

**October 9, 2013**

**Bob Langert, VP CSR at McDonald's**



**TORONTO  
SUSTAINABILITY  
SPEAKER SERIES**

# WHY CSR?

.....

## LESSONS LEARNED FROM THE FRONT LINES

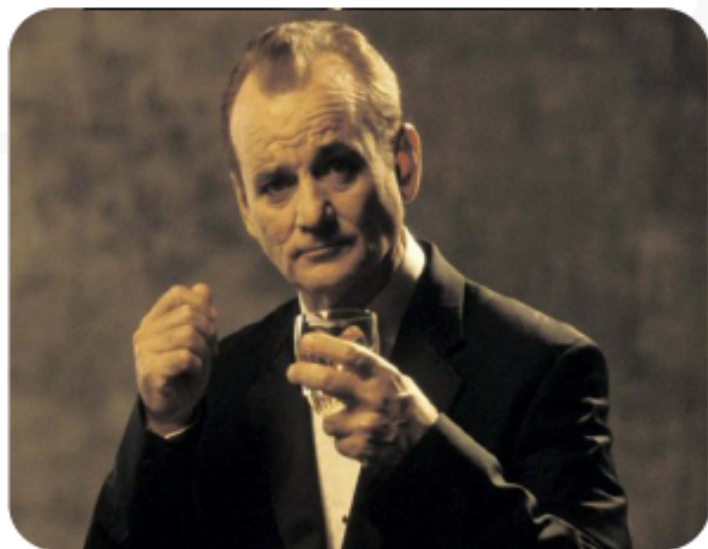
BOB LANGERT  
VICE PRESIDENT, CORPORATE SOCIAL RESPONSIBILITY  
AT MCDONALD'S CORPORATION



THIS IS ABOUT

.....

**OPPORTUNITY**



16 Jul

**Bill Murray** @Bill Murray

Dear pessimist, optimist and realist, while you guys were busy arguing about the glass of water, I drank it.

Sincerely, the **opportunist!**

# OPPORTUNITY

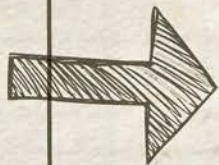
## LESSON 1

FROM  
FEAR



# OPPORTUNITY

FROM  
ENEMIES



**FRIENDS:** NGOs

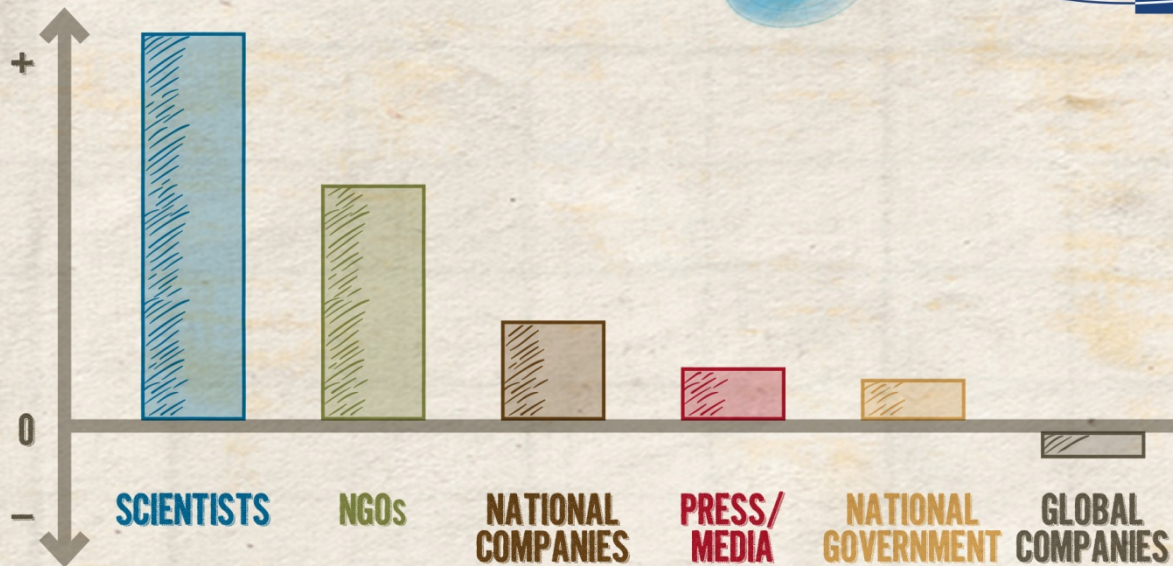
# NET TRUST IN INSTITUTIONS\*

AVERAGE OF 22 COUNTRIES, 2012



GlobeScan Radar 2012

GLOBESCAN



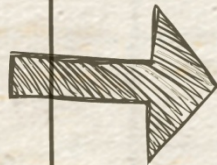
TRUST GAP  
BETWEEN  
COMPANIES  
AND  
SCIENTISTS/  
NGOs

\*Net trust equals "a great deal of trust" and "a fair amount of trust" minus "just a little trust" and "no trust at all."

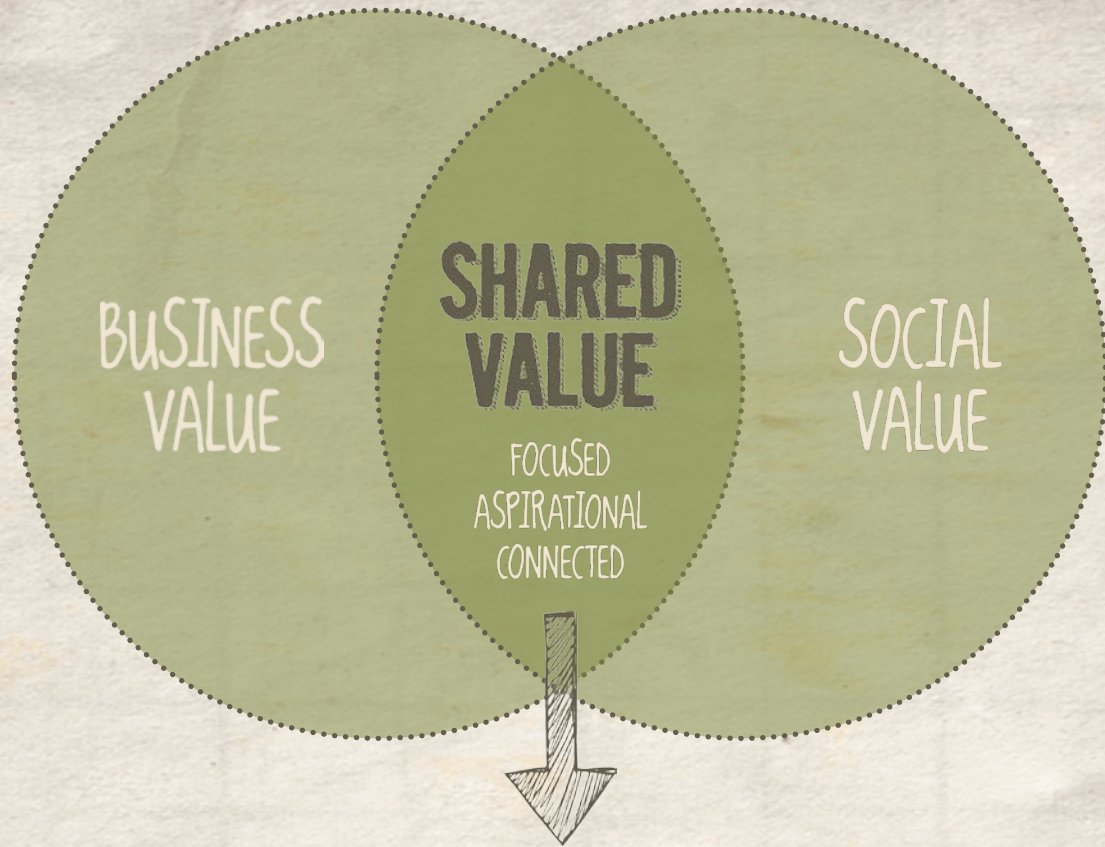




FROM  
DOING RIGHT



SHARED  
VALUE



OUR JOURNEY TOGETHER.  
**FOR GOOD.**

# MCDONALD'S NETHERLANDS: ZERO WASTE TO LANDFILL



FROM  
CARING



**SUSTAINABLE  
BEHAVIOR**

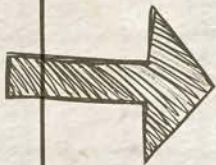


THIS IS ABOUT

---

**INTEGRATION**

FROM  
SIDELINES



**MAINSTREAM**

# SUPPLY CHAIN PRIORITIES



BEEF



POULTRY



COFFEE



PALM OIL



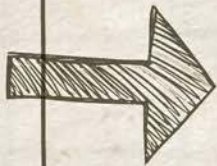
PACKAGING



FISH



FROM  
ANECDOTAL



MEASURABLE  
PROGRESS



AMBITIOUS  
GOALS?



WELL-  
DEFINED  
GOALS?



EXAMPLE:

100% OF  
EMPLOYEES  
ENGAGED IN  
SUSTAINABILITY  
BY 2020.

ENSURE 100%  
OF COFFEE  
IS ETHICALLY  
SOURCED BY 2015.

SEND ZERO WASTE  
TO LANDFILL.  
POWER WITH  
100% RENEWABLE  
ENERGY.

DOUBLE  
PROPORTION OF  
FOOD PRODUCTS  
THAT MEET HEALTH  
GUIDELINES  
BY 2020.

REPLENISH  
AMOUNT OF WATER  
USED IN FINISHED  
BEVERAGES BY  
2020 (E.G. ZERO  
NET WATER).

# Giving families more choices



**McDonald's is partnering with the Alliance for a Healthier Generation to leverage menu and marketing power to promote balanced food and beverage choices.**

## MCDONALD'S COMMITS TO \*

Provide customers a choice of a side salad, fruit or vegetable as a substitute for French fries in value meals



OR



*(Salad, fruit or vegetable option will vary per participating market)*

**Promote and feature only water, milk, and juice**  
as the beverage in Happy Meals on menu boards and in-store and external advertising



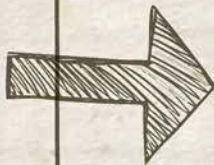
Offer new fruit, vegetable, low/reduced fat dairy or water options in the Happy Meal and generate excitement for produce and dairy

**Ensure 100% of all advertising**  
directed to children to include a fun nutrition or children's well-being message



**McDonald's is the world's leading global foodservice retailer with over 34,500 locations serving more than 69 million customers in more than 100 countries each day.**

FROM  
SILO



**UMBRELLA**

# OUR JOURNEY TOGETHER. FOR GOOD.



THIS IS ABOUT

---

**CONNECTION**

FROM  
TELLING



**CONNECTING**

**FROM**  
SUSTAINABLE  
GEEK LANGUAGE



**COMMON  
& SIMPLE**

A form of corporate self-regulation integrated into a business model.

Development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

SOCIAL PERFORMANCE

CORPORATE CONSCIENCE

CSR?

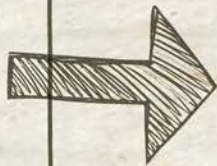
CORPORATE CITIZENSHIP

The responsibility of enterprises for their impacts on society and an outline of what an enterprise should do to meet that responsibility.

CORPORATE SOCIAL RESPONSIBILITY

SUSTAINABLE RESPONSIBLE  
BUSINESS

FROM  
OUTSIDE IN



**INSIDE OUT**

**Be a  
convener**

Don't look for  
just pleasant  
experiences. You  
need to be part of  
tough discussions.

Don't believe  
your own  
propaganda

**Future  
proof  
your  
business**

Sustainability  
drives  
innovation

Hold people  
accountable with  
true measurement

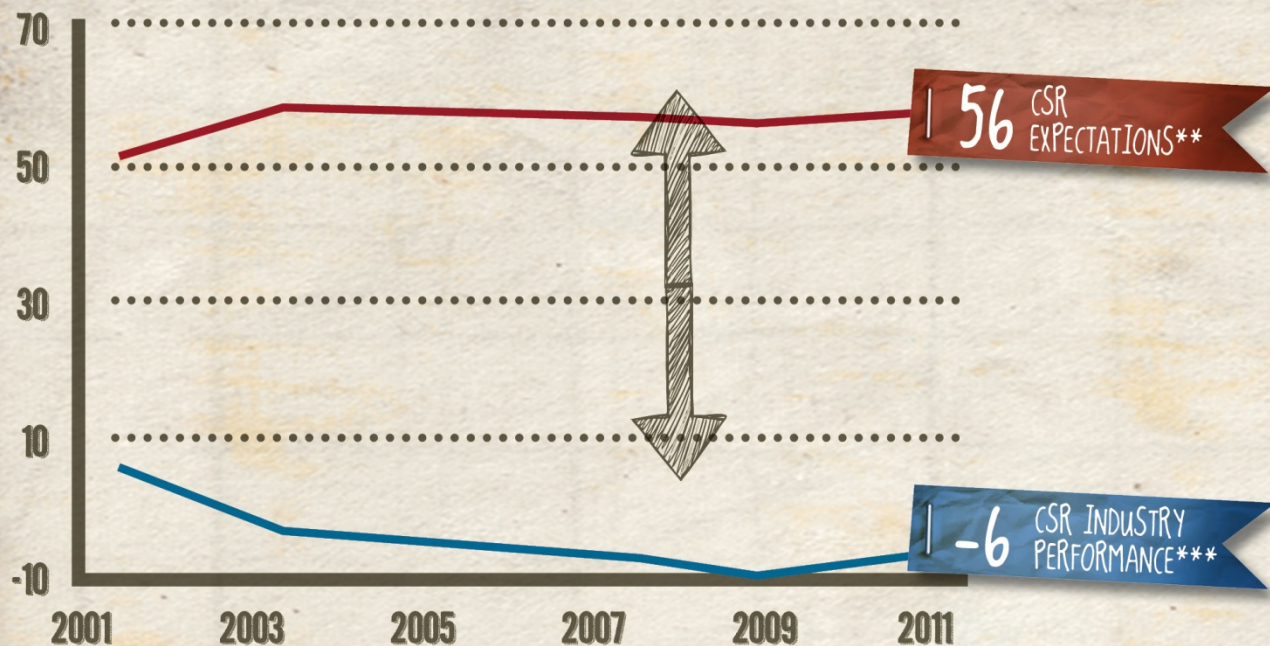
If CEO for  
McDonald's,  
would focus  
on beef

**BE  
BOLD**



# EXPECTATIONS VS. PERFORMANCE GAP

AVERAGE OF 15 TRACKING COUNTRIES,\* 2001 - 2011



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

\*\*Aggregate net expectations of up to 10 responsibilities of large companies (not all responsibilities were asked in each country each year).

\*\*\*Aggregate new CSR performance ratings of 10 industries.

**LARGE GAP  
BETWEEN  
EXPECTATIONS  
ON CSR AND  
INDUSTRY CSR  
PERFORMANCE**

**OPPORTUNITY**

---

**INTEGRATION**

---

**CONNECTION**

SUSTAINABILITY IS  
EVERYONE'S BUSINESS

