

Good

Food • People • Neighbor



McDonald's Sustainable Beef Pilot Project

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Pilot Overview Video

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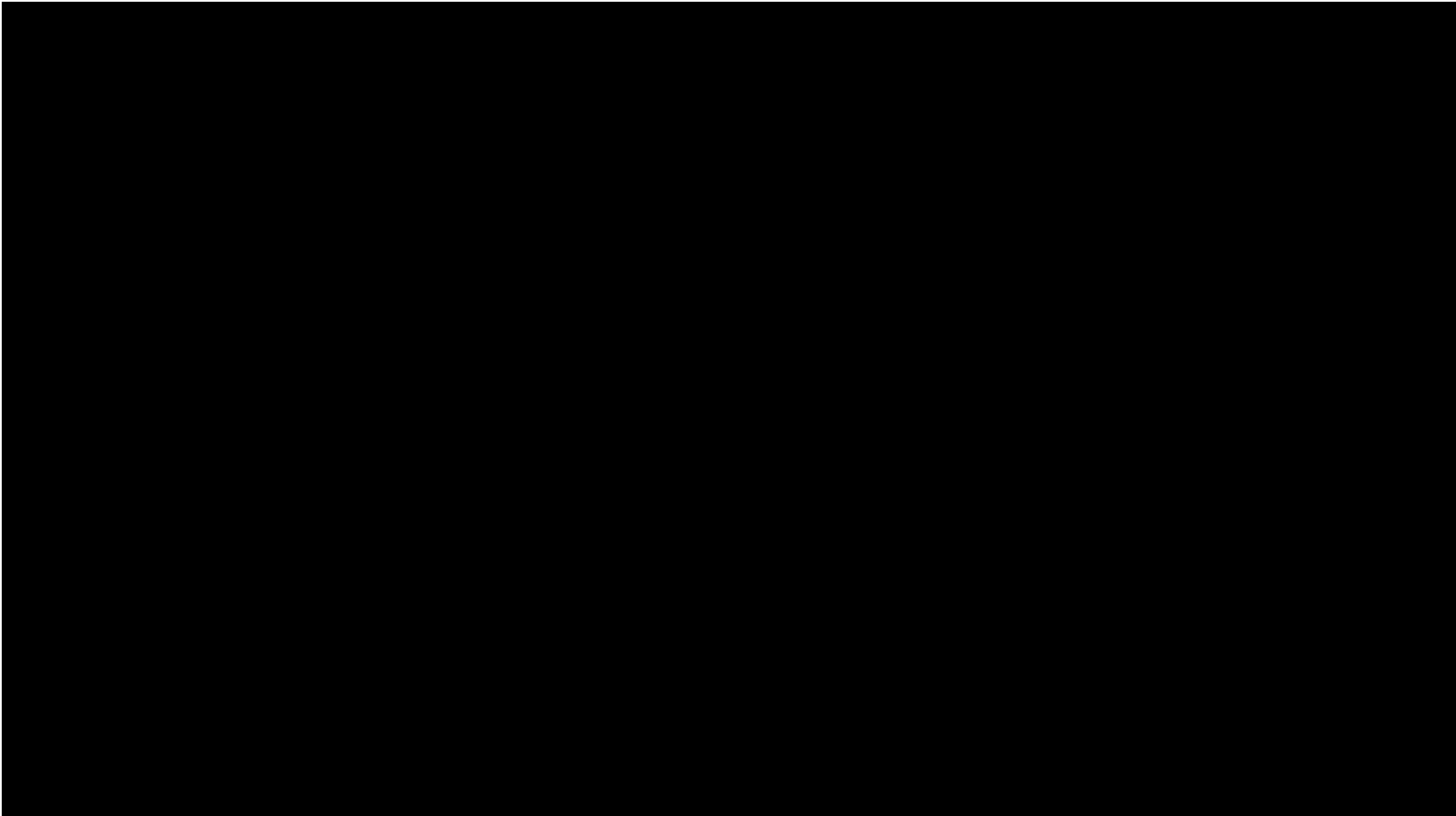
people



community



planet



Pilot Objectives

1. Begin purchasing a portion of our beef from verified sustainable sources in 2016
2. Bring the Principles and Criteria of the GRSB to life in a locally relevant way
3. Support and accelerate an industry-led beef sustainability framework

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How did we structure the pilot?

- Multi-stakeholder engagement
- Indicator development
- Verifications
- Chain of custody
- Initiatives

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Indicators Aligned with GRSB



Global

Local



What are we trying to accomplish?

What are the standards by which we will hold ourselves?

What conditions need to be met?

What are we going to measure?

Verify operations

Track cattle to operation



Natural resources



Community & people



Animal health & Welfare



Food



Efficiency & Innovation

Critical Indicators*



| Segment | Indicators | Critical indicators |
|----------------------|------------|---------------------|
| Cow-calf/Extensive | 31 | 14 |
| Fed cattle/Intensive | 29 | 11 |
| Processing plant | 28 | 9 |

*Defined as being critical to maintain and enhance the Canadian beef community's social license to operate

Verification Performance Scale




| Score | Level | Description |
|-------------------------|-------------|---|
| 5 | Excellence | Processes are in place to measure, monitor, verify and report outcomes toward goals |
| 4 | | |
| 3 | Achievement | Demonstrated performance toward goals related to the outcomes |
| 2 | | |
| 1 | Entry | Awareness and commitment to the outcomes |
| Barrier to entry | | Negative outcomes. No awareness or plan for improvement specific to the outcomes |

Chain of Custody

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Verification Status

- Enrolled
- Verified



Blinded Reporting



Verified Cow-calf & Backgrounder



Verified Feedlot



Verified Packer



Verified Patty Plant

Fully-Verified Supply Chain

- **121** verified cow-calf and backgrounders
- **20** verified feedlots
- **2** verified packers
- **1** verified patty plant
- **8,967** head from a fully-verified supply chain

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General Lessons Learned

- Lead and Listen
- Build Community
- Champion Progress over Perfection

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www.mcdvsb.com

- Final Report
- Participant profiles
- Youth beef club videos

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