



**WHEREAS:** The growing plastic pollution crisis poses increasing risks to our company. Corporations could face an [annual financial risk](#) of approximately \$100 billion should governments require them to cover the waste management costs of the packaging they produce, a policy that is increasingly being enacted around the globe.

Pew Charitable Trusts released a groundbreaking study, *Breaking the Plastic Wave* (Pew Report), concluding that if all current industry and government commitments were met, ocean plastic deposition would be reduced by only 7%. Without immediate and sustained new commitments throughout the plastics value chain, annual flows of plastics into oceans could nearly triple by 2040.

The Pew report finds that improved recycling is insufficient to stem the plastic tide -- it must be coupled with reductions in use, materials redesign, and substitution. It concludes that at least one-third of plastic use can be reduced and that reduction is the most attractive solution from environmental, economic, and social perspectives. The European Union has banned 10 single-use plastic products commonly found in ocean cleanups and enacted a \$1/kg tax on non-recycled plastic packaging waste.

McDonald's is part of a "to go" packaging culture, contributing to plastic pollution of land and water through its disposable packaging. The company has removed polystyrene foam containers from its operations but continues to use significant amounts of single-use plastic. [McDonald's reported](#) the tonnage of plastic packaging it used in its beverage cups, lids, and utensils in 2018 at 153,000 metric tons, with only 2% recycled content. To reduce plastic use, McDonald's should position the company to shift permanently away from single-use packaging and towards reusable containers.

Competitor Starbucks is shifting away from single-use packaging and developing new global reusable container goals, which could reduce plastic use by thousands of tons.

Unilever has taken the most significant corporate action to date, agreeing to cut virgin plastic packaging by 50% by 2025, including absolute elimination of 100,000 tons of plastic packaging. Seventeen other consumer goods companies have [virgin plastic reduction goals](#), including Procter & Gamble, Colgate-Palmolive, Nestlé, and Target. McDonald's has no virgin plastic reduction goal.

**BE IT RESOLVED:** Shareholders request that the McDonald's Board issue a report, at reasonable expense and excluding proprietary information, describing how the company will reduce its plastics use in alignment with the reductions findings of the Pew Report, or other authoritative sources, to feasibly reduce ocean pollution.



**SUPPORTING STATEMENT:** The report should, at Board discretion:

- Assess the reputational, financial, and operational risks associated with continuing to use substantial amounts of plastic packaging while plastic pollution grows unabated;
- Evaluate the benefits of dramatically reducing the amount of plastics used in our packaging.
- Describe how McDonalds can further reduce single-use packaging, including any planned reduction strategies or goals, materials redesign, transition to reusables, substitution, or reductions in use of virgin plastic.