CHICK-FIL-A
our sustainable journey
tour of legendary college football programs

teams with 3+ national championships in poll era
mythbusters
SUSTAINABILITY MYTH

it is easy to determine what is “green” and what is not
SUSTAINABILITY MYTH

it is clear what is recyclable and what is not
SUSTAINABILITY MYTH

because recycling is good, your _____ will quickly embrace
and support your efforts
Mr. President,
FORWARD ON CLIMATE

WE DIDN'T ASK FOR CLIMATE CHANGE

STOP KEYSTONE
sustainability

LESSONS LEARNED
On a poster in Sydney: **Are you an adult that cannot read?** If so, we can help.

On a highway sign in Australia: **Take notice:** when this sign is under water, this road is impassable.
what is sustainability?

SUSTAINABILITY DEFINITION

the ability to meet the needs of the present without compromising the ability of future generations to meet their own needs.
Doctor's office, Rome: Specialist in women and other diseases.

A laundry in Rome: Ladies, leave your clothes here and spend the afternoon having a good time.
CORPORATE PURPOSE

To glorify God by being a faithful steward of all that is entrusted to us.

To have a positive influence on those who come in contact with Chi...
CORPORATE PURPOSE

To glorify God by being a faithful steward of all that is entrusted to us.

To have a positive influence on those who come in contact with Child Life.
OUR LOYAL CUSTOMERS expect us to be a LEADER in sustainability, because Chick-fil-A “always does the right thing.”
sustainability matters most to...

1. March 2013 Emerging Issues Research, Hill + Knowlton
2. Oct. 2012 Technomic, Understanding the Foodservice Attitudes & Behaviors of Millennials
3. June 2013 Technomic AMEX Market Brief

millennials are likely to account for 40% of restaurant spending by 2022
How important is _____ in making a restaurant sustainable? (% Very/Somewhat Important)

- Local Food: 88%
- Recycling: 86%
- Sustainable Food: 86%
- Lower Energy Use: 80%
- Lower Water Use: 79%
- Humane Meats/Animal…: 77%
- Sustainable Building: 76%
- Organic Food: 69%

Source: June 2013 Technomic AMEX Market Brief
WE'RE ON A JOURNEY

better FOOD greener BUILDINGS reduced WASTE

HELPING OPERATORS IMPACT COMMUNITIES
2014 top line of sustainability

**Better Food**
- MENU STRATEGY
  - anti-biotic free chicken
  - new grilled chicken
  - THRIVE coffee
  - cleaning up menu ingredients

**Greener Buildings**
- LEED™ CERTIFICATION
  - 9 built to date
  - LEED volume approval
  - 12 more in 2014

**Reduced Waste**
- CUP RECYCLING
  - 850 restaurants to date
  - 10M cups recycled
  - 1.5+M cups per month

**Energy Conservation**
- 50M kWh saved
- equipment redesign results in P&L and capital savings

**Community Impact**
- caring for our communities

**Training & Education**
- building sustainability acumen
by 2020, we hope that everything a guest uses while dining with us can be recycled, composted, or reused. nothing needs to go to landfill.

our first step on that journey is to recycle foam cups.
our cup journey
our cup journey
why sustainability? speak their language

- strengthen **brand**
- grow **revenue**
- reduce **risk**
- decrease **costs**
why recycle cups now?

OPERATOR FEEDBACK

**strengthen brand**

+ trend: clearly where society is going; go now

+ OE scores went up (brand halo effect)

+ to my surprise, team members are excited “to make a difference”

+ team members fuss if I toss a cup in the trash can out of habit

I had NOT heard from customers, but…

+ start of recycling was most liked facebook post of the year

+ I learned that 4-H clubs in my county use my restaurant as the role model for other restaurants, because of our recycling!
why sustainability? speak their language

- strengthen brand
- grow revenue
- reduce risk
- decrease costs
why recycle cups now?

OPERATOR FEEDBACK

reduce risk

+ **legislation** threatens foam, but recycling helps change perception

+ **customer perception**: customers shared they thought foam was bad but now are certain that it is good

+ changing to **paper** would mean a **lower quality** cup that **costs more**; save our cup!
why sustainability? speak their language

strengthen brand

grow revenue

reduce risk

decrease costs
why recycle cups now?

OPERATOR FEEDBACK

grow revenue

+ definitely contributes to sales
+ although it’s hard to know for sure, intuitively it helps
+ one more reason to choose my store over competition

- some Operators don’t think recycling grows sales
why sustainability? speak their language

strengthen brand

grow revenue

reduce risk

decrease costs
why recycle cups now?

OPERATOR FEEDBACK

decrease costs

+ recycling is significantly cheaper than buying alternative cups
+ reducing waste reduces costs
+ team members are looking around for other opportunities to reduce waste

Operators also fear the P&L effects of new recycling service:
- my costs of recycling are one more pressure on margins
- while I wouldn’t stop recycling, I need costs to come down for me to really get excited
- the more I do, the more it costs
Hotel, Yugoslavia: The flattening of underwear with pleasure is the job of the chambermaid.

Hotel, Japan: You are invited to take advantage of the chambermaid.
why sustainability? why now?

- strengthen brand
  - increasing customer concerns
  - business relevance
  - invest in communities we serve
- grow revenue
  - tomorrow’s customer expectations
  - future growth markets
- reduce risk
  - more legislation
  - business size
- decrease costs
  - doing more with less
  - reduces costs
LEADERS
TURN
VISION
INTO IDEAS AND
IDEAS
INTO
ACTION