

it's what i eat
and what i do®



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Doing What is Right for the Environment

Managing our Environmental Impact

McDonald's® has a broad commitment to environmental stewardship, reaching from the front counters of our restaurants back into our supply chain. Our work toward an environmentally responsible system is motivated by our commitment to our customers, leadership on sustainability issues and desire to do the right thing.

Managing our Packaging Impacts

Packaging is a fundamental part of serving our customers. Our U.S. menu involves 330 unique consumer package designs, with 83 percent of the packaging made of paper or some other wood-fiber material. McDonald's has an opportunity to provide leadership in conserving natural resources **by minimizing the environmental impacts of our packaging.**

- We try to use environmentally sustainable packaging materials and eliminate unnecessary packaging.
- We redesigned our North American fry boxes in 2005, reducing packaging weight by more than 1,100 tons per year.
- We are working with our primary packaging suppliers to phase out perfluorooctanoic acid-related (PFOA) coatings on our food packaging. Although the U.S. Environmental Protection Agency has stated that it is not aware of any adverse effects of PFOA on human health, we have found better alternatives.



- We are working toward a global forestry policy to promote efficient use of wood and wood-based products from forests that have achieved certification for sustainable management.
- Through our primary packaging supplier, we participate in collaborative efforts to promote packaging consistent with the long-term health of the environment, including The Paper Working Group and Sustainable Packaging Coalition.

Strategies for Sound Restaurant Operations

McDonald's has a number of strategies to ensure environmentally sound operations at our restaurants, including **reuse and recycling, managing electrical energy and effective water management.**

- Since 1990, we have implemented programs to purchase goods made from recycled materials.
- McDonald's has begun a bulk cooking oil delivery system using reusable containers, which eliminates more than 1,500 pounds of packaging waste per restaurant per year.
- We keep restaurant owner/operators and managers informed about better ways of managing electrical energy.
- We build and remodel McDonald's restaurants with energy efficiency in mind. A new U.S. prototype restaurant is designed to reduce air conditioning needs, with awnings over dining room windows and additional landscaping to help shield the direct sun.
- Energy efficiency also is a consideration when evaluating equipment for our restaurants.
- Our restaurants use an average of about 1,650 gallons of water per day, mostly for personal sanitation, cleaning and, in some cases, landscape maintenance. McDonald's Global Water Team has established global standards for restaurant water quality and is working on other priorities, including conservation.

Positively Influencing the Supply Chain

Our suppliers share our core values and align with us to address environmental concerns. With our suppliers' participation, McDonald's has a unique opportunity to help shape and impact environmental issues.

- McDonald's aligned with Conservation International's Center for Environmental Leadership in Business to develop an **environmental scorecard for supplier performance** in areas like water use, energy use and solid waste management. Pilot testing began in 2004 in five countries. Results indicate that the program is promoting more environmental awareness and more effective management of natural resources. McDonald's is now working to expand use of the scorecard.
- McDonald's purchases 50,000 metric tons of whitefish per year. In collaboration with Conservation International and our suppliers, we have developed guidelines for evaluating the **sustainability of our fish sources**. As a result, McDonald's has shifted purchases representing more than 18,000 metric tons of fish away from unsustainable sources over the past five years.
- McDonald's is playing an active role in global efforts to develop **more environmentally friendly refrigerants**. McDonald's and two of our suppliers were recognized by the U.S. Environmental Protection Agency with its 2005 Climate Protection Award for the leadership of our "Refrigerants Naturally" coalition.



McDONALD'S ENVIRONMENTAL GUIDELINES FOR SUPPLIERS

1. Maximize water use efficiency and eliminate the release of waste into water
2. Minimize release of harmful by-products into the air
3. Maximize energy use efficiency and use ecologically sustainable renewable resources when feasible
4. Minimize waste production, maximize recycling and ensure proper handling and disposal of solid waste
5. Maintain soil health by controlling erosion and improving structure and fertility
6. Preserve natural habitats for native species and protection of biodiversity
7. Minimize the use of chemical pest management inputs that impact human, animal and environmental health

"Whatever we are doing today, we can do better tomorrow."

McDonald's actions to protect the environment are grounded in these words from our founder, Ray Kroc. Our goal is continuous improvement in our efforts to deliver high-quality, safe products to our customers, while creating a benefit for employees, their communities, biodiversity and the environment.

Learn more about McDonald's environmental and sustainability practices at www.csr.mcdonalds.com.

Environmental Responsibility

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