

McDonald's has a responsibility to add value to the communities in which we operate and we are proud to play an active role in neighbourhoods all over Australia.

In 2011 we celebrated the 20th anniversary of McHappy Day and raised a record \$3.1 million for Ronald McDonald House Charities.

The first Australian Ronald McDonald Care Mobile was launched in 2011 to provide specialist health services to children in rural and remote communities in NSW.

Some 1,000 corporate McDonald's employees are active volunteers for RMHC.

Six Australian children met their sporting heroes at the London Olympic Games as part of the McDonald's global Champions of Play program.

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## COMMUNITY CONTRIBUTION



## GIVING BACK

Every McDonald's restaurant in the country is committed to contributing to the community within which it operates - whether this is by joining with other restaurants to fund a major sponsorship, individually supporting their local youth sporting team or raising funds for Ronald McDonald House Charities (RMHC). Giving back to the community is a fundamental part of our business philosophy dating back to McDonald's founder, Ray Kroc, and is carried on today by the company and our franchisees.

At the heart of McDonald's commitment to giving back to the community is RMHC. RMHC is one of Australia's major children's charities and helps thousands of families and children across Australia every year. McDonald's is absolutely committed to the ongoing growth of the charity and provides significant financial support every year. More importantly, however, it is the sustained interest and involvement of McDonald's employees, franchisees and suppliers that makes the relationship a success.

Beyond RMHC, we support other programs that are important to our community and, where appropriate, we look to engage in long term relationships with commitment from all parties. To this end, we support programs that encourage physical activity and leverage our sponsorship of sporting teams and events to encourage more people, especially children, to participate in sport.

On top of this we have long term, national partnerships in place with organisations across diverse fields from the environment to the performing arts. These include Clean Up Australia, Camp Quality and the Sydney Eisteddfod, and it is our belief that each of these organisations play a significant role in the fabric of life in Australia.

In addition, we make one-off donations to not for profit groups and endeavour to meet requests that meet the following criteria:

- Projects that align with McDonald's giving values and that have a measurable impact on the health and wellbeing of Australian children.
- Organisations that provide direct-impact programming delivered to the end-user.
- Charitable organisations in which McDonald's employees are involved.

It is impossible for us to measure the total financial value of the charity and community activities McDonald's contributes to each year as much of it comes from individual franchisees providing monetary and in-kind support locally. However, we know that collectively we contribute millions of dollars each year.

## RONALD McDONALD HOUSE CHARITIES

RMHC was established in Australia in 1985 by McDonald's and the business continues to have a long term, ongoing and significant commitment to the charity.

All administration and management expenses of RMHC are met by McDonald's Australia so that 100 per cent of all funds donated can be used for programs to benefit seriously ill children and their families. The support provided by McDonald's Australia extends far beyond this financial assistance. Every member of the organisation, from the CEO to franchisees and crew, is educated in the vital work RMHC carries out and encouraged to help out in any way they can. Many franchisees and employees are actively involved in RMHC by volunteering their time, sitting on Boards, initiating fundraising ideas and managing development projects.

RMHC is managed by an independent board of volunteer directors which includes McDonald's Australia management, RMHC management, McDonald's franchisees and community and medical representatives.

The Charity's mission is to create, find and support programs that help seriously ill children and their families. There are six key programs run by RMHC in Australia.

### 1. RONALD McDONALD HOUSE

The cornerstone program of RMHC is the Ronald McDonald House program. Ronald McDonald House provides a home-away-from-home for families of seriously ill children being treated at nearby hospitals. Rather than spend the night in a hospital waiting room, family members can stay in the comfort of a Ronald McDonald House and receive support from staff, volunteers or other families who are sharing similar experiences. Houses contain private bedrooms and family units and common kitchens, lounges, quiet rooms and play areas. Families who stay at Ronald McDonald House have usually travelled from rural areas and would often

have nowhere else to stay when their child is in hospital. Some families stay for just one night, others may stay at the House for several months or even years.

The first Ronald McDonald House opened in Philadelphia, USA in 1974 when a National Football League team, a children's hospital and a group of McDonald's franchisees joined forces to provide a home-away-from-home near the hospital for families of seriously ill children. There are now (as at 31 December 2011) 309 Ronald McDonald Houses in 30 countries worldwide.

The first Ronald McDonald House opened in Australia in 1981 at the Royal Alexandra Hospital for Children in Camperdown NSW. There are currently (as at November 2012) 14 Ronald McDonald Houses across Australia accommodating around 284 families every night or over 6,500 families each year.

Our newest Ronald McDonald House opened in Canberra in 2012 and the development of the 15th Ronald McDonald House is underway in Orange, NSW. New Houses are also currently being considered for the new Gold Coast University Hospital and the Queensland Children's Hospital.

Continued investment in existing Houses is also a current priority for RMHC with recent extensions completed at Ronald McDonald House Adelaide and Ronald McDonald House Townsville.

### 2. RONALD McDONALD FAMILY ROOM

The Ronald McDonald Family Room Program gives local and regional families the opportunity to take a break and experience a little bit of home within the hospital, only footsteps from their child's bedside. There are currently (as at November 2012) six Family Rooms around Australia with seventeen more in planning.

### 3. RONALD McDONALD LEARNING PROGRAM

The Ronald McDonald Learning Program is helping more than 800 children each week catch up on missed education due to illness. The Learning Program provides comprehensive assessment to determine each child's strengths and learning needs. From the results, an individual education plan is developed which includes tuition and speech or occupational therapy if required. Results have been outstanding with parents and teachers reporting improved academic performance, self esteem and confidence in the children returning back to school.

### 4. RONALD McDONALD FAMILY RETREAT

The Ronald McDonald Family Retreat Program provides families with the opportunity to take a break when they need it most but can least afford it through the provision of free holiday accommodation. The six Family Retreats across Australia are located in coastal towns and riverside holiday areas and provide a break from the stress of hospital treatment and an opportunity for families to reconnect.

### 5. RONALD McDONALD CARE MOBILE

The first Australian Ronald McDonald Care Mobile was launched in 2011 to provide specialist health services and education to children and families living in rural and remote NSW. The Ronald McDonald Care Mobile is a purpose built, 12 metre long vehicle with two consulting rooms which are utilised by a team of Royal Far West clinicians. The services available through the Care Mobile include speech therapy, occupational therapy and psychology.

### 6. RONALD McDONALD GRANTS

The Ronald McDonald Grants Program allows RMHC to support programs that enhance the quality of care and support for seriously ill children and their families. This can be in the form of one-off contributions or more ongoing assistance and since 1987, more than \$11 million has been provided to a variety of projects through the Grants Program. One such program is the RMHC Charlie Bell Scholarship which provides financial assistance towards vocational or tertiary studies at accredited undergraduate institutions to students who have experienced serious illness.

### McHAPPY DAY

McHappy Day has been a popular community event and a successful fundraiser since its inception in 1991. In 2011 we celebrated the 20th anniversary of McHappy Day and raised a record \$3.1 million for Ronald McDonald House Charities. Over the past 20 years more than \$18 million dollars has been raised for RMHC through McHappy Day.

On McHappy Day in 2011 two dollars from every Big Mac sold was donated to RMHC. Crazy Straws and Helping Hands were also sold with all profits being donated to the Charity.

McHappy Day is an annual event and everyone in the McDonald's system - franchisees, crew, managers, head office staff and suppliers - participates in some way. A festival atmosphere is created at each restaurant and celebrities and local personalities generously donate their time to work in the restaurants on McHappy Day, creating excitement for customers and crew alike.

### McDONALD'S AUSTRALIA'S CONTRIBUTION TO RONALD McDONALD HOUSE CHARITIES IN 2011

Description	McDonald's Australia Ltd	McDonald's Australia Ltd Franchisees	Total
McDonald's direct support for RMHC	1,242,569	\$594,415	\$1,836,984
McHappy Day (\$2 from every Big Mac sold)	281,629	\$772,955	\$1,054,584
	1,524,197	\$1,367,370	\$2,891,568
Funds raised from the public by McDonald's			
McHappy Day (Public donations, Crazy Straws, Helping Hands & Happy Meals)	571,848	\$1,569,487	\$2,141,335
Moneybox donations collected in McDonald's restaurants	939,117	\$2,577,489	\$3,516,606
<b>Total McDonald's Australia Limited / franchisee support</b>	<b>3,035,163</b>	<b>\$5,514,346</b>	<b>\$8,549,509</b>

### McDONALD'S FINANCIAL CONTRIBUTION TO RMHC

McDonald's Australia covers all of RMHC's operating costs so that every cent of every dollar donated to RMHC goes directly to the programs it runs across Australia. The financial support McDonald's Australia, franchisees and customers (through McDonald's programs such as McHappy Day) provided to RMHC in 2011 totalled more than \$8.5 million.

### FRANCHISEES AND SUPPLIERS MAKE A DIFFERENCE TO RMHC

In 2010 franchisee Tony Aichinger initiated a fundraiser for RMHC which sees beef producers donating cattle, which are tagged with a 'Herds of Hope' ear tag and when sold the proceeds are donated to RMHC. The program focused around cattle sales in the first half of 2011 but donations are still being realised as cattle are sold.

"We were overwhelmed by the enthusiasm and strong uptake of the Herds of Hope initiative by the Australian red meat industry. We were pleased that our key industry partners are on board to help raise as much as \$20,000 to expand RMHC programs for seriously ill children and their families over the next few years," says Tony Aichinger, Chairman of Ronald McDonald House Wagga Wagga and McDonald's Wagga Wagga Franchisee.





## SUPPORTING ACTIVE LIFESTYLES

Our focus is on activities that improve the health and well being of children. We encourage children to 'never stop playing' by contributing to sporting organisations that develop kids' sports skills and provide opportunities for them to play, plus we support some elite sporting teams to help encourage a love of sport in Australia.

Thousands of sporting clubs benefit from the support of their local McDonald's restaurant. From supporting grassroots football in South Australia and footy clinics with AFL's elite players to providing sponsorship to Basketball Victoria and Swimming Queensland, all our sporting commitments are designed to help keep kids active. Rugby union, rugby league, soccer, AFL, netball, swimming and basketball are all supported somewhere in Australia by McDonald's.

In 2011, McDonald's invested more than \$2 million into children's sporting related partnerships (this does not include in-kind support or what franchisees contribute themselves). As part of these sponsorships we support some 650,000 children per year to lead active lifestyles.

## ENCOURAGING LITTLE ATHLETES

McDonald's restaurants are a major supporter of Little Athletics in New South Wales, Queensland, Victoria, Tasmania, Western Australia and South Australia. The relationship is designed to encourage more children to participate in Little Athletics and has helped develop this fun, family oriented sport. McDonald's support has included funding television commercials and using traymats to encourage children to register, and providing certificates rewarding children for participation and improvement. In Queensland the partnership with Little Athletics has continued for 32 years and in other states, the relationships have been in place for several years.

## CONTRIBUTING TO THE COMMUNITY

Giving back to the community is an essential part of McDonald's heritage and values. The flexibility of the McDonald's system means that each franchisee can contribute locally in a way that is most relevant and appropriate for themselves and their community. For many restaurants this means contributing in a small but meaningful way to several community groups and activities and, sometimes, local individuals with particular needs.

In addition to the thousands of contributions made by individual McDonald's restaurants to their local community, the company and franchisees join together to support more than 50 larger activities, either state wide or across a geographical region. Many of these programs are focused on promoting physical activity and encouraging children to be active while others provide support and assistance to individuals or groups with special needs such as our sponsorship of the annual Salvation Army Youth Camp in Western Australia.

In developing a partnership with a community group, McDonald's goal is to provide more than financial support. McDonald's contribution can include marketing activities to raise the profile of the organisation and the opportunity for the group to use McDonald's restaurants as a means of communicating with the public, whether through traymats, noticeboards or events.

## McDONALD'S HOOP TIME IN VICTORIA

McDonald's has been involved in developing junior basketball talent in Victoria since 1984 through its partnership with Basketball Victoria. The duration of this sponsorship, and the programs involved, have allowed us to encourage participation in basketball across Victoria. A cornerstone program of the sponsorship is McDonald's Hoop Time, a series of one-day basketball round robins held at local basketball stadiums across Victoria. With three different playing divisions, the program is designed for children of all abilities and levels of experience. Since its inception in 1992, more than one million Victorian children have been involved in McDonald's Hoop Time and over 34,000 children participate annually, making it one of the biggest primary school programs in the state.

## CREATING SPORTS LOVING KIDS IN WA

The McDonald's GWN7 Junior Sports Trust (MGJST) has been developed to provide regional schools, junior sporting teams, junior sporting clubs and junior sporting associations with funding to increase participation in a chosen sport. The MGJST aims to increase participation in junior sports and thereby encourage the habit of a healthy lifestyle amongst young Australians living in regional Western Australia. In the last five years, \$345,548 in grants has been awarded to groups throughout regional WA.

The MGJST provides grants or equipment to schools or groups within regional Western Australia to provide basic sporting infrastructure; provide funding for the development and promotion of a sporting event or series and provide funding for a school or sporting group for an activity which is likely to encourage others to participate in the sport.



## FUN DAYS WITH NEWCASTLE KNIGHTS

McDonald's restaurants in the Hunter region join together to support the football team that unites Novocastrians and inspires pride in the Hunter community - the Newcastle Knights. As part of the sponsorship we encourage and support the values of competition, leadership and good sportsmanship. Newcastle Knights Fun Days are held in restaurants so that the community can meet the players and, at home games, McDonald's entertains young fans at the McDonald's Family Hill at the stadium. Several Newcastle Knights players are now Ronald McDonald House ambassadors and regularly show their support for the Ronald McDonald House at John Hunter Hospital.



## TAKING AUSSIE KIDS TO THE LONDON OLYMPIC GAMES

McDonald's has been a global sponsor of the Olympic Games for 35 years. We believe in the spirit of the Games and their unique ability to engage the world in a way that is constructive, positive and inspirational. In August 2012 we took six Australian children and their guardians to the Olympic Games in London as part of the global Champions of Play program. For the first time ever, McDonald's Champions of Play children had the opportunity to meet athletes at actual Olympic venues. The children also attended Olympic events, visited cultural sights and served as youth correspondents, sharing their stories and experiences with their local communities. The London 2012 Olympic Games marked McDonald's eighth Olympic Games as a Worldwide Partner and ninth as the Official Restaurant of the Olympic Games.



## LONG TERM COMMITMENTS

Where appropriate and possible, McDonald's will commit to supporting programs for the long term. Some major sponsorship arrangements that have been in place for several years include the following.

### CLEAN UP AUSTRALIA

McDonald's Australia is a Founding Partner of Clean Up Australia, the organisation behind Clean Up Australia Day, and we have partnered with the event for 23 years.

Since the first Clean Up Sydney Harbour event in 1989, McDonald's support has helped this initiative to grow and flourish. Clean Up Australia Day is now a community icon and the country's biggest annual volunteer event.

In 2011 McDonald's Australia had the most successful Clean Up Australia Day ever with restaurant registration numbers increasing by 45 per cent. McDonald's restaurant crew - both those rostered on and those volunteering - worked alongside community members cleaning up sites around the country including local sporting fields, parks, beaches and bushlands.



### McDONALD'S SYDNEY EISTEDDFOD

McDonald's has sponsored the McDonald's Sydney Eisteddfod for the past 24 years. The Eisteddfod is believed to be the largest, competitive performing arts festival in the world. As well as the overall sponsorship of the event, McDonald's funds two of the Eisteddfod's major scholarship events providing young artists the chance to pursue performance careers. McDonald's began sponsoring the major vocal event in the Eisteddfod - the McDonald's Operatic Aria - in 1989 and took up sponsorship of the Ballet Scholarships in 1998.

### McDONALD'S CAMP QUALITY PUPPETS

McDonald's Australia has been supporting the McDonald's Camp Quality Puppet Program since 1990. The puppet program educates primary school aged children throughout Australia about childhood cancers and the effects of treatment. It was originally created to facilitate a smooth return to school for children who had received cancer treatment. The puppet program has made more than 10,000 visits to schools, restaurants and hospitals nationally reaching in excess of three million children Australia wide.