiative (GRI) standards since 2010.

A RECIPE FOR MATERIALITY

Every company approaches materiality differently - at McDonald’s Germany, it is the material impacts that the company has on the environment and on society. McDonald’s Germany measures this using:

• Local and international trends in nutrition and sustainable business practices
• Changes in supply and value chains
• Views and expectations of stakeholders, customers, and employees
• Data collected from related surveys, monitoring tools, and reports

SUSTAINABLE COMPETITION: KEY REPORTING OBJECTIVES

McDonald’s Germany measures and communicates its progress and impact across priority ESG issues by:

• Transparent, concise, and user-friendly communication with customers and employees
• Maintaining market leadership in the fast food sector
• Identifying and tracking which factors are relevant to materiality
• Peer learning between McDonald’s franchises
• Preparing for future challenges

"You have to interpret it (ESG reporting standards) according to your own structures and needs."

-Diana Wicht, Senior Team Manager of Corporate Responsibility, McDonald’s Germany