McDonald's Corporation

WORLDWIDE CORPORATE RESPONSIBILITY REPORT RESPONSIBLE FOOD FOR A SUSTAINABLE FUTURE





WHAT'S IMPORTANT TO MCDONALD'S & OUR STAKEHOLDERS

Delivering responsible food demands attention to a complex web of important social and environmental issues. Setting priorities is essential to achieving sustainable progress. For McDonald's, our priorities fall into six major areas (pictured above), which are central to how we do business.

FROM 2006-2008 - THE JOURNEY CONTINUES

We've picked up where we left off. Since we issued our last corporate responsibility report in 2006, we've continued to work across the McDonald's system, and with outside stakeholders, to continuously improve our social and environmental performance.

Our Key Performance Indicators allow us to evaluate our progress on key areas over time, so we can identify opportunities for future improvement.

	2004	2005	2006	2007	YEARS	2004	2005	2006	2007
SUSTAINAB	LE SUPPL	Y CHAIN			EMPLOYN	MENT EXPE	RIENCE ⁸		
SUPPLIER SOCIAL ACCOUNTABILITY (WORLDWIDE)					TRAINING, DEVELOPMENT & OPPORTUNITY				
Percent of foo have affirmed		g and tier-1 equ Conduct²	ipment suppl	iers that		crew members Io a good job	s satisfied that	they receive t	he training
	57	89	93.5	92		79.4 ⁹	80.6 ⁹	82	84
ANIMAL WELFAR Number of sup beef, pork and	oplier meat p) rocessing plan	ts audited (in	cluding		professional d		J ,	
beej, pork une	534	521	562	513		80.310	81.610	8211	83 ¹¹
	33.	321	302	313		company-ope crew members	rated restauran 3	t managers w	
NUTRITION		EING				N/A	63.6	64.9	53
OFFERING MENU Average numb 1 serving of fro	er of items,	per market me	nu, that conta	in at least	Percent of the restaur		management t	eam who star	ted in
i serving of fit	NA	NA	6.1	6.1		N/A	42	42	42
Average numb 1/2 a serving o	per of items, of fruit or veg	per market me Jetables	nu, that conta	in at least		r opportunitie: company-opei	S FOR WOMEN rated restauran	t managers w	ho
	NA	NA	9.9	10.9		NA	44	46.2	49
	e largest ma	ATION rkets that prov (i.e. trayliners,		-hures)	Percent of v		dership (VP and		
	100	100	100	100		NA	NA	26.4	26.7
		rkets that prov rant (i.e. websi			COMMUN				
	100	100	100	100		PIC ACTIVITIES (V	vorLDWIDE) e McDonald's sy	stem includin	а
ENVIRONM	ENTAL RES	SPONSIBILIT	ГҮ		employees,	owner/opera	tors, and supplicand other charit	ers, and with t	_
RESTAURANT-LE	VEL ELECTRICA	L ENERGY USE ³				NA	\$60.9	\$40.5	NA
		ansaction coun		esulting	Total corpo	rate cash & in	n-kind contributi	ions in million	5
from electrico		in the restaur				\$9.2	\$13.3	\$13.6	\$10.6
	NA ⁴	NA ⁴	1.15	1.15	LOCAL ECONO	MIC IMPACTS			
	s (in tons) res	ulting from ele	ctrical energ	y use		al expenditure taurants in bi	es worldwide (inv Illions)	vestments in r	new and
in the restaur		N144 1	707.0011	. 002.061		\$1.4	\$1.6	\$1.7	\$1.9
ENVIRONMENTAI	NA ⁴ LIMPACTS OF C	ONSUMER PACKA	GING⁵	1,882,961	SOCIAL TAXES		y McDonald's in i	millions	
Amount of pag									

- 1 Except as otherwise noted, figures are for our nine largest markets: Australia, Brazil, Canada, China, France, Germany, Japan, the U.K. and the U.S. Organizational structures vary by market. McDonald's Japan is a publicly traded company and is approximately
 50% owned by McDonald's Corporation.

 Effective 2007, McDonald's Brazil is

 Cumulative total.

 Uncludes energy data exclusively from company-operated restaurants except

 To Consumer packaging does not include pre-packaged items such as salad owned by a developmental licensee.
- 2 Total number of suppliers varies from 4 Data reported in 2004-05 cannot year to year based upon business needs. Includes suppliers identified to and confirmed by our program management firm as having signed the Code. Data reported is based on a

33.17

29.87

 31.5^{6}

- in Brazil and Japan where franchisee/ developmental licensee restaurants are also included due to organizational
- be compared with the most recent data and has been excluded from this chart to avoid confusion. Detailed methodology and historic data are available in the environment section of 9 Not including Australia, Canada, China,
- dressings.
- 6 Not including Brazil.
- 7 Not including China.
- 8 Data for restaurant employees are for company operated restaurants.
- 10 Not including Australia, Canada, China,
- Japan, U.K. 11 Not including Japan, Canada.

RESPONSIBLE FOOD FOR A SUSTAINABLE FUTURE









It all comes down to the food. That's where McDonald's begins and ends. The food we serve...how and where we serve it...the welfare of our employees and our suppliers' workers...where the food comes from...and so much more.

Being a responsible company is not an end game, but a never-ending journey. And so it is with McDonald's.

Delivering responsible food – what it means and how we do it – is not just a goal, but a way of doing good business.

What's important to McDonald's & how we're doing >>>>>>>>>>>>>

BEFORE YOU CAN DELIVER RESPONSIBLE FOOD, YOU NEED TO KNOW WHAT YOU STAND FOR

How does McDonald's strive to deliver responsible food? We seek to understand the issues, set priorities and stick to them, and work hard, together, to make it happen. But first and foremost, you need to know what you stand for. At McDonald's, it goes without saying that our actions, as a company and as individuals, must reflect our values.

McDONALD'S VALUES

We place the customer experience at the core of all we do

Our customers are the reason for our existence. We demonstrate our appreciation by providing them with high quality food and superior service, in a clean, welcoming environment, at a great value. Our goal is QSC&V for each and every customer, each and every time.

We are committed to our people

We provide opportunity, nurture talent, develop leaders and reward achievement. We believe that a team of well-trained individuals with diverse backgrounds and experiences, working together in an environment that fosters respect and drives high levels of engagement, is essential to our continued success.

We believe in the McDonald's System

McDonald's business model, depicted by the "three-legged stool" of owner/operators, suppliers, and company employees, is our foundation, and the balance of interests among the three groups is key.

We operate our business ethically

Sound ethics is good business. At McDonald's, we hold ourselves and conduct our business to high standards of fairness, honesty, and integrity. We are individually accountable and collectively responsible.

We give back to our communities

We take seriously the responsibilities that come with being a leader. We help our customers build better communities, support Ronald McDonald House Charities, and leverage our size, scope and resources to help make the world a better place.

We grow our business profitably

McDonald's is a publicly traded company. As such, we work to provide sustained profitable growth for our shareholders. This requires a continuing focus on our customers and the health of our system.

We strive continually to improve

We are a learning organization that aims to anticipate and respond to changing customer, employee and system needs through constant evolution and innovation.

"Corporate responsibility means many things to many people.
At McDonald's, being a responsible company means living our values to enable us to serve food responsibly, and work toward a sustainable future."

JIM SKINNER, CEO MCDONALD'S CORPORATION

THE FOUNDATION FOR RESPONSIBLE FOOD

Corporate social responsibility begins with sound ethics and good corporate governance. McDonald's has a Board of Directors that oversees our company's obligations to our shareholders. We also have a dedicated Corporate Responsibility Committee of the Board that acts in an advisory capacity to management on our social and environmental policies and strategies.

At the corporate level, McDonald's has a collective of governing bodies that monitor and manage issues on a day-to-day basis.

CORPORATE RESPONSIBILITY: Oversight and Coordination

CR COMMITTEE OF THE BOARD OF DIRECTORS

WORLDWIDE CORPORATE RELATIONS COUNCIL

CORPORATE SOCIAL RESPONSIBILITY DEPARTMENT

GLOBAL NVIRONMENTAL COUNCIL QUALITY ASSURANCE BOARD SUSTAINABLE SUPPLY STEERING COMMITTEE

HOW WE RUN OUR BUSINESS — STANDARDS OF BUSINESS CONDUCT

At McDonald's, each one of us has a responsibility to do the right thing. Our Standards of Business Conduct provide a framework for upholding this responsibility. The Standards provide clarity, guidance and resources on a wide range of issues for operating on a daily basis with fairness, honesty and integrity.

First published more than 40 years ago, the Standards were revised again in 2008. At the heart of the Standards are three basic principles—personal accountability, open communication and responsible action.

ENHANCEMENTS TO THE 2008 STANDARDS INCLUDE:

Affirmative statements on McDonald's policies related to human rights and the right to association

Special responsibilities of supervisors & officers and a greater emphasis on our policy protecting employees who report wrongdoing against retaliation

An explanation of our anti-bribery and anti-kickback policies

The duty of employees to cooperate in internal investigations

Appropriate use of electronic communications

Importance of protecting confidential information and privacy of employee, franchisee and customer data

TONE FROM THE TOP

"There may be other companies where chairing such a committee would cause angst because you might not be sure if the company is really committed to the values you as a Director are espousing on their behalf. I have no such angst concerning McDonald's."

WALTER MASSEY, CHAIR, CORPORATE RESPONSIBILITY COMMITTEE OF THE MCDONALD'S BOARD OF DIRECTORS



WHERE THE FOOD COMES FROM — McDONALD'S SUPPLY CHAIN

McDonald's is in the food business, so we care a lot about where our food comes from and how it is produced. We work hard to ensure that every step of the supply chain contributes positively to the sustainability, safety and quality of our final products.

THREE E'S: McDonald's Sustainable Supply Chain Vision



ABOVE ALL, SAFETY FIRST

The safety and well-being of our customers is our first priority. That's why we maintain rigorous standards and evaluations in critical areas throughout the food and toy supply chains and in our restaurants.

DID YOU KNOW

Our food safety standards meet, and often exceed, government requirements in markets where we do business.

McDonald's updated our Supplier Management System in 2007, aligning all global food safety & quality expectations.

McDonald's is working with others in the industry to harmonize food safety standards and audits through the Global Food Safety Initiative (GFSI).

BEYOND THE FOOD - TOY SAFETY

Our Happy Meal toys are made exclusively for McDonald's by our safetyapproved suppliers.

DID YOU KNOW

Happy Meal toys are backed by a proactive safety program that starts with the design, long before a toy makes it to production.

Our safety process is supported by a team of safety engineers, independent testing labs, scientists, design engineers and injury data analysts.

KEEPING SCORE

"When we got together as a supply chain in 2003, McDonald's brought in Conservation International to help us understand all the different elements of sustainability. The Environmental Scorecard became a targeted initiative to measure the use of water, the use of energy, the creation of waste and the air quality that our factories are emitting." JEFF DEARDUFF, DIRECTOR OF U.S. BAKERIES,

EAST BALT INCORPORATED





We envision a supply chain that profitably yields high-quality, safe products without supply interruption while leveraging our leadership position to create a net benefit by improving the ethical, environmental and economic outcomes.

PEOPLE IN THE McDONALD'S SUPPLY CHAIN

Like our own employees, our suppliers' employees are important to the success of our system. So, we strive to work with suppliers who share our values, and we expect our suppliers to share our support of fundamental rights for all people; to treat their employees with fairness, respect and dignity; and to follow practices that promote health and safety.

DID YOU KNOW

McDonald's direct suppliers are required to adhere to our Code of Conduct for Suppliers, which lists McDonald's minimum requirements in the areas of employment, workplace practices and workplace health and safety.

We have a team of third-party experts who regularly track and assess supplier performance and provide support for continuous improvement.

WORKING TO ENSURE HUMANE TREATMENT OF ANIMALS

McDonald's cares about the humane treatment of animals. Our approach is based on our Animal Welfare Guiding Principles, which express our commitment to ensuring animals are "free from cruelty, abuse and neglect." To ensure continuous improvement, we have a comprehensive audit program designed by animal welfare expert Dr. Temple Grandin.

DID YOU KNOW

Over 3,000 animal welfare audits have been conducted since 2003.

99% of our approved abattoirs were audited for animal welfare in 2007, and 99.2% of those passed.

KEEPING THE ENVIRONMENT IN MIND

McDonald's is committed to minimizing the environmental impact of our food and other products in the supply chain.

We are working with our direct suppliers to measure and reduce water, energy, air and waste impacts through our Environmental Scorecard and to improve fishing practices through our Sustainable Fisheries Program. Further upstream, we are working with NGOs and industry partners on rainforest protection efforts.

DID YOU KNOW

Seven of our nine largest markets have introduced the Environmental Scorecard to their suppliers.

In 2007, more than 91% of our fish¹ originated from fisheries with a stock status rating of green or yellow.

McDonald's has had a Rainforest Protection Policy, outlining our commitment to refuse beef sourced from recently deforested rainforest areas, since 1989.

In 2006, McDonald's collaborated with Greenpeace International, the Brazilian government, our suppliers and others to establish a moratorium on purchasing soya from deforested areas in the Amazon region.

1 Measured in metric tons of fish blocks

MCDONALDS, GREENPEACE AND THE AMAZON

"I think that McDonald's moved very swiftly to support our campaign, and they were joined by many of their European competitors, and I think it was an amazing alliance."

JOHN SAUVEN, GREENPEACE INTERNATIONAL



A HOLISTIC APPROACH TO WELL-BEING

McDonald's is committed to the well-being of our customers. We collaborate with our suppliers and independent owner/operators, to serve a balanced array of quality food products, and provide the information needed to make individual choices.

There is increasing concern about obesity rates and related risks to well-being among consumers, governments, NGOs, and health and nutrition experts. We take these issues seriously, and we are working to do what we can as a company to positively influence the situation. We know we cannot address this problem alone, but we are committed to being part of the solution.

Our efforts are currently focused on three areas:

WELL-BEING: McDonald's Holistic Approach



LOTS OF FLEXIBILITY AND REGIONAL VARIETY TO MEET CUSTOMER PREFERENCES

McDonald's offers a balanced array of culturally relevant menu items in our markets, for both adults and kids alike. We also continuously seek ways to enhance the nutrition profile of our menu.

DID YOU KNOW

McDonald's has a team of culinary professionals who help create new menu items to meet the evolving tastes and needs of our diverse customer base around the world.

Currently, all nine of our largest markets have a fruit and/or vegetable option for Happy Meals such as fruit bags, cherry tomatoes, corn cups and Apple Dippers.

McDonald's restaurants in the U.S., Australia and Europe have substantially reduced - or eliminated - trans fatty acids (TFAs) in our cooking oils.

WELL SEASONED

"A lot of people are a little bit surprised when they hear that McDonald's has a Chef, and they say, 'Well, McDonald's is just hamburgers...' I don't think people really truly understand all of the different evolutions that the McDonald's menu has gone through over the years."

CHEF DAN COUDREAUT, MCDONALD'S USA



Pictured right are examples of nutrition information on our packaging.





WHEN IT COMES TO FOOD NUTRITION, THE MORE YOU KNOW, THE BETTER

McDonald's is committed to informing our customers about our food. Back in 1973, we were one of the first restaurant companies in the world to provide customers with nutrition information about the products we serve. Since then, the ways we make our nutrition information available have continued to evolve.

DID YOU KNOW

We completed the rollout of our Nutrition Information Initiative (NII) - providing easy-to-understand bar chart icons to communicate the amount of calories, fat, sodium, carbohydrates and protein in each of our core products on our packaging – to 20,000 restaurants worldwide in 2007.

Nutrition information on our products is available to customers in all of our nine largest markets on in-store brochures, company websites and other innovative means.

FOOD COMMUNICATIONS – HOW AND WHAT WE ARE TELLING OUR CUSTOMERS

McDonald's strives to communicate responsibly and to use our brand to make a positive difference.

This year, we introduced a revised set of Children's Global Marketing Guidelines to further clarify our global position and unify us around a common set of principles for responsible marketing to children.

MCDONALD'S CHILDREN'S MARKETING GLOBAL GUIDELINES

- Communicate to children balanced food choices that fit within a child's nutritional needs.
- Use our licensed characters and properties to encourage activity and balanced food choices for children to make food, such as fruit and vegetables, fun to eat.
- Promote to children positive messages that support their well-being, body, mind and spirit.
- 4. Provide the nutritional information of our food to help parents and families make informed food choices.
- Engage the support of subject matter experts and informed third parties to help guide our efforts for children and families worldwide.



McDonald's worldwide promotion of *Shrek the Third* represented McDonald's single biggest promotion of fruit, vegetables and milk in our brand's history.

Shrek is a registered trademark of DreamWorks Animation L.L.C.

Shrek the Third ** & ** 2007 DreamWorks Animation L.L.C.



REDUCING OUR FOOTPRINT

"The energy program likes to say that the cheapest and most environmentally friendly kilowatt hour you can use is the one that you don't use, and that is really where our energy program starts and ends."

STEVE DEPALO, MCDONALD'S U.S. ENERGY MANAGER

THINKING AND ACTING GREEN FOR OVER THIRTY YEARS

McDonald's has been working to minimize our environmental footprint – both within our restaurants and in our supply chain - for a long time. Over 30 years ago, we initiated energy conservation measures, and in 1990, we formally established our Global Environmental Commitment.

Since then, we've continued to seek ways to improve our environmental performance – not just because it's the right thing to do, but because it's smart business.

Given the breadth and scope of our business operations, focusing on a distinct set of priorities is essential. There is no "one size fits all," but globally, our environmental priorities at the restaurant level are focused in three areas:

ENVIRONMENTAL RESPONSIBILITIES IN THE RESTAURANT



STRIVING FOR GREATER ENERGY EFFICIENCY

Climate change is an important issue, generating growing interest from many sectors of society – from individuals and NGOs, to governments and corporations. The seriousness of this issue means that everyone has a role to play to reduce impacts, including companies like McDonald's.

McDonald's restaurants' use of electrical energy and natural gas accounts for the bulk of our direct greenhouse gas emissions. More efficient use of these resources helps us save money and reduces our environmental impact.

DID YOU KNOW

In 2007 and 2008, McDonald's was ranked second among food service companies by Climate Counts, designating our company in the organization's "Starting" category, as a "better choice for the climate conscious consumer."

McDonald's restaurant managers are equipped with a variety of energy management tools, including restaurant energy surveys and audits, fire-up schedules, and in selected restaurants, Energy Management Systems (EMS).

In 2007, McDonald's USA was named an Energy Star Partner of the Year by the U.S. Environmental Protection Agency.



LESS IS MORE

"McDonald's has been focusing on its impacts to the environment since the 1990s. It had a ground-breaking relationship with the Environmental Defense Fund where McDonald's partnered with them to review all of the impacts of their restaurants and evaluated ways that they could reduce it."

JENNIFER MCCRACKEN, ENVIRONMENTAL MANAGER, HAVI GLOBAL SOLUTIONS

WHEN IT COMES TO SUSTAINABLE PACKAGING AND WASTE, LESS IS MORE

At McDonald's, the environment is one of the key criteria that are considered in the process of developing food and beverage packaging. We take a comprehensive approach that considers a product's entire lifecycle. It starts with where we source our materials. Then we consider the design of our food packaging. Finally, we look at "end of life" options such as recycling, and other innovative means of disposal.

DID YOU KNOW

McDonald's is working with our primary packaging supplier – HAVI Global Solutions - to continue to promote sustainable forestry standards for our consumer packaging.

We recently finalized a global packaging scorecard to guide future sustainable packaging development.

Approximately 82% of our consumer packaging in our nine largest markets is made from renewable materials.

Many of the restaurants in our nine largest markets already recycle corrugated cardboard and used cooking oil .





McDonald's France
Beaugrenelle restaurant
in Paris with an array of
sustainability enhancements
and environmentallythemed decor.

MORE SUSTAINABLE CONFINES

Beyond the food, the places where our customers enjoy our offerings – our restaurants – have an impact on the environment as well. We are learning by doing, and exploring how greener building strategies impact economic and environmental performance.

DID YOU KNOW

Our first green restaurant opened in Sweden in 2000. In addition to this restaurant, we currently have green restaurants in the U.S., with others under construction in France, Brazil and Canada.

We are currently working to enhance our current strict building standards, and several of our markets – including France, Germany, the U.S., and Brazil – are already tracking the performance of new sustainable restaurant features to continuously improve energy efficiency.



MANAGING SUCCESS

"When I started with McDonald's way back when, people said 'Oh, that's all you're doing?' But it's turned into a wonderful career, and I am very pleased with where I am today with McDonald's."

LAURA CUDEBEC, MCDONALD'S RESTAURANT MANAGER

BEHIND THE FOOD...PEOPLE MATTER

It goes without saying that we support fundamental human rights for all people. We comply with employment laws in every market where we operate, and we will not employ underage children or forced laborers. We respect the right of employees to associate or not to associate with any group, as permitted by, and in accordance with, applicable laws and regulations.

But these things are just the greens fees to running a successful, sustainable business in today's world.

Delivering on responsible food and customer expectations demands an engaged, committed and talented workforce.

McDonald's knows this, and so do McDonald's owner/operators.

People are absolutely fundamental to our brand and building our business. That's why we make people a priority.

PEOPLE PRIORITY:
McDonald's Approach



EMBRACE, EMPOWER...EXCEL

Embracing and empowering a diverse workforce has always been part of the McDonald's culture and continues to be a key ingredient of our success. Seeking to offer a compelling and attractive employment value proposition – from the restaurants to the corporate offices – is a business imperative.

DID YOU KNOW

McDonald's has been recognized as a "Great Place to Work" by the Great Place to Work Institute in over 30 countries where we operate.

McDonald's has received recognition for our commitment to diversity and inclusion, including Fortune Magazine's "Top Companies for Minorities to Work" and Black Entreprise Magazine's "40 Best Companies for Diversity."

We offer unique global and market-level benefits such as the Voice of McDonald's Singing Competition, McDonald's Olympic Champion Crew, Math & English skills training in the U.S., the UK and Australia, and work flexibility and mobility options in Europe.

McDonald's has been recognized as a "Top Company for Leaders" by Fortune Magazine.



SERVING OUR COMMUNITIES...BOTH BIG AND SMALL

For McDonald's, giving back comes in many shapes and sizes. It can be a local independent owner/operator sponsoring his/her local youth baseball team. It may bring to mind our long-time support of Ronald McDonald House Charities. Or it can involve our worldwide Olympic Sponsorship and feeding the athletes.

Whatever shape it takes, the intent remains the same – to make a positive difference in the lives of our customers and the communities where we operate.

COMMUNITY SUPPORT: McDonald's Framework







Through McDonald's Player Escort Program, more than 1,400 children from around the world have had the opportunity to realize their dreams by escorting the world's best football players hand-in-hand onto the field before official FIFA World Cup Matches in Germany.

GLOBAL REACH, LOCAL IMPACT

Giving back has always been fundamental to our business – ever since Ray Kroc founded the company more than 50 years ago. As a company, and as individuals, we continue to seek ways to make meaningful impacts on the communities where we live and work.

DID YOU KNOW

World Children's Day, McDonald's worldwide annual fundraiser, helps to raise millions of dollars each year for Ronald McDonald House Charities and other children's causes.

Through the Olympic Champion Crew and McDonald's Champion Kids programs, McDonald's brought crew members and kids from around the world to Beijing, China to experience the 2008 Olympic Games.

McDonald's serves as the Official Restaurant of the Olympic Games, feeding the athletes in the Olympic Village.

McDonald's China made nearly 40,000 food deliveries to earthquake victims, relief workers, military, hospitals, and police and fire department officers in the wake of the 2008 earthquake.











WHY CORPORATE RESPONSIBILITY IS IMPORTANT TO US

Corporate responsibility means many things to many people. At McDonald's, being a responsible company means living our values to enable us to serve food responsibly and work toward a sustainable future.

I am proud to lead a company that supports its values with the actions described in this report. At the same time, I know that we can do better.

We have learned some very important things over the years. We understand that acting responsibly is not just the right thing to do, but the smart thing to do for our business and that there is always room for improvement. Continuously improving our social and environmental performance is a key ingredient to our continued success as a company and central to our commitment to using our size and scope to make the world a better place.

Being better means a lot of things for McDonald's. Being better, not just bigger, is what has made our Plan to Win successful. You have seen it in our business performance, through operations excellence, marketing relevance, menu diversification, and investing in new and remodeled restaurants.

The same principles apply to corporate responsibility - using less, yet offering more, being more energy efficient, sourcing in a sustainable manner, providing more opportunities to our diverse workforce, giving more back to the communities that support us and more.

While our obligations as a responsible company touch on several fronts, our main priorities should be clear—our food, our people, and the environment.

It all begins with our food. We are committed to providing choices, assuring quality and safety, delivering great taste, and sourcing in an ethical manner. I believe our continued success is based on our ability to deliver on all these fronts. We will continue to focus our efforts on enhancing the sustainability of our supply chain and on providing quality, safe food and a balanced array of menu options that meet the needs of today's consumers.

Our people are both the backbone and the face of McDonald's. They are the ones who make it all happen – people who care, people who are motivated, and people who are committed to lead the way, not follow the crowd.

In today's world, we know we need to offer a compelling employment value proposition to attract and retain the committed and talented employees that are the foundation for any company's success. This means providing a fulfilling workplace for today's worker, opportunities for training and development, and most of all, a work environment based on respect, diversity and inclusion.

Environmental responsibility has long been a key component of our commitment to corporate responsibility. In 1990, we first established our Global Environmental Commitment, and since then, we have been seeking out, and acting on, ways to enhance our environmental performance.

For example, we continue to seek additional ways to enhance energy efficiency in our restaurants.

Resource conservation is a top issue for business and society.

More efficient use of energy helps us save money and reduces our environmental impact. To me, that is what corporate responsibility is all about, finding the intersection of doing good for society and doing good for our business.

I thank you for your interest in McDonald's Corporate Responsibility progress, whether you are part of our system's efforts to translate our values into action, or an outside stakeholder, customer, shareholder, or neighbor. We welcome your comments and suggestions for improvement, and I can assure you, we will never stop working to be better tomorrow than we are today.

Jim Skinner Chief Executive Officer

"We know we can never become complacent.
Continuously improving our social and environmental performance is a key ingredient to our continued success as a company and central to our commitment to using our size and scope to make the world a better place."

JIM SKINNER, CEO MCDONALD'S CORPORATION

LIVING OUR VALUES

From the beginning, values have been central to delivering responsible food at McDonald's. Our values, as well as our commitment to living them each and every day, are the foundation of our success.

As we look to the future, we know there is even more we can do to make living our values a natural part of every day for our employees, our owner/operators and our suppliers.

ONGOING MCDONALD'S VALUES INTEGRATION

Educate – Making the McDonald's system more aware of the true meaning of our values and how they contribute to our success; engaging in open discussion on the potential tensions between specific values; and sharing innovations and best practices that stem from putting our values to practice in tangible ways

Integrate – Integrating values in key business processes such as employee orientation and training and the development of leadership competencies

Measure – Incorporating values into annual employee commitment survey and employee performance appraisals

We believe that taking these types of actions will help continue our positive financial performance and help us achieve our environmental and social goals. Values are the key ingredient to delivering responsible food and striving toward a sustainable future.

GOALS 2008-10

SUSTAINABLE SUPPLY CHAIN	1. Educate and communicate with our supply system about sustainability			
	Develop a comprehensive global forestry policy that will apply to all products we purchase			
	3. Measure environmental impacts in our supply chain			
NUTRITION & WELL-BEING	1. Accelerate and expand food and beverage choices for kids			
	Continue to enhance children's well-being through programs and initiatives that provide "fun with a purpose"			
	3. Continue to provide useful nutrition information in ways most relevant to today's consumers			
ENVIRONMENTAL RESPONSIBILITY	 Continue to find ways to maximize energy efficiency in our restaurants 			
	 Continue to integrate environmental considerations into our packaging design through rollout of our global packaging scorecard into our nine largest markets 			
	3. Increase best practice sharing within our system to enhance the transfer and scaling of the most efficient and innovative initiatives			
	4. Further rollout our global forestry standards for consumer packaging, expanding into other Areas of the World, specifically the U.S. and Asia Pacific, Middle East, and Africa (APMEA)			
EMPLOYMENT EXPERIENCE	Increase number of Hamburger University certified restaurant managers			
	Continue to enhance our employment value proposition to drive employee engagement			
	 Continue to integrate McDonald's values into key people programs, from hiring, to training, to career development 			
COMMUNITY	Facilitate and encourage volunteer activities through an online management tool			
	Increase financial and volunteer support to RMHC through communication outreach			
	3. Continue to increase awareness of RMHC & its core programs			



RESPONSIBLE FOOD FOR A SUSTAINABLE FUTURE



For more information on Corporate Responsibility at McDonald's and our full report, visit us online.

www.crmcdonalds.com





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