



# Purpose & Impact Progress Summary

2020-2021





# Message From Our CEO

**“At McDonald’s, we play a unique role in this world. It’s a responsibility we each take seriously and an opportunity for progress we will continue to embrace.”**



For more than 60 years, McDonald’s has been serving the delicious food and feel-good moments that our customers know and love in communities around the world. While it may start with our burgers and World Famous Fries, our passion to feed and foster communities goes so much farther. We’re proud of the work we do to make a difference – giving back to our communities in times of great need, offering educational programs to crew and young people, supporting Ronald McDonald House Charities® so that families can stay together, spearheading packaging and recycling campaigns, and so much more.

Our commitment to communities is central to our Brand’s history and purpose – which is why we constantly strive to do more. We’re working diligently to source more food responsibly, build a more diverse, equitable and inclusive business, and implement innovative solutions in our ongoing quest to be a good neighbor in the communities where we live, work and serve.

## Realizing Our Sustainable Future

Today, people want to understand where their food is coming from. They want to feel good about the food they’re consuming, know how it was grown and understand the impact it has on the planet.

That is why in 2014, McDonald’s set Responsible Sourcing Goals and championed action in areas of our business and supply chain where we could have the greatest impacts and help inspire industry-leading change. This momentum allowed us to become the first global restaurant company with a target to reduce greenhouse gas emissions approved by the Science Based Targets initiative (SBTi) in 2018.

I am proud to share that as of the end of last year, we have substantially achieved all of our 2020 Responsible Sourcing Goals across beef, soy, coffee, fish, palm oil, fiber and forests, even amidst the challenges of managing supply throughout the pandemic. Our progress showcases the power and influence of our suppliers, Owner/Operators and employees – what we call our three-legged stool.

Yet, as evident in our values, we know that we are stronger – and can get better – together. That’s why we continuously look to experts across industry to help us identify tangible and scalable solutions – from academics to farmers and ranchers, government officials and nonprofit organizations. We all play a critical role in protecting our planet.

As we look forward, we are exploring where we can amplify our impact with our goals beyond 2020, and stretch even further to help drive a resilient food system for all – supporting our farmers and producers and regenerating the natural resources and ecosystems upon which our communities depend.

## Guided by Our Values

A year ago, we shared our ambition to use our position to accelerate overdue societal change for our System, customers and communities.

Since then, we launched Global Brand Standards to demonstrate our commitment to furthering a culture of safety and inclusion within all 39,000 McDonald’s brand restaurants. To propel momentum on our global Diversity, Equity and Inclusion (DEI) commitments, we’ve added measurable targets to annual compensation for myself and all Executive Vice Presidents, focused on DEI and upholding company values. And recently, we announced a Mutual Commitment to Diversity, Equity and Inclusion, which invites U.S.-based suppliers doing business with McDonald’s to remain accountable to progress in areas of DEI within their own businesses – because we believe that together, we can advance a more equitable and inclusive future.

## Showing Up for Our Communities

These actions define what it means to work at McDonald’s, to be part of the McFamily. As we’ve navigated the ongoing pandemic and this immense time of need, we’ve continued to support our communities – whether providing free meals to frontline workers, donating to medical organizations or working with government officials and organizations to encourage vaccinations.

At the heart of these efforts are restaurant crew, who have delivered exceptional hospitality to their neighbors throughout the pandemic. That is why we are doubling down on our efforts to serve up bright futures. Together with our Franchisees, we’re embedding opportunity for education and skills training – providing access to local education, tuition assistance or job readiness programs.

At McDonald’s, we play a unique role in this world. It’s a responsibility we each take seriously and an opportunity for progress we will continue to embrace. One thing is for sure, we are a stronger Brand when we work together to have a positive impact on our communities.

## Chris Kempczinski

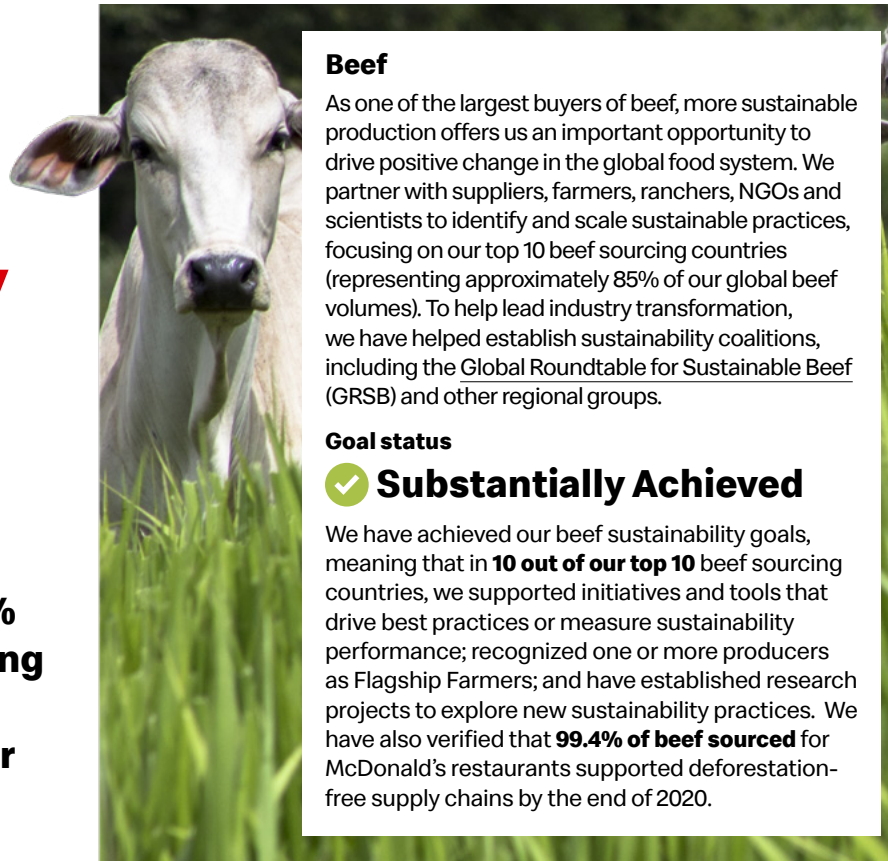
President & CEO, McDonald’s Corporation

Further details about McDonald’s strategy, goals, progress and definitions can be found at [corporate.mcdonalds.com/corpmcd/our-purpose-and-impact.html](https://corporate.mcdonalds.com/corpmcd/our-purpose-and-impact.html)

# Using Responsibly Sourced Products

**We have achieved 98% to 100% responsible sourcing, advancing our 2020 goals focused on our priority products – beef, soy for chicken feed, coffee, palm oil, fish and fiber.**

In 2014, we set out with our first global goals for sustainable sourcing of our priority products, those where we can have the greatest impact. We're proud of what we've accomplished with our global network of suppliers and farmers, Franchisees and expert partners. With 98% to 100% achievement, these efforts are already having a positive impact on some of the world's most in-demand ingredients and products. Building on this success, our ongoing responsible sourcing of these commodities and more help us to contribute to a thriving global food system for the future.



## Beef

As one of the largest buyers of beef, more sustainable production offers us an important opportunity to drive positive change in the global food system. We partner with suppliers, farmers, ranchers, NGOs and scientists to identify and scale sustainable practices, focusing on our top 10 beef sourcing countries (representing approximately 85% of our global beef volumes). To help lead industry transformation, we have helped establish sustainability coalitions, including the Global Roundtable for Sustainable Beef (GRSB) and other regional groups.

### Goal status

✔ **Substantially Achieved**

We have achieved our beef sustainability goals, meaning that in **10 out of our top 10** beef sourcing countries, we supported initiatives and tools that drive best practices or measure sustainability performance; recognized one or more producers as Flagship Farmers; and have established research projects to explore new sustainability practices. We have also verified that **99.4% of beef sourced** for McDonald's restaurants supported deforestation-free supply chains by the end of 2020.

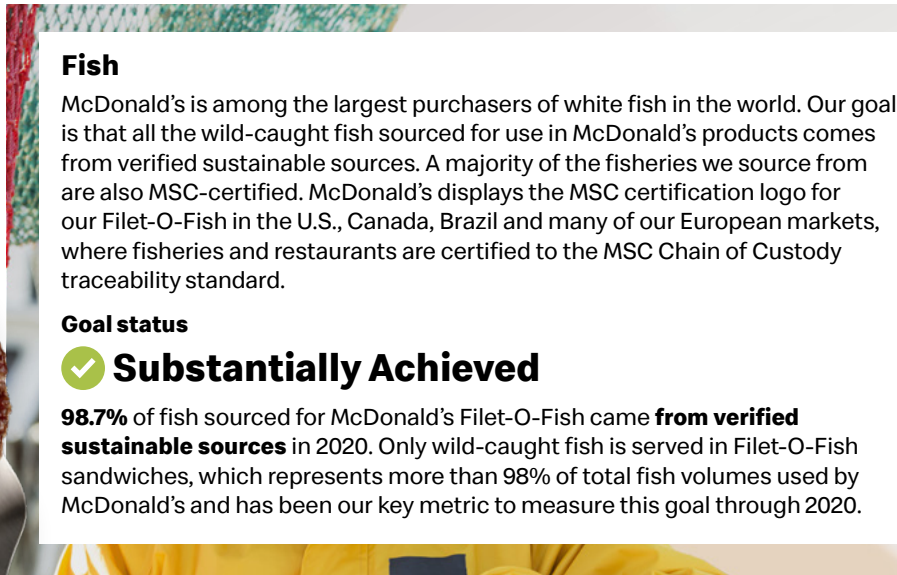
## Soy for Chicken Feed

Chicken across our supply chain is reared with feed that includes soy, and our goal is that this soy supports responsible production and deforestation-free supply chains. We estimate that this soy volume adds up to more than 359,000 acres of farms – or enough to cover the Island of Manhattan 24 times over – meeting these production standards.

### Goal status

✔ **Achieved**

**100%** of soy sourced for the feed of chicken used in McDonald's products **supported deforestation-free supply chains globally** in 2020. We support responsible soy production through the purchase of Round Table on Responsible Soy (RTRS) credits and many of our chicken suppliers in Europe also use physical certification through ProTerra.



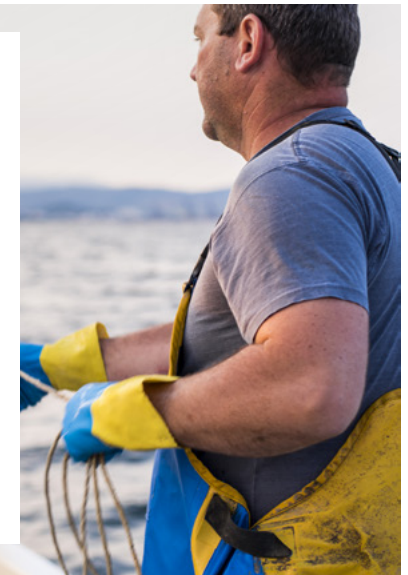
## Fish

McDonald's is among the largest purchasers of white fish in the world. Our goal is that all the wild-caught fish sourced for use in McDonald's products comes from verified sustainable sources. A majority of the fisheries we source from are also MSC-certified. McDonald's displays the MSC certification logo for our Filet-O-Fish in the U.S., Canada, Brazil and many of our European markets, where fisheries and restaurants are certified to the MSC Chain of Custody traceability standard.

### Goal status

✔ **Substantially Achieved**

**98.7%** of fish sourced for McDonald's Filet-O-Fish came **from verified sustainable sources** in 2020. Only wild-caught fish is served in Filet-O-Fish sandwiches, which represents more than 98% of total fish volumes used by McDonald's and has been our key metric to measure this goal through 2020.





## Responsible Sourcing

### Coffee

We purchase coffee that is certified to international sustainability standards through organizations such as Rainforest Alliance, UTZ, Fairtrade International and Fair Trade USA. We also source from suppliers approved by the McCafé Sustainability Improvement Platform (McCafé SIP) established by McDonald's in partnership with Conservation International and our coffee roasters.

Our 2020 sustainably sourced coffee volume is enough to brew close to 5 billion small cups of McCafé coffee.

#### Goal status

### ✔ Substantially Achieved

**98.1%** of ground and whole bean coffee was **sustainably sourced** in 2020. In addition, McCafé SIP is currently active in five countries across South and Central America, reaching nearly 6,000 farms as of 2019 with benefits such as direct premiums to farmers to support economic viability, trainings, and technical assistance.



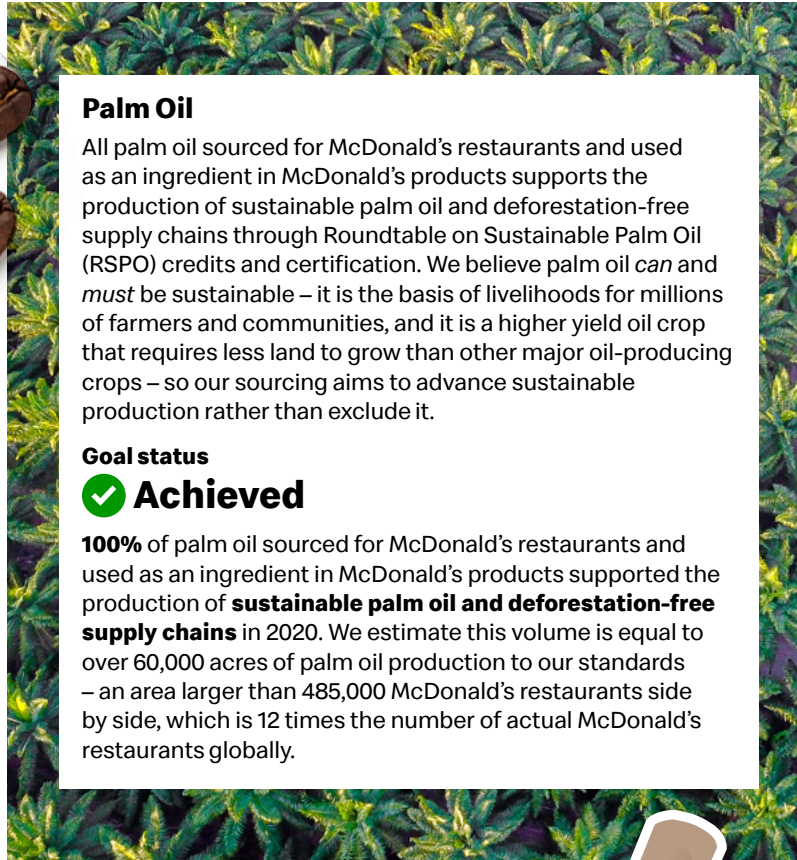
### Palm Oil

All palm oil sourced for McDonald's restaurants and used as an ingredient in McDonald's products supports the production of sustainable palm oil and deforestation-free supply chains through Roundtable on Sustainable Palm Oil (RSPO) credits and certification. We believe palm oil *can* and *must* be sustainable – it is the basis of livelihoods for millions of farmers and communities, and it is a higher yield oil crop that requires less land to grow than other major oil-producing crops – so our sourcing aims to advance sustainable production rather than exclude it.

#### Goal status

### ✔ Achieved

**100%** of palm oil sourced for McDonald's restaurants and used as an ingredient in McDonald's products supported the production of **sustainable palm oil and deforestation-free supply chains** in 2020. We estimate this volume is equal to over 60,000 acres of palm oil production to our standards – an area larger than 485,000 McDonald's restaurants side by side, which is 12 times the number of actual McDonald's restaurants globally.



**Agriculture must be part of the solution for climate, nature and communities. WWF has worked with McDonald's for more than a decade on sustainability issues across their supply chains. Their global reach, forward-leaning vision, and longstanding leadership mean together we have been able to imbed sustainability in their global business and scale innovative solutions to achieve positive impact on people and planet."**

**Melissa D. Ho**

Senior Vice President,  
Fresh Water and Food,  
World Wildlife Fund (WWF)



### Fiber

Fiber is the main material in our guest packaging and McDonald's is one of the top sustainable fiber users in the world. Our 2020 goal was an important interim target supporting our larger 2025 goal for all of McDonald's primary guest packaging to come from renewable, recycled or certified sources. In order to help conserve forests and accelerate climate action, we must also work to source fiber from recycled or certified sources and support deforestation-free supply chains.

#### Goal status

### ✔ Substantially Achieved

**99.6%** of our primary fiber-based guest packaging was **sourced from recycled or certified sources** by the end of 2020 and supported deforestation-free supply chains.



## Our Opportunity

**W**e are looking to the future of food and agricultural sustainability to understand how we not only maintain, but regenerate and prosper through a resilient, thriving food system. We are excited to bring about more meaningful impact for farmers and producers, for our planet and natural ecosystems, and the communities that depend on these resources.

# Regenerating and Protecting Our Shared Home

**We are building resiliency for a sustainable future. With this vision, we remain committed to reducing the environmental impact of our restaurants, offices and supply chains wherever possible.**

This includes supporting deforestation-free supply chains and improving the efficiency of our restaurant operations to reduce carbon emissions. We are also using more sustainable materials in our packaging while making it easier for guests to recycle and reduce waste.



## Conserving Forests

We have 2020 and 2030 goals related to conserving forests and **eliminating deforestation in supply chains**. To make the biggest impact for 2020, McDonald's prioritized responsible sourcing of raw materials we buy in the greatest volumes – beef, soy (for chicken feed), palm oil, coffee and fiber used in primary guest packaging. All of these priority raw materials now support deforestation-free supply chains by driving transformative practices, piloting cutting-edge technology, utilizing industry-standard definitions from the Accountability Framework initiative (Afi) to define our work and developing a comprehensive reporting framework with Proforest.

### Goal status

 **Substantially Achieved**

In aggregate, **99.6%** of our beef, chicken (soy in feed), palm oil, coffee and the primary fiber-based guest packaging sourced for McDonald's restaurants supported deforestation-free supply chains in 2020.

 **In Progress**

We are working toward our goal to **eliminate deforestation from our global supply chains** by end of 2030. Importantly, our commitment extends beyond forests to other areas of high conservation value, and to the people and communities around the world who depend on forests. Read more about [how we source commodities](#) and [how we are conserving forests](#).



### Climate Action

We are working to tackle climate change and increase the resiliency of the global food system in partnership with our Franchisees and suppliers. We expect to prevent approximately 150 million metric tons of greenhouse gas (GHG) emissions in CO<sub>2</sub> equivalents (CO<sub>2</sub>e) from being released by 2030. This is the same as taking 32 million cars off the road for an entire year or planting 3.8 billion trees and allowing them to grow for 10 years.

Our approach to addressing climate change focuses on making our supply chains, restaurants and offices more efficient and sustainable to drive down global emissions and progress toward achieving our Science Based Targets initiative (SBTi)-approved climate target.

We are working to achieve this target through supply chain partnerships for key ingredients, especially proteins, setting expectations for all McDonald's globally managed suppliers to establish their own climate targets.

Additionally, we are working with Franchisees across restaurants to invest in areas such

as renewable energy sourcing, LED lighting and energy-efficient kitchen equipment. We also advocate for responsible climate policy, including serving in the Leaders' Circle of America Is All In and supporting the United States government's efforts to elevate the importance of climate change and meeting the Paris Agreement. We are contributing to the development of GHG accounting methods to demonstrate the impact of factors such as land use change and carbon sequestration on our footprint, to ensure our strategy remains robust and resilient.

#### Goal status

### → In Progress

We have achieved an **8.5% reduction in the absolute emissions of our restaurants and offices** toward our 2030 goal of a 36% reduction from the 2015 baseline.

We have achieved nearly a **6% reduction in supply chain emissions intensity** toward our 2030 goal of a 31% reduction from the 2015 baseline.

### Packaging and Waste

We use our global scale and reach to implement and accelerate solutions to keep waste out of nature and valuable materials in use. For instance, we have introduced paper straws and wooden cutlery in multiple markets, are testing fiber lids and are exploring ways reusable cups could work in our system. We also aim to design out waste and advance recovery and reuse of materials across our value chain. While our goals focus on all guest packaging, over 80% of which is made of fiber sources, we are also specifically working on how to prevent plastic waste from ending up in nature.

#### Goal status

### → In Progress

Approximately **80%** of guest packaging sourced for McDonald's restaurants came **from renewable, recycled or certified sources**, on our way to our goal of 100% by 2025, with practically all primary fiber-based guest packaging (99.6%) sourced from recycled or certified sources in 2020.

Globally, **over 25% of McDonald's restaurants** in 30 of our largest markets **offer guests the opportunity to recycle packaging waste**.



### Our Opportunity

**M**cDonald's commitment to Our Planet has never been stronger. As we experience more impacts and assess the risks of climate change, we also understand the importance of our natural world for our resilience and well-being. We are proud to be advancing adoption of the sustainable solutions that serve the environment, animals and people.

# Providing Safe, Inclusive and Empowering Opportunities

**We are serving up bright futures, by providing opportunity for education and skills in the communities we serve and through accelerating equity and inclusion across our business.**

**W**hether it's providing access to local education, tuition assistance or readiness programs, the Company and participating Franchisees are breaking down barriers to opportunities for the approximately 2 million people globally that work in McDonald's restaurants and across our communities.



## Diversity, Equity & Inclusion

We are working to enable equitable opportunity across the full expression of diversity. In September 2020, our bi-annual staff survey introduced an "Inclusion Index" to measure the critical components of building an inclusive culture. Beginning in 2021, the Company incorporated quantitative human capital metrics into annual incentive compensation awards for the CEO and Executive Vice Presidents. In addition to financial performance, executives will be measured on their ability to champion our core values, improve representation within leadership roles for women and historically underrepresented groups and create a strong culture of inclusion within the Company. McDonald's also shared its EEO-1 reporting tables for greater clarity and transparency to inform our journey.

### Goal status

### → In Progress

As of the end of 2020, **women held 37.4% of leadership roles globally, while individuals in historically underrepresented groups increased to 29.1%** of leadership roles in the U.S. Leadership roles are considered Senior Director and above. We continue to work toward **overall global gender parity** by 2030 and **greater visibility of underrepresented groups** in corporate staffing by 2025.



### Supporting Youth Opportunity and Employability

We are committed to leveraging our scale to provide training and education programs that build paths forward for people, no matter where they are in their lives. As one example, in Europe, McDonald's and participating Franchisees have pledged to offer 45,000 apprenticeships by 2025. Through this pledge, McDonald's joined the [European Alliance for Apprenticeships](#) to help promote and improve access to vocational training for young people.

#### Goal status

#### → In Progress

McDonald's and participating Franchisees have provided employment or access to training to approximately **1 million young people** as part of our work to **reduce barriers to employment for 2 million youth by 2025**.\*



### Keeping People Safe & Protecting Human Rights

To continue efforts to foster safe and respectful workplaces, in 2020, McDonald's established a Global Statement of Principles Against Discrimination, Harassment and Retaliation. In 2021, McDonald's announced Global Brand Standards to further advance a culture of safety, respect and inclusion for everyone working under the Arches and McDonald's customers worldwide.

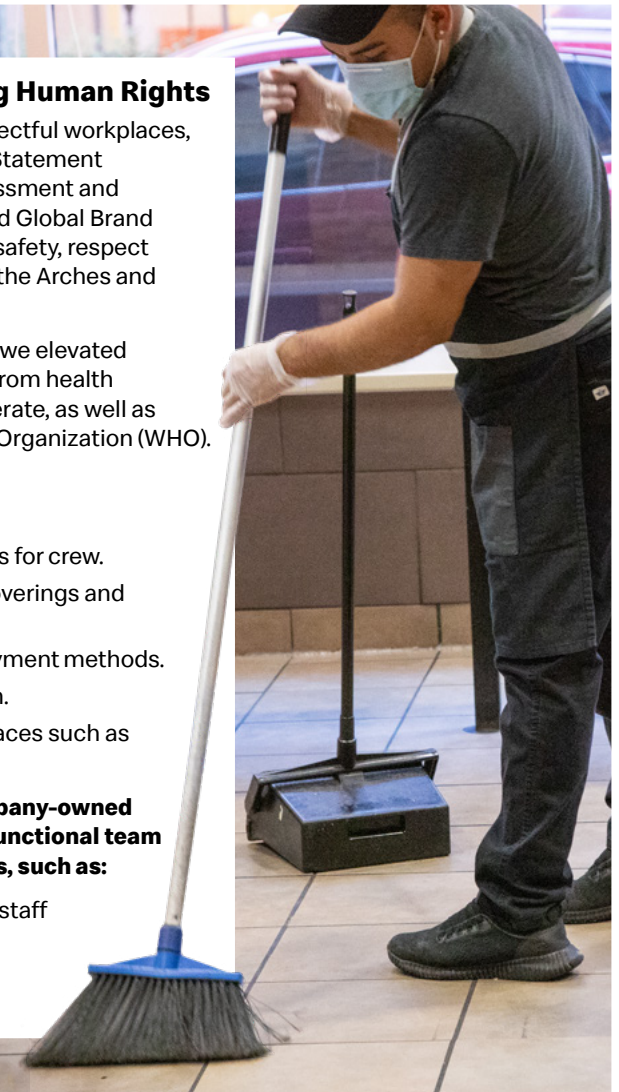
To keep people safe during the pandemic, we elevated cleanliness practices based on guidance from health ministries in most countries where we operate, as well as recommendations from the World Health Organization (WHO).

#### New measures under our Safety+ commitment included:

- Taking wellness and temperature checks for crew.
- Providing equipment like gloves, face coverings and protective barriers.
- Expanding contactless ordering and payment methods.
- Promoting a timed handwashing system.
- Increasing sanitizing of high-touch surfaces such as counters, door handles and kiosks.

#### We expanded support for staff and Company-owned restaurant crew wellness with a cross-functional team that implemented several new resources, such as:

- BeWell@McD – an internal webpage for staff dedicated to employee well-being.
- A toolkit to equip markets globally with resources to replicate BeWell@McD.



## Our Opportunity

**O**ur global aspiration is that no matter where you are in the world, when you interact with McDonald's – through the app, in a restaurant, by watching a commercial, working in an office setting or as a crew member – inclusion and equity are as evident and familiar as the Arches themselves. Our goal is to ensure at every interaction, all are welcome, comfortable and safe. We know there's a lot of work ahead, and it is work we welcome.

\* For more information on how we reached this number, please visit our [Skills & Education](#) page



# Showing Up for Our Communities

**Being part of the community means being there for our neighbors when they need us most.**

**W**e donate surplus food, hot meals and support to our communities in times of need. We also proudly support the Ronald McDonald House Charities (RMHC®) as they help to provide families with ill or injured children with access to the care their child needs.



## Food Donation

The global COVID-19 pandemic crisis has heightened the importance of food security across our communities.

McDonald's has a Global Food Disposition Policy to ensure that food is not wasted if it is not needed in our restaurants. In 2020, we expanded salvage methods (including retail sales) and updated our policy so ingredients like meat, lettuce, milk and cheese could be donated directly to charities – reaching communities faster and with far larger quantities than ever before.

Throughout the pandemic, we have partnered with Franchisees, employees and suppliers to serve food in our communities. In 2020, McDonald's and its suppliers in the U.S. donated over 17.4 million pounds of food from suppliers and distribution centers – worth more than \$27.2 million – to support local communities during the COVID-19 pandemic. We also offered Thank You Meals to brave healthcare workers and first responders, serving 12 million free meals. This would not have been possible without the unwavering commitment of McDonald's dedicated Franchisees and employees during this challenging time.

Around the world, the McDonald's System has mobilized quickly to keep the global food supply chain strong and accessible to our local communities.



## Community Connection

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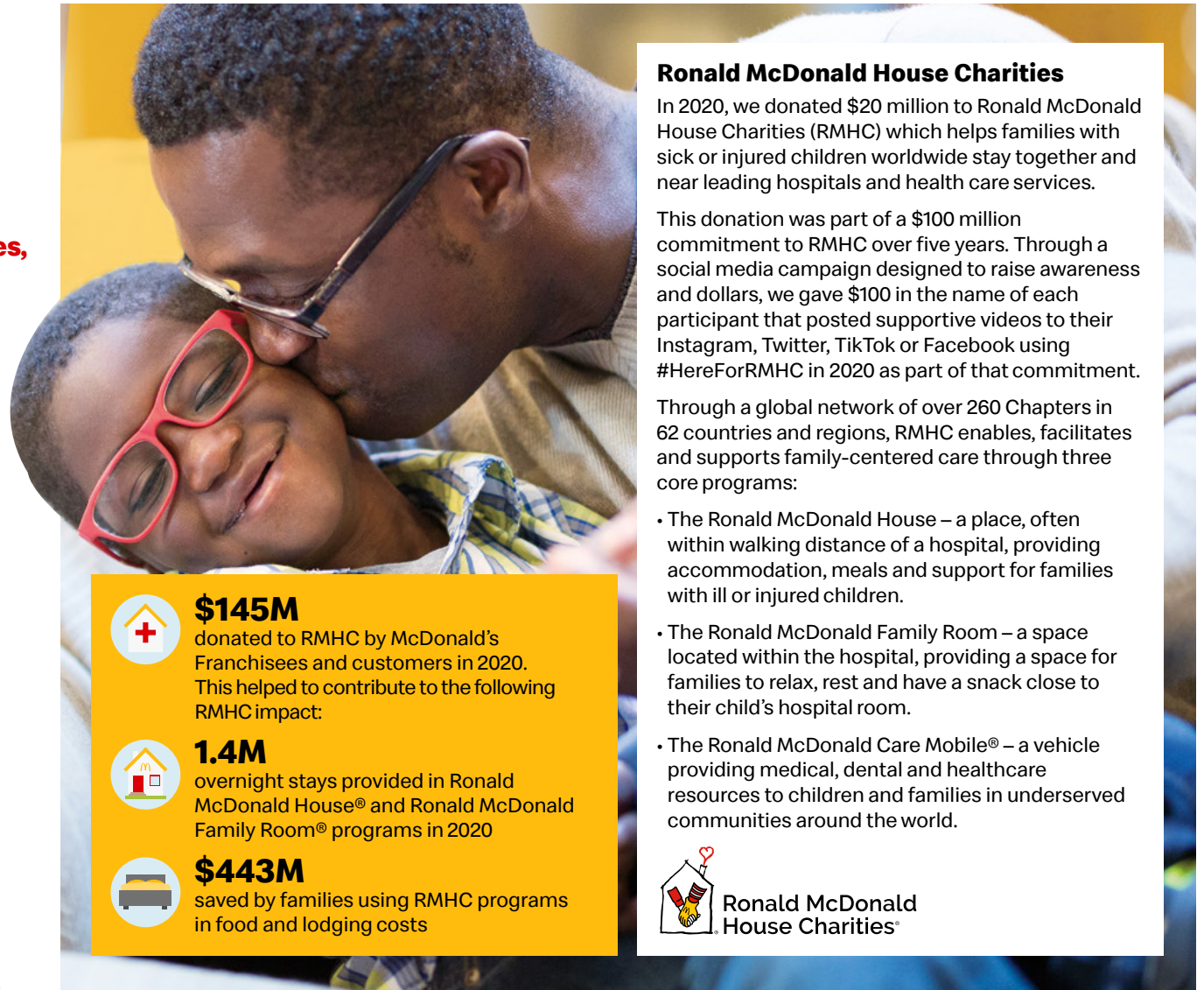
**Our customers know that McDonald's has the scale and experience to help tackle big challenges in their communities, and they expect us to use it to make a difference.**

**This isn't simply a social necessity, but a business imperative. Brands that drive positive environmental and social impact deliver more shared value to their stakeholders, are more resilient to navigating shocks to the system, and are better able to recruit and retain top talent.**

**And when our customers see us making a difference in the world in service of our purpose to feed and foster community, they visit us more often.”**

### Katie Fallon

Chief Global Impact Officer, McDonald's Corporation



**\$145M**

donated to RMHC by McDonald's Franchisees and customers in 2020. This helped to contribute to the following RMHC impact:



**1.4M**

overnight stays provided in Ronald McDonald House® and Ronald McDonald Family Room® programs in 2020



**\$443M**

saved by families using RMHC programs in food and lodging costs

### Ronald McDonald House Charities

In 2020, we donated \$20 million to Ronald McDonald House Charities (RMHC) which helps families with sick or injured children worldwide stay together and near leading hospitals and health care services.

This donation was part of a \$100 million commitment to RMHC over five years. Through a social media campaign designed to raise awareness and dollars, we gave \$100 in the name of each participant that posted supportive videos to their Instagram, Twitter, TikTok or Facebook using #HereForRMHC in 2020 as part of that commitment.

Through a global network of over 260 Chapters in 62 countries and regions, RMHC enables, facilitates and supports family-centered care through three core programs:

- The Ronald McDonald House – a place, often within walking distance of a hospital, providing accommodation, meals and support for families with ill or injured children.
- The Ronald McDonald Family Room – a space located within the hospital, providing a space for families to relax, rest and have a snack close to their child's hospital room.
- The Ronald McDonald Care Mobile® – a vehicle providing medical, dental and healthcare resources to children and families in underserved communities around the world.



Ronald McDonald House Charities®

## Our Opportunity

**T**hrough the global pandemic, we've learned a lot about our role as a community member and partner to respond to needs in locally relevant ways – backed by the strength of our global System. We will continue to mobilize across our System and with our customers to drive collaboration and impact as we address the everyday, shared needs of our local communities.



# Quality Ingredients Sourced Ethically

**We know the way our food is made and where it comes from matter to our customers, communities and the environment. That's why we are helping create a future of quality, secure and more sustainable food.**

**W**e source quality ingredients in ways that support farming communities and provide improved welfare for animals. When it comes to nutrition, we are focused on families and children, as that's where we believe we can have the biggest impact.



## **Connecting With Our Farming Communities**

At the heart of our supply chain are farmers, ranchers and producers and we want them to thrive – from large agricultural businesses to family farms. By creating an environment to share best practices, we seek to positively impact farmers' ability to increase their efficiency, productivity and profitability while preserving the planet over the long term. We launched our McDonald's Flagship Farmers program to recognize leading farmers and encourage sharing best practices across agricultural communities. Since its launch in 2007, **Flagship Farmers has recognized 34 farmers in 17 countries across four continents.**

As another example, in Nebraska, we've teamed up with Target, Cargill and The Nature Conservancy to invest in regenerative soil health practices. We are working directly with local farmers and ranchers, providing important peer learning networks, as well as technical expertise, training and tools to implement practices we hope will reduce emissions, mitigate climate change and support livelihoods.



## Food Quality & Sourcing

### Driving Responsible Antibiotic Use

We believe antibiotic resistance is a critical public health issue and we partner with suppliers, veterinarians, academia and farmers to ensure the responsible use of antibiotics in our supply chain to help preserve antibiotic effectiveness for future generations. Since February 2019, we've tracked antibiotic use in over 4 billion chickens from 20 suppliers and 85 slaughter facilities, covering 88 separate medicines and resulting in significant reductions in antibiotic use across our supply chain. For beef, we collaborated with our suppliers and producers to complete a global pilot test in 2020 to gather farm-level data on antibiotic use. This data will be used to inform collaborative conversations with industry leaders on the next phase of target setting within our supply chain.

#### Goal status

### → In Progress

**Highest Priority Critically Important Antibiotics (HPCIA) use has been eliminated** in our chicken supply chains in Australia, Brazil, Canada, Europe, Japan, South Korea and the United States as part of our goal to eliminate their use in our chicken supply by 2027. We have also established pilots in each of our top 10 beef sourcing countries to benchmark market-specific use of medically important antibiotics.

### Expanding Animal Welfare Across Our Supply Chain

We care about the health and welfare of the animals in our supply chain and we know that our ability to serve safe and high-quality food comes from animals that are cared for properly.

For example:

- 100% of the egg supply chain in France, Germany and the U.K. is cage-free. As of 2020, over 60% of the U.S. egg supply chain is cage-free, which marks significant progress toward our goal of 100% cage-free eggs in the U.S. by 2025.
- McDonald's is a founding member of the [Global Roundtable for Sustainable Beef \(GRSB\)](#) and helped launch its first Global Goal for Animal Health and Welfare in 2021.
- For chicken, in 2019, a global cross-functional team helped McDonald's to define 15 globally aligned farm- and processing-level key welfare indicators (KWIs) for chicken. Measurement against these indicators started January 2021.
- In the U.S., we're working with pork suppliers to phase out the use of gestation stalls (small, enclosed pens) for housing pregnant sows by 2022, and are tracking at around 50% of our target.



### Global Happy Meal Goals

We established our Happy Meal Goals to help offer more balanced options. At the same time, our marketing goals focus on helping customers make informed choices and feel good about our Happy Meal menu.

#### Goal status

### → In Progress

In October 2020, we released a global progress report, demonstrating the progress we've made toward our **five Global Happy Meal Goals for 2022 across our 20 major markets**.<sup>\*</sup> For example, **2.5+ billion Happy Meal items** sold in 2018 and 2019 in the 20 major markets contained **recommended food groups** (fruit, vegetable, low-fat dairy, water, lean protein, and/or whole grain). To learn more, download the [Global Happy Meal Goals 2020 Interim Progress Report](#).



## Our Opportunity

**W**e are helping create a future of quality, secure and more sustainable food because how our food is made and where it comes from matter to our customers, communities and the environment. This includes continuing our sourcing of quality ingredients in responsible ways and supporting farming communities. This also includes the importance of delicious food to bring families and people together, which is why we provide a variety of choices to meet our customers' needs.

<sup>\*</sup>U.S., Canada, Brazil, Argentina, U.K., France, Germany, Austria, Spain, Netherlands, Italy, Poland, Sweden, Switzerland, Russia, Hong Kong, China, Japan, Taiwan and Australia















# Our 2020 Goals

We are proud of the progress we have made against our range of ambitious goals. We have achieved or substantially achieved all of these goals and will continue to advance our responsible sourcing of these commodities and more in the future.

 <b>Achieved</b>	100%
 <b>Substantially Achieved</b>	95% to 99.9%
 <b>Not Yet Achieved</b>	<94.9%
 <b>In Progress</b>	—

At our scale and due to the extraordinary events of 2020, some data was not collected. We treated missing data as noncompliant to be conservative, but most data available was compliant with goals.

Category	Goal	Status	Progress
<b>Beef</b>	<b>Goal 1: Accelerate Industry Progress</b> By the end of 2020, source a portion of our <b>beef</b> from suppliers participating in sustainability programs aligned with the Global Roundtable for Sustainable Beef (GRSB) Principles and Criteria and that meet McDonald's requirements in 10 of our top <b>beef</b> sourcing countries globally.	 <b>Achieved</b>	<b>10 out of 10</b> of our top 10 beef sourcing countries in scope of the goal sourced beef from sustainability programs aligned with the GRSB principles and criteria and met McDonald's requirements by the end of 2020.
	<b>Goal 2: Share Knowledge and Tools</b> By the end of 2020, engage with local farmers through farmer outreach projects to help develop and share best practices related to our Priority Impact Areas, in our top 10 <b>beef</b> sourcing countries globally.	 <b>Achieved</b>	<b>10 out of 10</b> of our top 10 beef sourcing countries supported or sponsored beef producer sustainability groups, tools or programs that supported the wider adoption of best practices or measured sustainability performance by the end of 2020.
	<b>Goal 3: Promote Flagship Farmers</b> By the end of 2020, select and showcase McDonald's Flagship Farmers to demonstrate leading best practices related to key sustainability impact areas, in our top 10 <b>beef</b> sourcing countries globally.	 <b>Achieved</b>	<b>10 out of 10</b> of our top 10 beef sourcing countries recognized one or more beef producers as Flagship Farmers to work with peers and share their industry-leading practices by the end of 2020.
	<b>Goal 4: Pioneer New Practices</b> By the end of 2020, set up McDonald's Progressive Farm Partnerships to trial and discover new practices related to our Priority Impact Areas, in our top 10 <b>beef</b> sourcing countries globally.	 <b>Achieved</b>	<b>10 out of 10</b> of our top 10 beef sourcing countries had established a pioneering research project to discover or validate new sustainability practices for beef farming related to our Priority Impact Areas by the end of 2020.
	<b>Goal 5: Conserve Forests</b> By the end of 2020, eliminate deforestation in supply chains for our <b>beef</b> , chicken (including soy in feed), palm oil, coffee and the primary fiber-based guest packaging sourced for McDonald's restaurants.	 <b>Substantially Achieved</b>	<b>99.4%</b> of beef sourced for McDonald's restaurants supported deforestation-free supply chains by the end of 2020.
<b>Coffee</b>	By the end of 2020, all <b>coffee</b> sourced for McDonald's restaurants will be sustainably sourced and support deforestation-free supply chains.	 <b>Substantially Achieved</b>	<b>98.1%</b> of ground and whole bean coffee was sustainably sourced in 2020.
	By the end of 2020, eliminate deforestation in supply chains for our beef, chicken (including soy in feed), palm oil, <b>coffee</b> and the primary fiber-based guest packaging sourced for McDonald's restaurants.	 <b>Substantially Achieved</b>	<b>98.3%</b> of ground and whole bean coffee for McDonald's restaurants supported deforestation-free supply chains in 2020.
<b>Soy (chicken feed)</b>	By the end of 2020, eliminate deforestation in supply chains for our beef, chicken (including <b>soy</b> in feed), palm oil, coffee and the primary fiber-based guest packaging sourced for McDonald's restaurants.	 <b>Achieved</b>	<b>100.0%</b> of the soy sourced for feed of chicken in McDonald's products supported deforestation-free supply chains in 2020.
<b>Fiber</b>	By the end of 2020, all primary <b>fiber</b> -based guest packaging sourced for McDonald's restaurants will come from recycled or certified sources.	 <b>Substantially Achieved</b>	<b>99.6%</b> of our primary fiber-based guest packaging was sourced from recycled or certified sources in 2020.
	By the end of 2020, eliminate deforestation in supply chains for our beef, chicken (including soy in feed), palm oil, coffee and the primary <b>fiber</b> -based guest packaging sourced for McDonald's restaurants.	 <b>Substantially Achieved</b>	<b>99.6%</b> of primary fiber-based guest packaging supported deforestation-free supply chains in 2020.
<b>Palm oil</b>	By the end of 2020, eliminate deforestation in supply chains for our beef, chicken (including soy in feed), <b>palm oil</b> , coffee and the primary fiber-based guest packaging sourced for McDonald's restaurants.	 <b>Achieved</b>	<b>100.0%</b> of palm oil sourced for McDonald's restaurants and used as an ingredient in McDonald's products supported the production of sustainable palm oil and deforestation-free supply chains in 2020.
<b>Fish</b>	By the end of 2020, all the wild-caught <b>fish</b> sourced for McDonald's products will come from verified sustainable sources.	 <b>Substantially Achieved</b>	<b>98.7%</b> of fish sourced for McDonald's Filet-O-Fish came from verified sustainable sources in 2020. Filet-O-Fish represents over 98% of total wild-caught fish sourced for McDonald's restaurants.

## Who We Are

McDonald's is the world's leading global foodservice retailer with over 39,000 locations in 119 countries. Approximately 93% of McDonald's restaurants worldwide are owned and operated by independent local business owners. As one of the world's largest restaurant companies, we believe we have a responsibility to provide long-term, sustainable value creation for shareholders while taking action on some of the world's most pressing social and environmental challenges. We're also prioritizing our role and impact in the communities we have been serving for more than 65 years and speaking up about how we plan to feed and foster the future of those communities over the next 65 years. As we look to the future, we believe we can have an even greater impact by focusing on four areas that matter most to our communities:

- Food Quality & Sourcing
- Our Planet
- Community Connection
- Jobs, Inclusion & Empowerment

## About This Report

This report summarizes our 2020 progress, unless noted otherwise. For more information on terms and definitions, governance, performance data and more, please visit the [Our Purpose & Impact](#) section of our website, which is designed to be a living reporting platform.

## Forward-looking Statements

This report contains certain forward-looking statements or projections, which reflect our expectations regarding future events, performance and goals and involve a number of risks and uncertainties. Generally speaking, any statement in this report not based upon historical fact is a forward-looking statement. Forward-looking statements can also be identified by the use of forward-looking or conditional words, such as "could," "should," "can," "continue," "estimate," "forecast," "intend," "look," "may," "will," "expect," "believe," "anticipate," "plan," "remain," "confident" and "commit" or similar expressions. In particular, statements regarding our plans, strategies, prospects, goals and expectations regarding our business and industry are forward-looking statements. You should not rely unduly on forward-looking statements. These are not guarantees of performance and speak only as of the date the statement is made. Factors that could cause actual results to differ materially from our expectations are detailed in the Company's filings with the Securities and Exchange Commission. The Company undertakes no obligation to update such forward-looking statements, except as may otherwise be required by law.

## 2020 Goal Progress Key

✔ <b>Achieved</b>	100%
✔ <b>Substantially Achieved</b>	95% to 99.9%
→ <b>Not Yet Achieved</b>	<94.9%
→ <b>In Progress</b>	—

At our scale and due to the extraordinary events of 2020, some data was not collected. We treated missing data as noncompliant to be conservative, but most data available was compliant with goals.

## Find Out More

Our website: [corporate.mcdonalds.com](https://corporate.mcdonalds.com)  
McDonald's Flagship Farmers: [flagshipfarmers.com](https://flagshipfarmers.com)  
Ronald McDonald House Charities: [www.rmhc.org](https://www.rmhc.org)

