

CLIMATE-POSITIVE BURGERS - MAX BURGERS (SWEDEN)



Max Burgers is a global player with 120 restaurants and around 5,400 employees, operating worldwide and achieving turnover of more than 200 million euros. The most profitable restaurant chain in Sweden outperformed both McDonald's and Burger King.

Here is a snapshot of how Max Burgers drives changes to sustainability.

Sustainability Strategy

As the first quick-service restaurant chain in the world to adopt sustainability policies about climate change, Max Burgers pays it efforts in three different pillars:

- Social sustainability
- Ecological sustainability
- Core values

Sustainability Approach

The most outstanding approach of Max Burgers is the Climate-positive Burgers, which take action in three areas:

Measure 100% of the product emissions

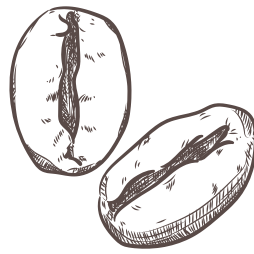
Specific example: Max Burgers had the most comprehensive accounting of greenhouse gas emissions. Since 2017, it widened the scope of the analysis further to guests' travel to and from restaurants, guests' waste and its employees' travel to and from work. Max Burgers calculates emissions according to ISO 14067 and the Greenhouse Gas Protocol, which divides emissions into scope 1, 2 and 3.

Reduce emissions

Specific example: In a concept of decoupling, Max Burgers wants to grow its business in a way that doesn't increase its emissions at the same rate as its turnover. To achieve this, Max Burgers launched the Green Family of burgers since 2016 which is a critical part for its climate strategy. The green meals aim to persuade meat-lovers to switch from beef. In 2022, Max Burgers wants half of the meals it serves to be made of something other than beef (i.e. fish, chicken or 100% plant-based). This will help Max Burgers to reduce 30% of its emission in just seven years.

Capture at least 110% of its emission

Specific example: To achieve net carbon zero throughout the value chain, Max Burgers has invested in carbon offsetting through tree planting for many years. Since 2008, Max Burgers has financed the planting of 1.5 million trees in Africa, most of them in a project named Trees for Global Benefits in Uganda. This is equivalent to removing 180,000 petrol cars from the road for a year. Planting trees not only helps absorbing and storing carbon, but it also brings social benefits for those participating smallholders.



HOW DOES SUSTAINABILITY TASTE?

– THE SUSTAINABILITY STORIES OF STARBUCKS



At the beginning of 2020, Starbucks announced a long-term proposition to become “resource positive” by giving more to the environment than it takes. It is committed to reducing half of its carbon emission, water usage and waste sent to landfills by 2030 respectively.



To achieve its science-based targets in the next decade, Starbucks has launched the Planet Positive initiatives, which include:

- Expanding plant-based options, migrating towards a more environmentally friendly menu;
- Shifting from single-use to reusable packaging;
- Investing in innovative and regenerative agricultural practices, reforestation, forest conservation and water replenishment in Starbucks supply chain;
- Investing in better ways to manage waste, both in Starbucks stores and in its communities, to ensure more reuse, recycling and elimination of food waste; and
- Innovating to develop more eco-friendly stores, operations, manufacturing and delivery.

These investments in eco-friendly operations, regenerative agricultural practices and an environmentally friendly menu are going to help Starbucks to move toward a more circular economy in an accountable way and to meet its 2030 goals.

In the following section, let's look at some sustainability stories for Starbucks which showcase its commitment and progress in promoting sustainability along its value chain across the globe, to which all businesses can reference.

Sustainability Stories

THE NEW LID



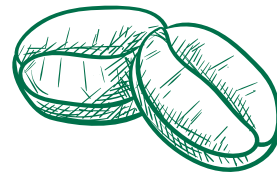
In September 2020, Starbucks announced the rollout of strawless lids across company-operated and licensed stores in the U.S. and Canada, following a successful trial in selected markets in 2019. The recyclable, lightweight strawless lid is made from polypropylene and has approximately nine percent less plastic than the flat lid and straw historically used for iced beverages.

NET ZERO

In July 2020, Starbucks joined the new Transform to Net Zero initiative as a founding member, of which the objective is to accelerate the transition to a net zero global economy no later than 2050.



SUSTAINABLE COFFEE



1

*Sustainable
sourcing*

Aiming to make coffee the world's first sustainably sourced agricultural product, Starbucks prioritised coffee verified by C.A.F.E. (Coffee and Farmer Equity) Practices, which provide comprehensive social, environmental, and economic criteria to help sustain and strengthen coffee communities. Up till now, 99 % of Starbucks' coffee is ethically sourced.

2

*Sustainable
growing*

To empower farmers across the world with the sustainability concept and proper agricultural knowledge, Starbucks Farmer Support Centres around the world have practised "Open-source agronomy", which brings agronomists, researchers and farmers together to share the latest research, information, advice and tools to grow coffee more sustainably and profitably.

3

*Climate-resilient
donations*

4

*Sustainable
Loans*

5

*Tide over the
hard times
together*

6

*Sustainable coffee
to promote
equality and
diversity*

Starbucks has donated more than 31 million climate resilient coffee trees (such as the hybrids created at Hacienda Alsacia) for farmers to replace those trees that are declining in productivity from age or disease. Starbucks has a goal of providing farmers with 100 million trees by 2025.

The Starbucks Global Farmer Fund has invested \$49 million in coffee-producing countries around the world. Funded farmers can make use of the money to renovate and strengthen their farms and improve farming practices to be even more productive and sustainable.

In this difficult time under the shadow of COVID-19, Starbucks has used its Farmer Support Centres to share information and supplies during the global pandemic. In addition, the Starbucks Foundation has also provided \$1 million for Mercy Corps to help those being affected by COVID-19 in the coffee, tea and cocoa farming communities through supporting their education, communication, supplies and materials needs.

Starbucks is committed to a diversified buying approach to ensure a portion of its coffee beans are grown by women, smaller coffee growers from a wide variety of places around the world.





BEST PRACTICE

Scale for Good: How is McDonald's a role model for peers?



“We recognize that the size and reach of our business puts us in a unique position to improve people’s lives and the environment. We want to use our Scale for Good and continue raising the bar on what it means to be a responsible company committed to people and the planet.”

- Francesca DeBiase, Executive Vice President and Chief Supply Chain and Sustainability Officer, McDonald’s Corporation

BEST PRACTICE

As a world-renowned fast-food chain, McDonald's restaurant and value chain covers almost every corner of the world. Therefore, no matter positive or negative, its every move is going to have great influence on the world. The following article is going to introduce McDonald's sustainability policies, from which the best practices of setting up sustainability approaches and management systems are highlighted. As a leader in the food and beverage industry and food service industry, the comprehensive and thorough sustainability approaches that McDonald's has taken can be regarded as an industry benchmark, which has a great reference value for other food and beverage practitioners to learn from.

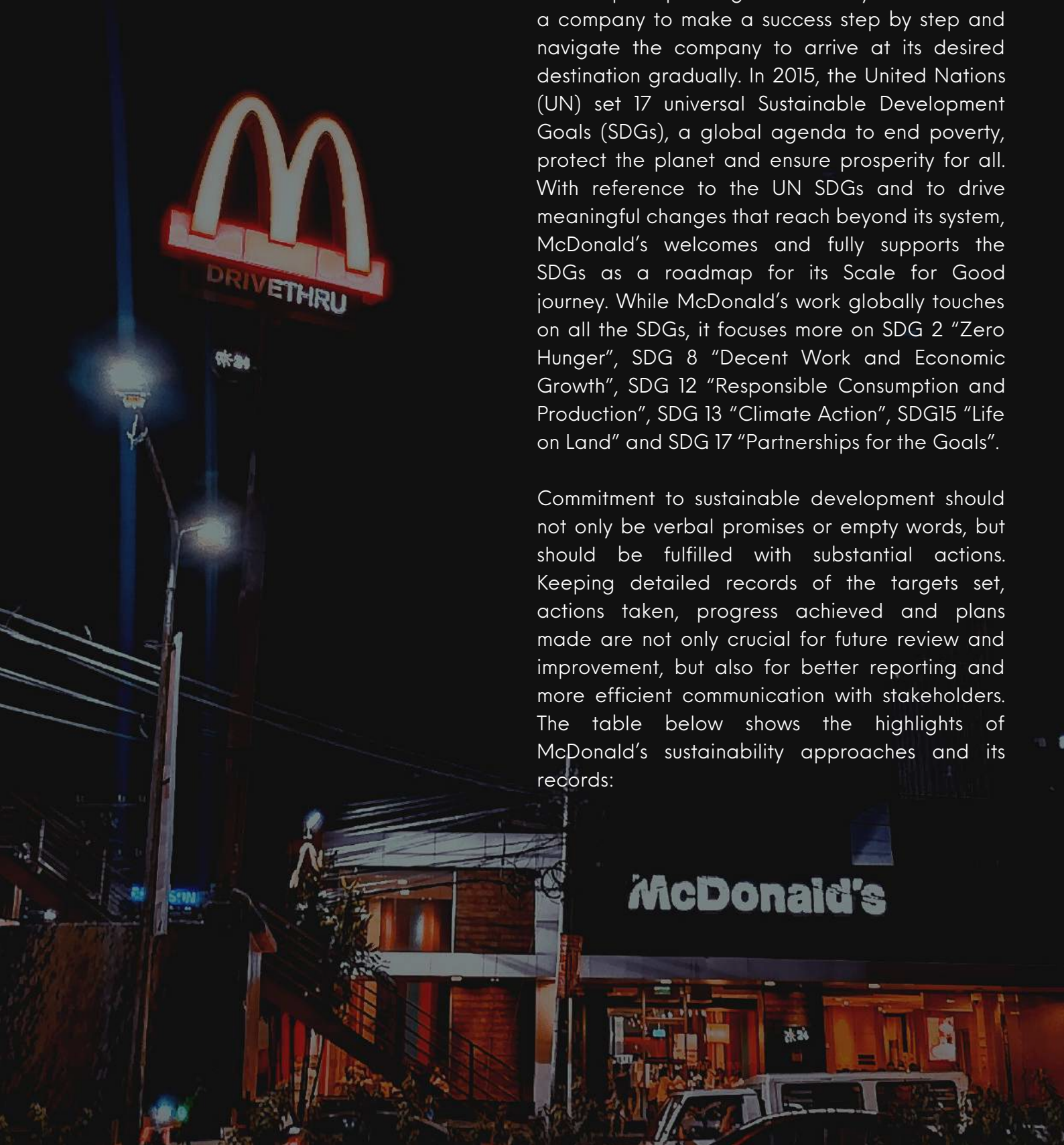
From responsibly sourced raw cooking materials all the way to environmentally friendly delivery fleet, the scope of sustainability issues that a company can manage is so big that it has to prioritise these issues reasonably as attention and resources that can be allocated and invested are not infinite. To establish prioritised goals and policies, a company should first understand the major social and environmental impacts of its business, while taking into account the material environmental and social issues that matter most to its customers, employees, suppliers and other stakeholders. Through ensuring transparency and strengthening continued dialogue over time with its stakeholders, McDonald's has identified **Beef Sustainability**, **Packaging and Recycling**, **Commitment to Families**, **Youth Opportunity** and **Climate Action** as the most concerned issues.



BEST PRACTICE

To achieve sustainability is not something simple that can be accomplished overnight. Setting science-based and clear targets and drafting a roadmap for pursuing sustainability can facilitate a company to make a success step by step and navigate the company to arrive at its desired destination gradually. In 2015, the United Nations (UN) set 17 universal Sustainable Development Goals (SDGs), a global agenda to end poverty, protect the planet and ensure prosperity for all. With reference to the UN SDGs and to drive meaningful changes that reach beyond its system, McDonald's welcomes and fully supports the SDGs as a roadmap for its Scale for Good journey. While McDonald's work globally touches on all the SDGs, it focuses more on SDG 2 "Zero Hunger", SDG 8 "Decent Work and Economic Growth", SDG 12 "Responsible Consumption and Production", SDG 13 "Climate Action", SDG15 "Life on Land" and SDG 17 "Partnerships for the Goals".

Commitment to sustainable development should not only be verbal promises or empty words, but should be fulfilled with substantial actions. Keeping detailed records of the targets set, actions taken, progress achieved and plans made are not only crucial for future review and improvement, but also for better reporting and more efficient communication with stakeholders. The table below shows the highlights of McDonald's sustainability approaches and its records:





OUR FOOD

Aspect

Target/Goal

Action/Policies

Progress/Plans

Beef Sustainability

By the end of 2020, achieve beef sustainability in each of the top 10 beef sourcing countries (the US, Australia, Germany, Brazil, Ireland, Canada, France, New Zealand, the UK and Poland)

- Source a portion of beef from sustainability programmes
- Engage with beef producers to share best practices
- Pioneer new practices through progressive farm partnership - Flagship Farmers Program
- Verify that beef sources from farms where primary forests and high conservation value lands are preserved

- 2 of the top 10 beef sourcing countries are sourcing beef from sustainability programmes
- As of June 2018, 5 of the top 10 beef sourcing countries were supporting or sponsoring beef producer sustainability groups, tools or programmes
- As of June 2018, 4 of the top 10 beef sourcing countries had one or more pioneering projects underway
- As of the end of 2018, 84% of the beef supply was verified as compliant with the Commitment on Forest



OUR FOOD

Aspect

Target/Goal

Action/Policies

Progress/Plans

Coffee sustainability

- By 2020, 100% of coffee to be sustainably sourced
- By 2018, all coffee sourced from high-deforestation risk regions will be sourced from Rainforest Alliance Certified Farms

- Advance coffee sustainability through launching a programme to engage and guide the coffee supply chain in sustainable sourcing practices
- Organise coffee farming activities to show consumers how sustainable farming practices help protect coffee from the impacts of climate change
- Compost from coffee grounds and use them in arboretums, school gardens and backyards to improve soil

- In 2018, 57% of the coffee was sourced sustainably and it was on track of the global 2020 target
- As of November 2019, the US and European markets sourced 100% coffee from sustainable sources
- As of 2018, 97% of McDonald's global coffee supply was verified as compliant with the Commitment on Forests





OUR PLANET

Aspect	Target/Goal	Action/Policies	Progress/Plans
Climate Action	<p>By 2030,</p> <ul style="list-style-type: none"> • Reduce greenhouse gas (GHG) emissions from restaurants and offices by 36% from a 2015 base level • Reduce 31% in emission intensity across the supply chain from 2015 base levels 	<ul style="list-style-type: none"> • Invest in renewable energy projects and expand the amount of renewable energy available for restaurants • Improve energy efficiency through the upgrade of kitchen equipment, lighting and building and site design • Strengthen farm management to minimise the carbon footprint • Support farmers to adopt management practices which improve soil health and ensure the farming system actively sequester carbon • Conserve forest and halt deforestation as forests are vital in absorbing GHG emissions and creating oxygen 	<ul style="list-style-type: none"> • 5% target achieved, which represented a 2% reduction from 2015 baseline • The establishment of a new data system to track progress has been in the process, and all suppliers were issued clear expectations in 2019 • Improve post-farm efficiency including transportation efficiency and food waste reduction



OUR PLANET

Aspect	Target/Goal	Action/Policies	Progress/Plans
Packaging and Recycling	<p>By 2025,</p> <ul style="list-style-type: none"> • Source 100% guest packaging from renewable, recycled or certified sources • Recycle guest packaging in all of McDonald's restaurants 	<ul style="list-style-type: none"> • Eliminate packing through designing innovation, introducing reusable solutions and encouraging behavioural change • Shift materials to use 100% renewable, recycled or certified content • Recover and recycle by scaling up systems to allow for greater acceptance of recycling • Close the loop by using more recycled materials in packaging and restaurants to drive global demand for recycled content 	<ul style="list-style-type: none"> • 50% achieved with 70% of fibre-based guest packaging coming from recycled or certified sources • 10% of McDonald's restaurants around the world is recycling guest packaging, with 12 of the top 16 markets having recycling and litter programmes in place



OUR PEOPLE AND COMMUNITIES

Aspect	Target/Goal	Action/Policies	Progress/Plans
Youth Opportunity	By 2025, reduce barriers to employment for two million young people	Provide pre-employment job readiness training, employment opportunities and workplace development programmes.	<ul style="list-style-type: none"> • Distributed \$1million in grants to 4 local community-based organisations to help young people • As of 2018, over 4,200 young people were trained • 87% of trained youth found an increase in life skills and 71% were engaged in education or employment



OUR PEOPLE AND COMMUNITIES

Aspect	Target/Goal	Action/Policies	Progress/Plans
Commitment to Families	By 2022, achieve Global Happy Meal goals in all global markets	<ul style="list-style-type: none"> • Offer balanced Happy Meals to ensure the nutrition criteria are met • Simplify ingredients by removing artificial flavours, colourings and preservatives in Happy Meals • Ensure nutrition information for Happy Meals is available and accessible through its websites and mobile apps • All Happy Meals advertised to children will meet the nutrition criteria • Leverage innovative marketing to promote the sales of recommended food and beverages in Happy Meals 	28% of the Happy Meals offered in the top 20 markets meet these goals



FARMER-TO-FARMER INITIATIVES

With the world facing population growth and increase in consumption, compounded by shifting weather patterns and rising temperatures, the farming community has a vital role to play in ensuring a sustainable supply of raw materials. To adapt to these challenges, having access to information and knowledge from trusted sources is of great importance. Mounting studies have been looking into the power of peer influence in shaping opinions and shifting choices for sustainability as people tend to be influenced by others with similar experience and challenges.

Based on this foundation, McDonald's has launched a farmer-to-farmer initiative called the Flagship Farmers Program, which encourages farmers and producers to share inspiration and knowledge with online resources available worldwide. By engaging Flagship Farmers in 15 countries across 9 different product groups, the programme allows farmers to influence each other and spread innovative new practices around the "3E" principle – "Environmental safeguarding, Ethical practices and Economic viability".

The program's current focus is on identifying beef farmers and producers from its top 10 beef sourcing countries.

GLOBAL DEMAND FOR RECYCLED CONTENT

Recycling is not merely a matter of recovering recyclable materials, but also refers to a total economic system that intends to close the loop. Collecting recyclable materials is only the beginning of the entire recycling loop. Nowadays, the cost of collecting and processing recyclable materials far outweighs their value that can be sold back to the industry. So, unless consumers buy recycled products, the economics of recycling system is not without risks.

Building demand is the common way to solve the recycling markets problem. In light of that, McDonald's has increased the amount of recycled plastic content used in all parts of its restaurants to help drive the demand for plastic recycling. For instance, it is using recycled plastics in trays, toys and interior design elements of its restaurants.

SCALE FOR GOOD

Scaling up, in business context, usually refers to how to make the best use of current and future resources to increase the quantitative value of a company, while scaling up in the social sector means understanding the best approach to making meaningful qualitative differences with respect to a social issue. The idea "Scale for Good" does not only involve growth, but is based on assessing the relative social change capacity of a particular business. In social purpose businesses, social change can be "scaled up" in direct proportion to business growth.

As one of the leading restaurants in the world, McDonald's has a huge scale of operating 37,000 restaurants in over 100 countries, serving 69 million people each day, such that its every change makes a big difference. To drive meaningful changes, therefore, McDonald's has used its global scale and reaches out to collaborate with others both within and outside of the McDonald's system.

Key points to takeaway

From farms to the front counter, there are countless places where a company in the F&B industry can minimise its environmental and social impacts across the value chain. To set prioritised goals and policies, a company should first fathom the major social and environmental impacts of its business operations while taking into consideration the main concerns of its stakeholders. With clear goals and roadmaps to facilitate the company to achieve its intended outcomes, the follow-up records, reports and reviews should be paid substantial attention as well. Whether it is a large multinational chain group like McDonald's or a small family business, the practices above can be a valuable experience that all firms can draw upon to move towards sustainable development in a more prominent way.

Reference:

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