



## **Investor Information – McDonald’s 2011 Proposal**

### **Please Support Proposal 11 on McDonald’s Proxy – Vote by May 19, 2011**

Our shareholder proposal asks the company to report on developing more environmentally beneficial beverage containers. We are concerned that McDonald’s continues to use polystyrene-based (PS) beverage cups for hot beverages in the U.S. nearly 20 years after phasing out PS-based clamshell food containers due to their negative environmental impact.

We ask the company to discuss policy options in detail such as incorporating a comprehensive container recycling strategy, recycled content goals and container recovery goals, and discuss how it weighs the relative environmental impacts of different types of beverage containers. The company was not sufficiently forthcoming on these issues in our dialogue.

#### **Styrene Production Has Human Health Impacts**

The International Agency for Research on Cancer has determined that styrene, used in the production of PS, is a possible human carcinogen. In 2009, the California Office of Environmental Health Hazard Assessment proposed that styrene be listed as a known human carcinogen. Several epidemiologic studies suggest an association between occupational styrene exposure and an increased risk of leukemia and lymphoma.

#### **Polystyrene Pollutes the Marine Environment**

PS is not widely recycled and has become pervasive in the marine environment, carried through storm drains to the ocean. It breaks down into small indigestible pellets which animals perceive as food, resulting in the death of birds and marine mammals.

#### **McDonald’s Should Recycle Post-Consumer Cups**

If the company won’t phase out use of PS-based beverage cups, it should at least recycle post-consumer cups! The company does not recycle post-consumer cups in its stores. In contrast, competitor Starbucks has promised to recycle paper and plastic cups left in its stores by 2015.

#### **Concerns about McDonald’s Statement in Opposition**

We strongly disagree with the assertion that the company has addressed “much, if not all of the proponent’s request.” The statement in opposition doesn’t even mention polystyrene, the focus of our proposal! Instead, the company discusses environmental sustainability in broad, vague terms not relevant to the request to address policy options to ensure more environmentally beneficial beverage container packaging.

It is ironic that the company cites its previous collaboration with Environmental Defense Fund (EDF). A key point cited in our proposal is that if phasing out PS food packaging working with EDF was such a success, why have PS cups not been phased out when they present significant occupational exposure risk in the production phase and pollution risk in the post-consumer phase?

**Please Support Proposal 11 on McDonald’s 2011 Proxy - Thank You!**