McDONALD’S U.S.A
ENVIRONMENTAL SUSTAINABILITY POLICY PRINCIPLES
JUNE 2020

McDonald’s is committed to building a sustainable business that will grow and last for generations. Our business is interconnected and dependent on a healthy ecosystem to provide the natural resources critical to serving our customers and our communities. By being stewards of the environment, we will ensure a more resilient food supply and restaurant operations in thousands of U.S. communities for years to come.

We are leveraging our scale to Build a Better McDonald’s. In 2017-2018, we made five bold Scale for Good commitments to address some of the most pressing issues in society of which three focused on environmental sustainability: (1) Beef Sustainability; (2) Climate Action; and (3) Packaging and Recycling.

Through these Scale for Good commitments, we are doing our part to invest in innovations and partnerships to help minimize our impact on the environment and reduce greenhouse gas (GHG) emissions within our own operations and across our value chain. We are building on the good work of our franchisees and supply chain partners, including farmers and ranchers, to implement solutions to pressing environmental challenges, including climate change.

We have set science-based targets to decrease emissions across McDonald’s restaurants, offices and supply chain. We will meet our targets through strategies such as purchasing renewable energy, and working collaboratively with suppliers to ensure food is grown, raised and produced sustainably. We also have set goals to continue improve the environmental sustainability of materials used in our packaging and drive recycling in our restaurants.

However the efforts of the private sector, organizations and individuals alone are not enough.

We believe the United States has a responsibility to support and cultivate an environment of innovation to help accelerate the identification of solutions and reduce barriers as we promote a more sustainable world. We support public policy that coordinates, incentivizes and accelerates efforts to decrease the country’s greenhouse gas emissions and advances environmental sustainability efforts that are good for our planet and for our businesses. As members of the We Are Still In coalition, we encourage U.S. federal, state and local governments to collectively prioritize action to advance such policies that achieve the goals aligned upon by the Paris Agreement.

Below, we outline the Environmental Sustainability Policy Principles that guide our U.S. public policy advocacy. At McDonald's U.S., we will prioritize the following:

ACCELERATE THE REDUCTION OF GREENHOUSE GAS EMISSIONS RELATED TO ENERGY

Conserving energy remains one of the most cost-effective ways to reduce greenhouse gas emissions. McDonald’s supports policies that help to reduce energy consumption and replace the use of hydrofluorocarbons (HFCs) for coolants with lower GHG emissions, all of which would make our offices, restaurants and supply chain more energy efficient.

The private sector and solutions made available to our offices, restaurants and supply chain also play a prominent role in strengthening and contributing to the renewable energy market. Policies that incentivize the private sector to invest in technology to produce renewable energy on-site, purchase renewable energy certificates, add new renewable energy capacity to the grid, and give our small businesses access to local solutions, i.e. community solar, will help level the playing field with traditional energy sources, and expand the amount and accessibility of clean energy on the grid. We support policies that sustain and improve grid operation during commercial operation, such as increasing energy storage which helps increase the reliability of the electricity grid and enable penetration of more renewables.
RECOGNIZE, SUPPORT AND SCALE THE IMPORTANT CONTRIBUTIONS OF AGRICULTURE AND THE LAND USE SECTOR

Farmland and ranchland have played and will continue to play a critical role in reducing GHG emissions, sequestering carbon from the atmosphere, and ensuring efficient use and continued supply of clean and accessible water. Public policies should support research into and incentivize the use of agriculture technology tools, and support training on and incentivize the adoption of production and land use practices that minimize GHG emission output, sequester carbon at scale, and protect our water supply.

MINIMIZE IMPACT OF LOGISTICS AND TRANSPORTATION THROUGHOUT OUR SUPPLY CHAIN

The transportation sector is a large contributor to GHG emissions in the United States. McDonald’s support technology innovation, such as development of the electric vehicle market, and investments in transportation R&D to develop alternative fuels with lower emissions and the next generation of efficient light and heavy-duty trucks.

TRANSITION TO CIRCULAR ECONOMY

The U.S. recycling system is at a critical juncture. Global market shifts are changing cost structures and the highly decentralized U.S. marketplace is taking time to adjust. Due to lack of consistent end markets for recycled materials, communities are facing increasing recycling costs, which can make inexpensive landfill disposal more appealing. We support policies that drive increasing the creation of recycling end markets and incentivize the use of more sustainable and recycled materials, including the creation and use of packaging designed for recovery, following the waste hierarchy. We support policies that increase investment in education and infrastructure for collection, sorting, and recycling, and speed the transition to a circular economy.

In addition, we will prioritize policies that:

REINVEST IN OUR FUTURE: McDonald’s supports policies that encourage and incentivize the development of public-private partnerships focused on driving the continuous stream of R&D innovation needed to foster environmental sustainability.

INCENTIVIZE SUSTAINABLE PRACTICES BY SMALL BUSINESS OWNERS: In 2018, over 99 percent of businesses in the U.S. were considered small businesses, employing almost 50 percent of the private workforce.¹ We want to ensure that U.S. small business owners, including McDonald’s restaurant owner-operators, are able to access and benefit from policies that incentivize shifting to more sustainable practices.

SUPPORT PEOPLE IN ALL COMMUNITIES: U.S. policies for which we advocate should not be a one-size-fits-all approach and should ensure vulnerable communities are not adversely impacted by policy changes, for example through rising energy or food costs. Where possible, U.S. policies should invest in the resilience of communities that have fewer resources to prepare for the worst impacts of climate change and other environmental impacts.