

McDONALD'S AUSTRALIA PART 2



WELCOME TO THE BEST OF GREEN

Building a better business through effective environmental practices around the world.

90 CASE STUDIES HIGHLIGHTING ENVIRONMENTAL INNOVATIONS WITH TANGIBLE BUSINESS BENEFITS

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IF YOU HAVE ANY COMMENTS OR QUESTIONS, PLEASE JOIN THE CONVERSATION ON THE McDONALD'S SUSTAINABILITY BLOG, OPEN FOR DISCUSSION, AT WWW.ABOUTMCDONALDS.COM/MCD/LETS_TALK.HTML

IF YOU WOULD LIKE TO LEARN MORE ABOUT McDONALD'S AND SUSTAINABILITY, TAKE A LOOK AT THE SUSTAINABILITY SECTION OF WWW.ABOUTMCDONALDS.COM. WWW.ABOUTMCDONALDS.COM/MCD/SUSTAINABILITY.HTML

McDONALD'S GLOBAL ENVIRONMENTAL COUNCIL

At McDonald's, we know that "success breeds success" and through the sharing of innovative best practices such as these, we hope you are able to leverage these activities and use them as a catalyst for similar improvements in your markets. Best of Green highlights environmental best-practice innovations in a wide spectrum of areas with tangible impacts for our business and our brand. These environmental innovations, taking shape at multiple levels throughout the McDonald's System, illustrate that positive change can originate from anywhere and that we all have a role to play in improving our environmental performance.



NORTH AMERICA

- Steve DePalo
- Jessica Droste Yagan
- Jeffrey Fitzpatrick-Stilwell
- Sherry MacLauchlan
- John Rockwell
- Jill Scandridge
- Angie Steele

EUROPE

- Else Krueck

ASIA / PACIFIC, MIDDLE EAST AND AFRICA (APMEA)

- Adrian Cullen
- Brian Kramer

LATIN AMERICA

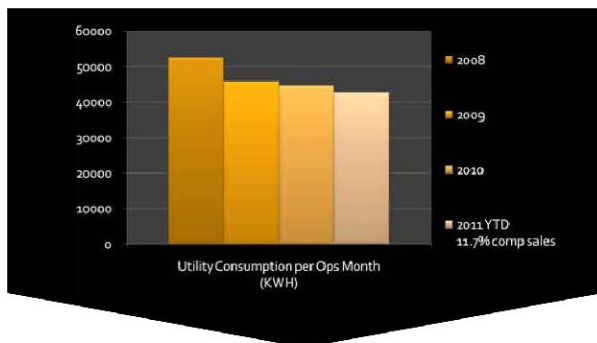
- Leonardo Lima
- Flávia Vigio

GLOBAL

- Townsend Bailey
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- Heidi Glunz
- Frank Kohout
- Bob Langert
- Jennifer McCracken
- Jerry Sus



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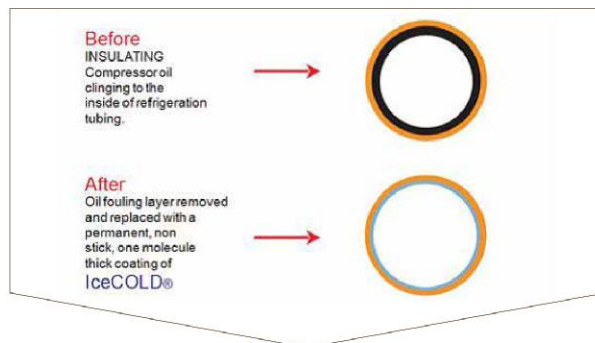
ENERGY CONSERVATION LEADS TO REAL SAVINGS IN CHINA

 **Doni Ma**
Construction Manager, McDonald's China

OPPORTUNITY: Energy management can lead to increased profits for restaurants, saving thousands of dollars annually. Consumers are aware and concerned about corporate practices and ethics. McDonald's China is committed to improving energy use efficiency and reducing greenhouse gas emissions.

SOLUTION: McDonald's China established a cross-functional team to perform energy management initiatives – from operations and construction to equipment. LED lighting, high-efficiency HVAC, and kitchen equipment were the primary approaches to saving energy in 2011. LED interior and exterior lighting has led to 75 percent energy savings. High-efficiency HVAC equipment can reduce energy usage by 20 percent.

RESULTS: Costs for McDonald's China's energy utilities dropped from 5.87 percent to 5.47 percent of overall costs, and energy consumption decreased by 1.98 percent through October 2011, compared with the same period in 2010.



ICE COLD

 **Adrian Cullen**
National Environmental Manager, McDonald's Australia

OPPORTUNITY: As utilities are a major expense for restaurant operations, McDonald's Australia has been exploring energy efficiency improvement opportunities in its restaurants. HVAC systems represent one of the largest opportunities in this area because they account for approximately 25 percent of a McDonald's Australia restaurant's consumption.

SOLUTION: McDonald's Australia optimized the energy efficiency of its refrigeration equipment and HVAC systems by installing the product IceCOLD®. IceCOLD® improves the efficiency of the heat exchanges by removing the naturally occurring oil fouling from the tubing and coil walls. As a result, cooler air flow is generated from the system. The shortest payback is achieved on equipment more than three years old.

RESULTS: The initial results have indicated a 20 percent energy savings on HVAC and refrigeration. Currently seven restaurants across the country are participating in the trial. McDonald's Australia is evaluating the payback and, depending on the results, will make it available to all restaurants.



A GROUNDBREAKING COMMITMENT TO RENEWABLES

 **Steve DePalo**
Director of Energy, McDonald's USA

OPPORTUNITY: At McDonald's USA, we have efforts in place to help continually reduce our energy requirements in our buildings and restaurants and to find technical innovations to minimize energy consumption. We see an opportunity to augment these efforts by supporting the development of renewable energy through renewable energy credits (RECs).

SOLUTION: McDonald's USA has made a national commitment to match 30 percent of its electricity use at company-owned restaurants in 2011 and 2012 with renewable energy credits from U.S. wind sources. This represents more than 300,000 megawatt hours of electricity per year.

RESULTS: Matching a significant portion of our energy usage with RECs supports the development of renewable energy in a meaningful way. RECs help fund the development of new renewable energy resources to increase the amount of available clean energy for everyone.

