

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?

- Grower
 - Processor and/or Trader
 - Consumer Goods Manufacturer
 - Retailer and/or Wholesaler
 - Bank and/or Investor
 - Social and/or Development NGO
 - Environmental and/or Conservation NGO
 - Supply Chain Associate
 - Affiliate
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1.3 Membership number

3-0044-11-000-00

1.4 Membership category

Retailers

1.5 Membership sector

Ordinary

Retailer and/or Wholesaler

1. Operational Profile

1.1 Please state your main activity(ies) within the palm oil supply chain. Please select the option(s) that apply to you

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

Other:

2. Palm Oil Use and Certification Progress

2.1 Please include details of all operations using palm oil, owned and/or managed by the member and/or all entities that belong to the group.

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2.1.1 In which markets do you sell goods with palm oil and oil palm products?

Applies globally

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

2.2.1 Total volume of refined /crude palm oil in the goods sold in the year (tonnes)

56,339.00

2.2.2 Total volume of crude and refined palm kernel oil in the goods sold in the year (tonnes)

11.00

2.2.3 Total volume of palm kernel expeller sold in the year (tonnes)

0.00

2.2.4 Total volume of other palm-based derivatives and fractions in the year (tonnes)

34,125.00

2.2.5 Total volume of all palm oil and oil palm products in the goods sold in the year (tonnes)

90,475.00

2.3 Volume of palm oil and oil palm products used in the year, in your own brand products, that are RSPO-certified (tonnes):

Description	Crude and Refined Palm Oil	Crude and Refined Palm Kernel Oil	Palm Kernel Expeller	Other palm-based derivatives and fractions
2.3.1 Book and Claim from Mill / Crusher	27721.09647	-	-	2222.82776
2.3.2 Book and Claim from Independent Smallholder	-	-	-	-
2.3.3 Mass Balance (MB)	27026.59074	-	-	25126.21604
2.3.4 Segregated (SG)	2498.88709	18.51573	-	5542.28673
2.3.5 Identity Preserved (IP)	-	-	-	317.75
2.3.6 Total volume (tonnes)	57246.57430000001	18.51573	-	33209.08053

2.4 According to the information you have provided in this questionnaire, your company has not reached 100% sustainable palm yet by using the four supply chain models (Book and Claim, MB, SG, IP). Do you have plans to immediately cover the gap by using RSPO Credits?

2.4.1 When do you plan to cover the gap by using RSPO Credits?

-

2.4.2 Please explain why

-

2.5 What is the percentage of Certified Sustainable Palm Oil and oil palm products in the total volume handled by your company in the following regions:

2.5.1 Africa

100%

2.5.2 Oceania

100%

2.5.3 Europe

100%

2.5.4 North America

100%

2.5.5 Latin America

100%

2.5.6 Middle East

100%

2.5.7 China

100%

2.5.8 India

100%

2.5.9 Indonesia

100%

2.5.10 Malaysia

100%

2.5.11 Rest of Asia

100%

3. 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 products

2012

3.2 Year started/expected to start using any RSPO-certified sustainable palm oil and oil palm products in your own brand products

2015

3.2.1 If target has not been met, please explain why.

-

3.3 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

3.3.1 If target has not been met, please explain why.

In 2018, the Company achieved its goal of having 100% of palm oil used for restaurant cooking or by McDonald,Äôs globally managed suppliers to par-fry chicken and potato products be RSPO-certified sustainable or covered by Book and Claim certificates. A globally managed supplier is one that provides global core or geographic products into multiple McDonald,Äôs markets, subject to certain exceptions involving geographic markets licensed to McDonald,Äôs franchisees.

3.4 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

3.4.1 If target has not been met, please explain why.

In 2018, McDonald's continued the shift to purchases of RSPO certified sustainable palm oil by our suppliers from physical supply chains. Our goal is for 100% of the restaurant cooking oil and the oil used by McDonald,Ãs globally managed suppliers 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 January 1st, 2020, and fully segregated certified palm oil by year end 2020 in countries where such segregation is commercially possible. Our volumes of mass balance certified oils increased from 36% in 2017 to 58% in 2018.

3.5 Which markets do these commitments cover?

Applies globally

3.6 Does your company use RSPO-certified sustainable palm oil and oil palm products in goods you manufacture on behalf of other companies?

No

3.7 Does your company have a Time-Bound Plan to only use RSPO-certified sustainable palm oil and oil palm products in the goods you manufacture on behalf of other companies?

Yes

3.8 When do you expect all products you manufacture to only contain RSPO-certified sustainable palm oil and oil palm products?

N/A

4. Trademark Use

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

No

4.2 Please select the countries where you use or intend to apply the Trademark.

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4.2.1 Please state the year that you started using the RSPO Trademark or the year you plan to start using the RSPO Trademark.

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4.3 Please explain why

- Challenging reputation of palm oil
- Confusion among end-consumers
- Costs of changing labels
- Difficulty of applying for RSPO Trademark
- Lack of customer demand
- Limited label space
- Low consumer awareness
- Low usage of palm oil
- Risk of supply disruption
- Others

Other:

N/A

4.4 Have you uploaded information and images of products using the RSPO Trademark to the RSPO mobile app?

5. 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.

*Completed global oils RFP: In 2016, McDonald's began its 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.

*We will continue to use our data collection system to gather data from all globally managed suppliers. Please note that the scope of our data collection currently captures products supplied by globally managed suppliers 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 to products containing palm oil sourced by our globally managed suppliers.

*McDonald's will participate in forums that promote the use of sustainable palm oil and industry transformation such as TFA and the RSPO. We regularly visit facilities and plantations with our supplier and NGO partners.

6. Non-Disclosure of Information

6.1 Information in the sections above are mandatory declarations in your ACOP. For confidentiality purposes, members may choose not to display volume data in Section 2 publicly; however, RSPO reserves the right to utilise the member's data on an aggregate basis for sectoral and total analysis. Please check this box if the member chooses to have the data in Section 2 displayed publicly.

Yes - Display Publicly

7. Application of Principles & Criteria for all member sectors

7.1 Related to company's procurement or operations, do you have organisational policies that are in line with the RSPO P&C? Select all relevant options.

7.1.A Water, land, energy and carbon footprints

File: --

Link: https://corporate.mcdonalds.com/content/dam/gwscorp/scale-for-good/McDonalds_CDP_Climate_Change_2018.pdf

7.1.B Land use rights

File: --

Link: <https://corporate.mcdonalds.com/corpmcd/scale-for-good/our-planet/conserving-forests.html>

7.1.C Ethical conduct and human rights

File: --

Link: <https://corporate.mcdonalds.com/corpmcd/scale-for-good/our-people-and-communities/respecting-human-rights.html>

7.1.D Labour rights

File: --

Link: <https://corporate.mcdonalds.com/corpmcd/scale-for-good/our-people-and-communities/respecting-human-rights.html>

7.1.E Stakeholder engagement

File: --

Link: --

7.1.F None of the above. Please explain why

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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. In 2017 these policies were integrated into our newly updated Global Sustainable Sourcing Guide as a part of the company's holistic sustainability guidance and expectations for suppliers. These are currently available in English.

8. Greenhouse Gas (GHG) Footprint**8.1 Are you currently reporting any GHG footprint?**

Yes

8.1.1 Please upload your publicly available GHG report

File: --

8.1.1.1 OR please insert the URL to the GHG section of your corporate website.

https://corporate.mcdonalds.com/content/dam/gwscorp/scale-for-good/McDonalds_CDP_Climate_Change_2018.pdf

8.2 Please explain and justify why you are not calculating your GHG footprint. Please include any future plans you may have to calculate your GHG footprint.

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8.3 What methodology are you using to calculate your GHG footprint?

McDonald's has engaged Aligned Incentives to estimate the greenhouse gas footprint for McDonald's restaurants and offices in compliance with WRI's GHG Protocol (Scopes 1, 2 & 3, including McDonald's and its franchisees.). McDonald's has not independently verified the analysis, methods, data, calculations or extrapolation of data.

9. Support for Oil Palm Smallholders**9.1 Are you currently supporting any oil palm 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.

9.2.1 Do you have any future plans to support oil palm Independent Smallholders?

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9.2.2 When do you plan to start your support for oil palm Independent Smallholders?

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10. Challenges

10.1 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?

- Awareness of RSPO in the market
- Difficulties in the certification process
- Certification of smallholders
- Competition with non-RSPO members
- High costs in achieving or adhering to certification
- Human rights issues
- Insufficient demand for RSPO-certified palm oil
- Low usage of palm oil
- Reputation of palm oil in the market
- Reputation of RSPO in the market
- Supply issues
- Traceability issues
- Others

Other:

Others ,Äi challenges to procure physical certified palm in some markets. Ex. Segregated palm in the US

10.2 In addition to the actions already reported in this ACOP, how has your organisation supported the vision of RSPO to transform the market for sustainable palm oil in other ways? (e.g. Funding; Engagement with key stakeholders; Business to business education/outreach)

- Engagement with business partners or consumers on the use of CSPO
- Engagement with government agencies
- Promotion of CSPO outside of RSPO venues eg trade workshops industry associations
- Promotion of physical CSPO
- Providing funding or support for CSPO development efforts
- Research & Development support
- Stakeholder engagement
- Others

Other:

10.3 Please attach or add links to any other information from your organisation on your palm oil policies and activities (e.g.: sustainability reports, policies, other public information)

<https://corporate.mcdonalds.com/corpmcd/scale-for-good/our-food/palm-oil.html>