



WHEREAS: The ocean plastics crisis continues unabated, fatally impacting more than 800 marine species, and causing up to \$2.5 trillion in damage annually to marine ecosystems. An estimated 11 million metric tons of plastic ends up in oceans annually. Toxins adhere to plastics consumed by marine species, which can potentially transfer to human diets. There could be more plastic than fish by weight in oceans by 2050.

Recently, Pew Charitable Trusts released a groundbreaking study, *Breaking the Plastic Wave*, which concluded that if all current industry and government commitments to address plastic pollution were met, ocean plastic deposition would be reduced by only 7%. Without immediate and sustained new commitments throughout the plastics value chain, annual flow of plastic into oceans could nearly triple in just the next twenty years.

The report finds that improved recycling will not be sufficient to stem the plastic tide, and must be coupled with reduction in demand, materials redesign, and substitution. “Brand owners, fast-moving consumer goods companies and retailers should lead the transition by committing to reduce at least one-third of plastic demand through elimination, reuse, and new delivery models,” the report states, adding that reducing plastic production is the most attractive solution from environmental, economic, and social perspectives. Unilever has taken the most significant corporate action to date, agreeing to cut plastic packaging use by 100,000 tons by 2025.

McDonald’s and peers have fostered a wasteful “to go” disposable beverage cup and packaging culture, contributing to plastic pollution of land and water. The company removed polystyrene foam containers from its operations but continues to use significant amounts of single-use plastic. It used 53,000 metric tons of plastic in primary packaging in 2018. Single-use beverage cups represent 42% of the company’s plastic footprint, lids 28%, and utensils 16%, with only 2% recycled content.

Competitor Starbucks Corp. is shifting away from single-use packaging and developing new global reusable container goals. This could reduce plastic use by thousands of tons. To reduce plastic use as deemed essential by the Pew study, McDonald’s should follow Starbucks’ lead and commit to position the company to shift permanently away from single-use packaging and towards reusable containers.

BE IT RESOLVED: Shareholders request that the board of directors issue a report by December 2021 on plastic packaging, estimating the amount of plastics released to the environment by our use of plastic packaging, from the manufacture of plastic source materials, through disposal or recycling, and describing company strategies or goals to reduce use of plastic packaging to reduce these impacts.



SUPPORTING STATEMENT: Proponents note that the report should be prepared at reasonable cost, omitting confidential information, and include an assessment of the reputational, financial, and operational risks associated with continuing to use substantial amounts of plastic packaging while plastic pollution grows unabated. In the board's discretion, the report could also evaluate opportunities for dramatically reducing the amount of plastics used in packaging through redesign or substitution.