

# McDonald's CSR / Sustainability Journey

1955 - 1989

1990 - 2000

2000 - 2012

2012-2020

Building the Trust Bank

Confronting Societal Issues

Socially Responsible Shared Value









BUSINESS VALUE

SHARED VALUE

SOCIAL VALUE



#### **ENJOY OUR FOOD REGULARLY**







### ENGAGED AND PROUD TO SERVE

WELCOME IN THE COMMUNITY





ABUNDANT AND AFFORDABLE RESOURCES



# **Collaborating for Success**

















**Coalition for Sustainable Egg Supply** 

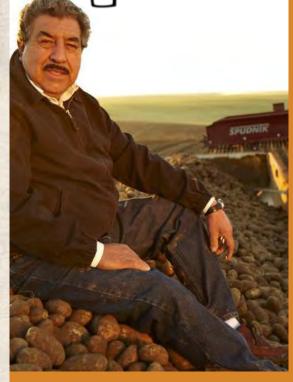
#### SUSTAINABLE SUPPLY VISION

### + A ... - - - A ?

McDonald's vision for sustainable supply is a supply chain that profitable yields highquality, safe products without supply interruption while leveraging our leadership position to improve the ethical, environmental, and economic impacts of doing business for both the McDonald's system and the world at large.



#### The 3-legged Stool



**Suppliers** 

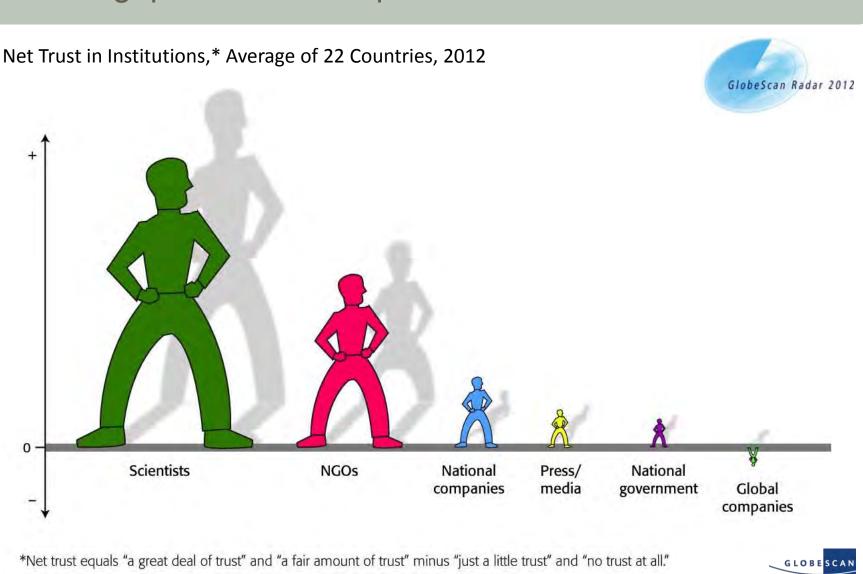


**Owner/Operators** 



**Employees** 

#### Trust gap between companies and scientists/NGOs



# McDonald's 2000 Animal Welfare Council



- Purdue
- ColoradoState
- Kansas State/Mich igan State
- UC-Davis







# McDonald's 2013 Academic Advisors

Swedish University of Ag Science

FAI Farms Oxford UK

Iowa State - Swine

Mississippi State – Animal Health

Colorado State - Animal Behavior

UC Davis - Poultry

Iowa State - Animal Welfare

University of Calgary - Animal Welfare

Michigan State - Animal Welfare

University of Arkansas - Poultry

Kansas State - Beef

University of Wisconsin - Dairy/Beef



#### Get Engaged—Get in the Mix



### Global Roundtable for Sustainable Beef













MERCK Animal Health















DARDEN.









**Dow AgroSciences** 



The vision.....a world in which all aspects of the beef value chain are environmentally sound, socially responsible and economically viable.

The mission ....to advance continuous improvement in sustainability of the global beef value chain through leadership, science and multi-stakeholder engagement and collaboration.

#### Efforts to "Define" Sustainable Beef

- GHG Emissions Protocol (2012) • GHG Emissions Protection (2013)

  Agriculture Initiative • Definition, Principles & Practices (2013)

SAI **Definition** 

The Sustainability Consortium

 Version 1.0 of Beef KPIs published Begin work on Version 2.0 in 2013

**TSC Definition** 

Certifications (Rainforest Alliance First RA Certified Beef in Brazil in 2012

Multiple Certifications

Individual Companies

Creating their own definitions & surveys

Many **Definitions** 







Protecting Children & Animals Since 1877

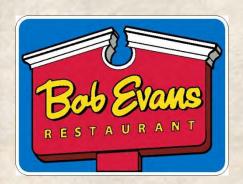








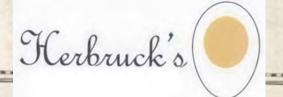
**Coalition for Sustainable Egg Supply** 

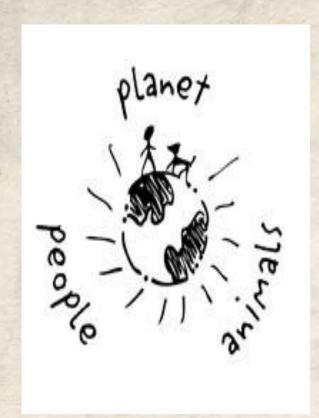












"Here's the bottom line: We can argue a lot today about what is and what is not sustainable.

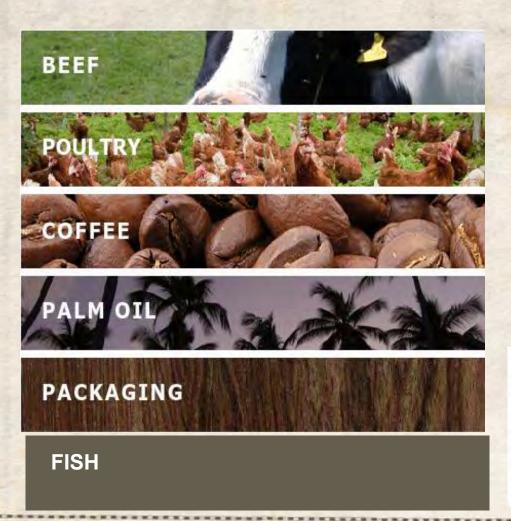
But by 2050, with 9 billion people on the planet, nearly 3 billion more than today, consuming twice as much as we are now, whatever is sustainable today isn't going to be in 2050.

So we've got to get better. We've got to figure out how to do more with less."



Jason Clay, SVP, WWF

### McDonald's: Collaborating for Measureable Sustainability









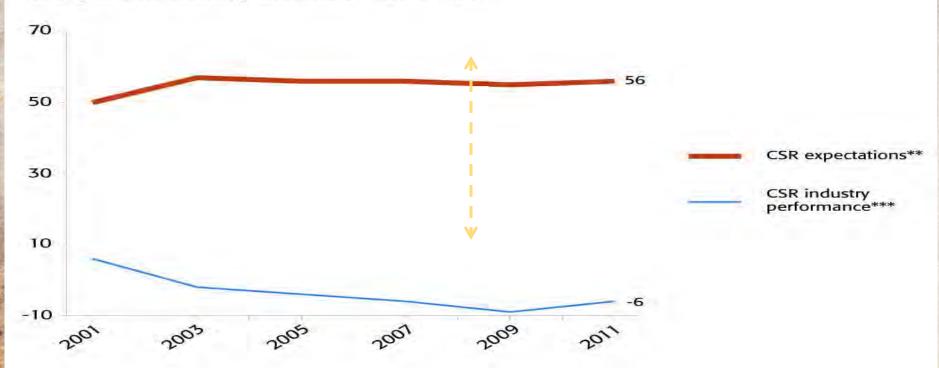




# Large gap between expectations on CSR and industry CSR performance

#### **Expectations vs Performance Gap**

Average of 15 Tracking Countries,\* 2001–2011



R11W1\_2t12t\_gap

<sup>\*</sup>Includes Australia, Brazil, Canada, Chile, China, France, Germany, Italy, Mexico, Nigeria, Russia, South Korea, Turkey, the UK, and the USA.

<sup>\*\*</sup>Aggregate net expectations of up to 10 responsibilities of large companies (not all responsibilities

