

Particulars

About Your Organisation

1.1 Name of your organization

McDonald's Corporation

1.2 What is/are the primary activity(ies) or product(s) of your organization?

- Oil Palm Growers
 - Palm Oil Processors and/or Traders
 - Consumer Goods Manufacturers
 - Retailers
 - Banks and Investors
 - Social or Development Organisations (Non Governmental Organisations)
 - Environmental or Nature Conservation Organisations (Non Governmental Organisations)
 - Affiliate Members
 - Supply Chain Associate
-

1.3 Membership number

3-0044-11-000-00

1.4 Membership category

Ordinary

1.5 Membership sector

Retailers

Retailers

Operational Profile

1.1 Please state your main activities within the palm oil supply chain. Tick all that apply:

- Wholesaler
- Retail
- Food service providers
- Own-brand
- Third party brands
- Biofuels
- Other

Operations and Certification Progress

2.1 In which markets where you operate do you sell goods containing palm oil and oil palm products?

Applies Globally

2.2 Do you have a system for calculating how much palm oil and palm oil products there is in the goods you sell?

Yes

2.3 Does this system cover your own-brand use of palm oil and oil palm products or all brands you sell?

All brands sold

2.4 In which markets where you operate do you calculate how much palm oil and oil palm product there is in the goods you sell?

Applies Globally

2.5 Total volume of all palm oil and oil palm products in the goods sold in the year:

2.5.1 Total volume of Refined /Crude Palm Oil in the goods sold in the year

99356.72 Tonnes

2.5.2 Total volume of Crude and Refined Palm Kernel Oil in the goods sold in the year

2525.74 Tonnes

2.5.3 Total volume of Palm Kernel Expeller sold in the year

Tonnes

2.5.4 Total volume of other Palm-based Derivatives and Fractions used in the year

10027.69 Tonnes

2.5.5 Total volume of all palm oil and oil palm products in the goods sold in the year

111910.15 Tonnes

2.6 Volume of palm oil and oil palm products used in the year, in your own brand of products, that are RSPO-certified

No	Description	Crude and Refined Palm Oil (Tonnes)	Crude and Refined Palm Kernel Oil (Tonnes)	Palm Kernel Expeller (Tonnes)	Other palm-based derivatives and fractions (Tonnes)
2.6.1	Book & Claim	81766.64			8184.25
2.6.2	Mass Balance	9298.68	2441.30		1272.74
2.6.3	Segregated	546.85			534.70
2.6.4	Identity Preserved				36.00
2.6.5	Total volume	91612.17	2441.30		10027.69

2.7 Volume of RSPO certified sustainable palm oil and oil palm products purchased from other RSPO certified companies (tonnes)

No	Description	Crude and Refined Palm Oil (Tonnes)	Crude and Refined Palm Kernel Oil (Tonnes)	Palm Kernel Expeller (Tonnes)	Other palm-based derivatives and fractions (Tonnes)
2.7.1	Book & Claim	-	-	-	-
2.7.2	Mass Balance	-	-	-	-
2.7.3	Segregated	-	-	-	-
2.7.4	Identity Preserved	-	-	-	-
2.7.5	Total volume	-	-	-	-

2.8 What is the percentage of RSPO certified sustainable palm oil and oil palm products in the total volume handled by your company in the following regions:

Africa 3%
Australasia --%
Europe (incl. Russia) 6%
North America 12%
South America --%
Middle East 1%
China 39%
India 4%
Indonesia 3%
Malaysia 9%
Rest of Asia 23%

Time-Bound Plan**3.1 Year expected to start (or year started) using RSPO certified sustainable palm oil and oil palm products, in your own brand of products**

2012

Comment:

McDonald's does not produce branded products as would a retailer, but we began serving certified sustainable palm oil in our restaurants starting in 2012 after joining RSPO in 2011.

3.2 Year expected to be (or already) using 100% RSPO certified sustainable palm oil and oil palm products from any supply chain option in your own brand products

2015

Comment:

In 2015, the Company nearly achieved its goal of having 100% of palm oil used for restaurant cooking or by McDonald's suppliers to par-fry chicken and potato products be RSPO-certified sustainable or covered by GreenPalm Book and Claim certificates, achieving a percentage of 99.7

3.3 Year expected to be using 100% RSPO certified sustainable palm oil and oil palm products from physical supply chains (Identity Preserved, Segregated and/or Mass Balance) in your own brand products

2020

Comment:

In 2016, McDonald's began the shift to purchases of RSPO certified sustainable palm oil by our suppliers from physical supply chains. We are proud to say that in 2016 our U.S. business (the largest market in our global business) achieved 100% coverage with RSPO mass balance certified palm oil, meaning that currently 100% of the palm oil used by suppliers as an ingredient in products sold to McDonald's restaurants in the U.S. is RSPO mass balance certified palm oil. In addition, our goal is for 100% of the restaurant cooking oil and the oil used to par-fry potato and chicken products, globally (which collectively account for our largest volume of palm oil usage) to be RSPO mass balance certified palm oil by the end of 2017, and fully segregated certified palm oil by 2020 in countries where such segregation is commercially possible.

3.4 In which markets where you operate, do these commitments cover?

Applies Globally

3.5 Does your company have a Time-Bound Plan to require the use of RSPO certified palm oil and oil palm products in the products you sell on behalf of other companies brands?

No

Trademark Related**4.1 Do you use or plan to use the RSPO Trademark on your own brand products?**

No

Actions for Next Reporting Period**5.1 Outline actions that you will take in the coming year to promote the use of RSPO certified sustainable palm oil and oil palm products along the supply chain**

In 2017, McDonald's will engage in the following actions to promote the use of RSPO certified sustainable palm oil in our supply chain:

*Complete global oils RFP: In 2016, McDonald's began the first-ever global oils RFP for restaurant cooking oils, par-fry chicken oil and par-fry potato oil supply chain, among others. We integrated sustainability expectations (including but not limited to RSPO certification) for palm oil into our product specifications and evaluated RFP responses based on the supplier's ability to meet those sustainability expectations, equally weighted with commercial, quality systems and nutrition expectations.

*The approved supplier list that will result from the RFP process will be shared with other categories that use palm oil to help create strategies for execution of similar sustainability expectations in those categories.

*We will continue to use our data collection system to gather data from all global suppliers. Please note that the scope of our data collection currently captures globally managed products only, such as restaurant frying oil, oil used for par frying potatoes and chicken, and certain baked goods and sauces (liquid products). As such, our commitments solely apply in countries where globally managed products containing palm oil are served.

*McDonald's will participate in forums that promote the use of sustainable palm oil and industry transformation such as TFA2020 and the RSPO.

Reasons for Non-Disclosure of Information**6.1 If you have not disclosed any of the above information, please indicate the reasons why****Application of Principles & Criteria for all members sectors**

7.1 Do you have organizational policies that are in line with the RSPO P&C, such as:

- Water, land, energy and carbon footprints
No file was uploaded
- Ethical conduct and human rights
No file was uploaded
- Labour rights
No file was uploaded
- Stakeholder engagement
No file was uploaded
- None of the above

7.2 What best practice guidelines or information has your organisation provided in the past year, to facilitate the uptake of RSPO certified sustainable palm oil and oil palm products? What languages are these guidelines available in?

In 2016, McDonald's created our Global Sustainable Palm Oil Policy and our global oils product specification, both of which help outline our sustainability expectations and requirements for suppliers. These are currently available in English.

7.3 Your answers above indicate that you are not yet using 100% RSPO certified palm oil and oil palm products. Do you have plans to immediately cover the gap using Book & Claim?

No

GHG Emissions**8.1 Are you currently assessing your operational GHG emissions?**

Yes

Uploaded files:

No files were uploaded

Link to Website

<http://corporate.mcdonalds.com/mcd/sustainability/planet/climate-and-energy/mcdonald-s-enterprise-carbon-footprint.html>

8.2 Do you publicly report the GHG emissions of your operations?

Yes

Uploaded files:

No files were uploaded

Link to Website

<http://corporate.mcdonalds.com/mcd/sustainability/planet/climate-and-energy/mcdonald-s-enterprise-carbon-footprint.html>

Support Smallholders**9.1 Are you currently supporting any independent smallholder groups?**

Yes

9.2 If yes, how are you supporting them?

Supporting smallholders is one of the tenants of McDonald's Commitment on Forests. See the detailed commitment here: <http://corporate.mcdonalds.com/content/dam/AboutMcDonalds/2.0/pdfs/McDonaldsCommitmentOnForests.pdf> We are working with our suppliers to understand the best methods to support smallholders through both our commitment to sustainable palm oil and our work to uphold our Commitment on Forests.

Challenges

1 What significant economic, social or environmental obstacles have you encountered in the production, procurement, use and/or promotion of CSPO and what efforts did you make to mitigate or resolve them?

McDonald's has received feedback from a number of stakeholders on the level of rigor in the RSPO standard on issues of deforestation and human rights. Consistent with our Commitment on Forests, we believe these are important areas for us to address. To help achieve our objectives, we integrated criteria that go above and beyond the RSPO standard with respect to deforestation and human rights as a part of the aforementioned global oils RFP process. Specifically, to be an approved supplier to the McDonald's system, all palm oil producing companies in our supply chain for globally managed products must demonstrate that they meet McDonald's expectations on traceability, deforestation and human rights in addition to our expectations on RSPO certified sustainable palm oil.

2 How has your organization supported the vision of RSPO to transform markets? (e.g. Funding; Engagement with key stakeholders; Business to business education/outreach)

McDonald's believes in industry transformation and understands that this type of change cannot occur through the efforts of one company alone. McDonald's participates in forums to help advance the agenda on specific issues - for example, we have been an active member of the TFA2020 forum and in 2016-2017 presented our position at 3 Innovation Forum conferences focused on deforestation. We also engage directly with our supplier base, which includes companies across the globe, on sustainability topics and include such topics in global commercial discussions for our entire oil category.

3 Other information on palm oil (sustainability reports, policies, other public information)

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Link: <http://corporate.mcdonalds.com/mcd/sustainability/sourcing/priority-products/commitment-on-forests.html>
