McDonald’s Water Stewardship
MIT S-Lab Project 2015

Company Overview
McDonald’s
- 36,000+ locations
- 100+ countries
- Serves 69 million customers daily
- 1.9 million employed by McDonald’s and franchises
- Taking big steps towards sustainability
- 5 Sustainability Pillars

Problem Statement
Where Does Water Fit In?

Understanding Water Systems
- Freshwater is only 3/4th of 1% of total water on Earth
- 70% of societal water use is for agriculture
- By 2030, water demand will exceed water supply by 40%

Business Case for Water Stewardship
- Physical, Reputational, Regulatory, and Legal Risks
- 100% Food companies report physical risks
- Project focus on Beef & Coffee

Approach & Background Research

Benchmarking & Best Practices
- 15 food companies benchmarked
- 20 leading companies best practices

ZARA

Where Does Water Fit In?

Findings
Current coffee sustainability certification schemes fall short on water stewardship...

Current beef sourcing strategy can improve water stewardship practices...
- Consumes ⅓ volume of water used in global animal production
- 98% of the total volume of water in global animal production used in feed for animals
- Relevant certifications and standards: ISO Environmental Management System, SAN’s Sustainable Agriculture Standards, GRSB, USRSB
- Some of McDonald’s suppliers leading in sustainability:

Recommendations
Develop comprehensive coffee water stewardship components to add on to existing certifications...

Create own beef metrics related to water...

Step 1
Raise awareness

Step 2
Performance based goals

Step 3
Internal metrics


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Challenges
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Business Case for Water Stewardship

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