



## MCDONALD'S CORPORATION CASE SUMMARY

### *Looking through the Lens of Sustainability*

With 30,000 restaurants in 121 countries, McDonald's is one of the world's best-known brands. So when McDonald's executives approached The Natural Step to help make sustainability a core part of their business model, we welcomed the chance. We knew anything McDonald's did had the potential to send reverberations throughout the food-service industry.

### *Europe Leads the Way*

The Natural Step's history with McDonald's actually began in 1993 when our founder, Dr. Karl-Henrik Robert, gave a talk to the top brass at McDonald's Sweden. The Swedish team was so inspired by the doctor's vision that they retained The Natural Step to help take the company in a more sustainable direction.

After helping the company examine its biggest impacts, risks and opportunities through the lens of sustainability, McDonald's launched a number of different sustainability initiatives that continue to deliver results. Prior to joining forces with The Natural Step, McDonald's ranked near last in surveys among Swedes for most admired companies. Today, the food-service giant is one of the most admired companies in the country, thanks in part to the influential role it has played to help shift Sweden's agricultural and construction industries toward sustainability.

### *If It Plays in Sweden...*

Back in the U.S., executives at McDonald's headquarters sat up and took notice. In early 2001, The Natural Step was hired to conduct a series of training sessions for global senior managers to give them sustainability tools and resources that would help them to act as an engine for change throughout the whole company. Following this work, we conducted a comprehensive sustainability analysis of their entire business system that revealed a number of opportunities.

### **McDonald's Sweden**

Today, McDonald's Sweden runs 75 % of their 233 stores on renewable energy, serves organic ice cream cake and milk and recycles 90 percent of all restaurant waste. In addition, the company has dramatically reduced the amount of heavy metals used in restaurant construction and toys, eliminated the need for over 1,200 tons of packaging material, cut waste by 85 percent and boosted the morale of its employees — which in turn has led to better service and happier customers.

Since then The Natural Step has helped McDonald's generate and begin moving forward on a vision of building a sustainable global food supply chain. This means educating and engaging their vast network of suppliers in creating sustainable solutions and setting new industry standards for beef, fish, potatoes, packaging and other goods.

### *A Long-term Play*

While The Natural Step continues its education and work with McDonald's senior team, we are also helping the company fill out a long-term sustainability action plan that will build on early efforts, integrate new initiatives and identify areas that still need attention.

By examining the company's entire business system through the lens of sustainability we are helping McDonald's to understand and act on the real role they have to play in leading the transition toward a more sustainable society.