

McDonald's

Coalition member since 2022 | As of September 2023, palm oil, soy, paper, pulp, and fibre-based packaging (PPP), and beef are material commodities for McDonalds.

The following table includes a list of each Key Performance Indicator (KPI) for each material commodity, along with the company's 2021, 2022 and 2023 reporting record. The record includes the following responses:

- "Yes" indicates a company is reporting against a KPI and reporting quantitatively where indicated
- "Yes – narrative reporting" indicates a company is reporting qualitatively against a quantitative KPI
- "Not yet reporting" response indicates a company is not yet reporting on a KPI
- "N/A" indicates a KPI was not established in a given year

Companies have also provided information on their performance against appropriate KPIs, along with methodologies and targets. This information has been self-reported by companies and verified by Proforest.

Links are provided to information when a company is reporting ("Yes") against a public information requirement, and when a company is reporting qualitatively ("Yes – narrative reporting") against a quantitative KPI.

For a full methodology on the Forest Positive Coalition's reporting process, including a list of all KPIs and public information requirements, visit transparency.tcgfforestpositive.com

Palm Oil for Retailers and Manufacturers Buying Palm Derivatives (CPO derivatives and PKO derivatives)

| Palm Oil KPIs (Retailers and Manufacturers Buying Palm Derivatives) | Publicly reported value and method provided in 2022 | Publicly reporting as of June 30th 2023 | <u>Publicly reported</u> value or narrative for 2023 on 2022 data | Methodology | Scope* | Link to publicly available source | Target (optional) |
|---|--|--|---|-------------|--------|---|----------------------|
| Element 1 | | | | | | | |
| 1.1 Policy commitments to the forest positive goals | N/A | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> | McDonald's is committed to eliminating deforestation from our global supply chains. We will work throughout our supply chains to achieve the following: No deforestation of primary forests or areas of High Conservation Value, No development of High Carbon Stock forest areas, No development on peatlands, regardless of depth, and the utilization of best management practices for existing commodity | | | McDonalds Consumer Goods Forums Positive Coalition 2022.pdf | |

*Scope: What materials/products are in-scope of the reported value, and what proportion of total commodity volume does that scope represent?

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|---|--|--|--|-------------|--------|-----------------------------------|----------------------|
| | | | production on peatlands, Respect human rights, Respect the right of all affected communities to give or withhold their free, prior and informed consent for plantation developments on land they own legally, communally or by custom, Resolve land rights disputes through a balanced and transparent dispute resolution process, Verify origin of raw material production and Support smallholders, farmers, plantation owners and | | | | |

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|---|---|--|--|--|--|---|-------------------|
| | | | suppliers to comply with this commitment. We are committed to eliminating deforestation in our supply chains to reduce our emissions from land use change | | | | |
| 1.2 Timebound action plan summary | N/A | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> | When we set our commitment in 2015, we prioritized action and measurement with public milestones for 2020 for the products we use in the greatest volumes and with the potential to have the greatest impact on forests. Palm oil sourced for McDonald's restaurants or as ingredients in McDonald's | All RSPO supply chain models applicable to RSPO are applicable to McDonald's: RSPO Identity Preserved (IP), RSPO Segregated (SG), RSPO Mass Balance (MB) and Book and Claim (BC), although McDonald's is committed to increasing traceability by specifying physical | The scope of our commitment includes all palm oil (including crude palm oil, palm kernel oil, derivatives and fractions) sourced for McDonald's restaurants for use as restaurant cooking oil and all palm oil sourced by McDonald's | McDonalds Consumer Goods Forums Positive Coalition 2022.pdf | |

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| | | | products must meet the requirements of RSPO certification. All countries are considered high priority regions for palm oil and all volumes are required to be covered by RSPO certification or credits. McDonald's is committed to increasing traceability by requiring physical certification for the palm oil used in the McDonald's System in the greatest volumes. | certification for the palm oil used in the McDonald's System in the greatest volumes (IP, SG or MB). | suppliers and used directly as an ingredient in a McDonald's product and listed on the product's ingredient statement. Excluded from this commitment are palm oil, palm kernel oil or their derivatives used as secondary ingredients in McDonald's products. This is when palm oil is used as an ingredient within an ingredient, for example, an emulsifier. | | |

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|--|---|---|--|-------------|---|---|-------------------|
| 1.4 % volume that is deforestation and conversion free - using public DCF methodology or IRF Delivering category | N/A | Yes: <input checked="" type="checkbox"/> quantitative Yes: <input type="checkbox"/> narrative No <input type="checkbox"/> | In 2022, 100% of palm oil sourced for McDonald's restaurants and used as an ingredient in McDonald's products supported the production of sustainable palm oil and deforestation-free supply chains through RSPO certification (see KPI 1.8 for certification breakdown) | | All palm oil suppliers of restaurant cooking oil, supplier par-fry oil used in global core products and suppliers of global core products that contain palm oil ingredients must report into McDonald's annual data collection known as TraQtion. Through TraQtion we collect volume and origin data as well as chain of custody and other sustainability | McDonalds Consumer Goods Forums Positive Coalition 2022.pdf | |

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|---|--|---|---|-------------|---|---|----------------------|
| | | | | | related information. | | |
| 1.8 % physically certified (MB/SG) | N/A | Yes: quantitative <input checked="" type="checkbox"/> Yes: narrative <input type="checkbox"/> No <input type="checkbox"/> | In 2022, 74.5% of palm oil sourced for McDonald's restaurants and used as an ingredient in McDonald's global core products was physically certified, including 25.6% RSPO Segregated and 48.9% RSPO Mass Balance. We purchased RSPO book and claim credits to support sustainable production relating to the remaining volume of 25.5%. | | All palm oil suppliers of restaurant cooking oil, supplier par-fry oil used in global core products and suppliers of global core products that contain palm oil ingredients must report into McDonald's annual data collection known as TraQtion. Through TraQtion we collect volume and origin data as well as | McDonalds Consumer Goods Forums Positive Coalition 2022.pdf | |

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|--|--|--|--|-------------|---|-----------------------------------|----------------------|
| | | | | | chain of custody and other sustainability related information. | | |
| Element 2 | | | | | | | |
| 2.1 Direct supplier list. For retailers, this is the own brand supplier list | N/A | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> | | | | | |
| 2.4. List of identified major upstream suppliers/trade rs prioritized | N/A | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> | | | | | |
| 2.2 % Direct suppliers engaged and informed of 'Forest Positive Supplier' Commitment and 'Forest Positive Approach' | N/A | Yes: quantitative <input type="checkbox"/> Yes: narrative <input type="checkbox"/> No <input checked="" type="checkbox"/> | | | | | |

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|--|--|--|--|-------------|--------|-----------------------------------|----------------------|
| 2.3 Performance of direct suppliers against the elements of the Forest Positive Approach and changes over time including progress on delivery across entire palm oil business (<i>updated reporting guidance</i>) | N/A | Yes: quantitative <input type="checkbox"/> Yes: narrative <input type="checkbox"/> No <input checked="" type="checkbox"/> | | | | | |
| 2.5. Upstream suppliers/trade rs prioritised and engaged (directly or via a collective approach) and informed of Forest Positive Approach | N/A | Yes: quantitative <input type="checkbox"/> Yes: narrative <input type="checkbox"/> No <input checked="" type="checkbox"/> | | | | | |

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|--|--|--|--|-------------|--------|-----------------------------------|----------------------|
| 2.6 Performance of upstream suppliers/trade rs against the elements of the Forest Positive Approach and changes over time including progress on delivery across entire palm oil business | N/A | Yes: quantitative <input type="checkbox"/> Yes: narrative <input type="checkbox"/> No <input checked="" type="checkbox"/> | | | | | |
| Element 3 | | | | | | | |
| 3.8 Provide a short narrative summary of progress made towards reporting on the Element 3 in 2023 (for own brand products). | N/A | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> | | | | | |

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y for Retailers and Manufacturers Buying Embedded Soy

| Soy KPI's (Retailers and Manufacturers Buying Embedded Soy) | Publicly reported value and method provided in 2022 | Is your company publicly reporting on this KPI as of June 30th 2023? | Publicly reported value or narrative for 2023 on 2022 data | Methodology for value reported | Scope* | Link to publicly available source | Target (optional) |
|---|---|--|---|--------------------------------|--------|--|-------------------|
| Element 1 | | | | | | | |
| 1.1 Policy commitments to the forest positive goals | N/A | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> | McDonald's is committed to eliminating deforestation from our global supply chains. When we set this commitment in 2015, we prioritized action and measurement with public milestones for 2020 for the products we use in the greatest volumes and with the potential to have the greatest impact on forests. One of the primary environmental impacts of raising chickens comes from the use of soy in their feed. Every year, we ensure that 100% of soy sourced for the feed of chicken used in McDonald's products globally supports deforestation-free supply chains. We support responsible soy production through the purchase of Round Table on Responsible Soy (RTRS) credits. A number of our chicken suppliers to Europe also use physical | | | McDonalds Consumer Goods Forum's Positive Coalition 2022.pdf | |

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| Soy KPI's (Retailers and Manufacturers Buying Embedded Soy) | Publicly reported value and method provided in 2022 | Is your company publicly reporting on this KPI as of June 30th 2023? | Publicly reported value or narrative for 2023 on 2022 data | Methodology for value reported | Scope* | Link to publicly available source | Target (optional) |
|---|---|--|--|---|--------|---|-------------------|
| | | | certification through ProTerra standards. | | | | |
| 1.2 Timebound action plan summary | N/A | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> | | | | | |
| 1.3 Soy Footprint across all product categories | N/A | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> | We calculated that 534,122 tonnes of whole soybean were associated with our chicken supply in 2022. | See KPI 1.4 | | McDonalds Consumer Goods Forums Positive Coalition 2022.pdf | |
| 1.4 Methodology for soy footprint calculation | N/A | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> | We have identified the regions where our suppliers source soy that have high deforestation risks. We have also taken a conservative approach and assumed that all soy used in the feed of chickens supplied to our restaurants in Europe, APMEA and Latin America may originate from high deforestation-risk regions, until further traceability is established as to their origin. This approach was informed by a traceability analysis we completed which demonstrated that the soy produced in Latin America is flowing into the chicken | We track our chicken volumes, origin and any soy certification associated with this from suppliers annually through the TraQtion system to ensure we can meet our commitments and can report transparently through our website and CDP. | | McDonalds Consumer Goods Forums Positive Coalition 2022.pdf | |

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|---|---|--|---|--------------------------------|--------|-----------------------------------|--------------------|
| | | | <p>supply chain of Europe, APMEA and Latin America. Our strategy to achieve our goal states that, approved third party certification will cover all soy volumes used in poultry feed where the soy is produced in Argentina, Brazil or Paraguay. We also reviewing alternative programs to determine if they can verify that soy is produced under conditions that meet all of our Commitment on Forests criteria.</p> <p>To achieve this, we engage with multi-stakeholder initiatives including the RTRS. We have also developed a calculator to assess the soy equivalent associated with our global chicken supply to inform the investment in certification needed. We use this to calculate our global soy footprint from our chicken supply and ensure we meet our commitments</p> | | | | |

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|--|---|---|--|--------------------------------|--------|-----------------------------------|-------------------|
| 1.5 % Traceable to at-risk origin (country or subnational) without further assurance of DCF status (adjusted KPI) | N/A | Yes: quantitative <input type="checkbox"/> Yes: narrative <input type="checkbox"/> No <input checked="" type="checkbox"/> | | | | | |
| 1.6 % Unknown origins (adjusted KPI) | N/A | Yes: quantitative <input type="checkbox"/> Yes: narrative <input type="checkbox"/> No <input checked="" type="checkbox"/> | | | | | |
| 1.7 % DCF supply and break-down into: % DCF negligible risk origin % DCF certified % DCF monitored (adjusted KPI) | N/A | Yes: quantitative <input type="checkbox"/> Yes: narrative <input type="checkbox"/> No <input checked="" type="checkbox"/> | | | | | |
| 1.8 Progress on ensuring soy is deforestation- and conversion-free for at-risk origins: | N/A | Yes: quantitative <input type="checkbox"/> Yes: narrative <input type="checkbox"/> No <input checked="" type="checkbox"/> | | | | | |

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|--|---|---|--|--|--|--|-------------------|
| a) Year on year change in DCF volume % b) % of non-DCF volume under engagement, and change compared to previous year (adjusted KPI) | | | | | | | |
| Element 2 | | | | | | | |
| 2.1 Direct supplier list (new for retailers) | N/A | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> | | | | | |
| 2.2 % of T1 suppliers to whom the Forest Positive Approach and its implementation have been communicated | N/A | Yes: quantitative <input checked="" type="checkbox"/> Yes: narrative <input type="checkbox"/> No <input type="checkbox"/> | All of our global chicken suppliers are requested to disclose their use of forest risk commodities within their supply chain to CDP Forests annually. Every globally managed chicken supplier responded in 2022. | Through our CDP Supply Chain engagement program, we have shared information on the principles of the Forest Positive Approach with these suppliers, and we provide annual feedback on the actions they are taking to conserve forests across their business along with | Scope: 100% of globally managed suppliers, representing 85% of our volume. | McDonalds Consumer Goods Forum's Positive Coalition 2022.pdf | |

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|--|---|---|--|--------------------------------|--------|-----------------------------------|-------------------|
| | | | | areas for further focus. | | | |
| 2.3 Performance of T1 suppliers against Forest Positive Approach including progress on delivery across entire operations <i>(updated reporting guidance)</i> | N/A | Yes: quantitative <input type="checkbox"/> Yes: narrative <input type="checkbox"/> No <input checked="" type="checkbox"/> | | | | | |
| 2.4 List of identified major upstream suppliers | N/A | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> | | | | | |
| 2.5 Summary of the Forest Positive Approach for suppliers and traders | N/A | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> | | | | | |
| 2.6 Upstream suppliers/traders sourcing from at-risk origins that have been engaged (directly or via collective approach) and are being evaluated | N/A | Yes: quantitative <input type="checkbox"/> Yes: narrative <input type="checkbox"/> No <input checked="" type="checkbox"/> | | | | | |

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|--|---|--|--|--------------------------------|--------|-----------------------------------|-------------------|
| 2.7 Performance of upstream suppliers/traders against the elements of the Forest Positive Approach including progress on delivery across entire soy business | N/A | Yes: quantitative <input type="checkbox"/> Yes: narrative <input type="checkbox"/> No <input checked="" type="checkbox"/> | | | | | |

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PPP for Retailers and Manufacturers

| PPP KPIs | Publicly reported value and method provided in 2022 | Publicly reporting as of June 30th 2023 | Publicly reported value or narrative for 2023 on 2022 data | Methodology | Scope* | Link to publicly available source | Target (optional) |
|--|---|--|--|-------------|--------|---|-------------------|
| Element 1 | | | | | | | |
| 1.1 Policy commitments to the forest positive goals | N/A | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> | McDonald's is committed to eliminating deforestation from our global supply chains. We will work throughout our supply chains to achieve the following: No deforestation of primary forests or areas of High Conservation Value, No development of High Carbon Stock forest areas, No development on peatlands, regardless of depth, and the utilization of best management practices for existing commodity production on peatlands, Respect human rights, Respect the right of all affected communities to give or withhold | | | McDonalds Consumer Goods Forums Positive Coalition 2022.pdf | |

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|----------|---|---|--|-------------|--------|-----------------------------------|-------------------|
| | | | <p>their free, prior and informed consent for plantation developments on land they own legally, communally or by custom, Resolve land rights disputes through a balanced and transparent dispute resolution process, Verify origin of raw material production and Support smallholders, farmers, plantation owners and suppliers to comply with this commitment.</p> <p>We are committed to eliminating deforestation in our supply chains to reduce our emissions from land use change. We set a goal to source all primary fiber-based packaging for McDonald's restaurants from</p> | | | | |

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|--|---|--|--|-------------|---|---|-------------------|
| | | | <p>recycled or certified sources, and support deforestation-free supply chains by the end of 2020.</p> <p>This target supports our larger goal of ensuring that, by the end of 2025, all of McDonald's guest packaging will come from renewable, recycled or certified sources.</p> | | | | |
| 1.2 Timebound action plan summary | N/A | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> | McDonald's requires that our primary fiber supply is obtained from Forest Stewardship Council (FSC) certified or FSC controlled wood sources, with full chain of custody certification when the country of fiber origin includes Argentina, Cambodia, China, Indonesia, Laos, Malaysia, Russia or Vietnam. | | Primary fiber-based packaging refers to products that are used to package guest food on premises at McDonald's restaurants. This type of packaging includes containers, cups, wraps, bags for food, beverages, napkins, folding cartons, clamshells, food service bags, | McDonalds Consumer Goods Forums Positive Coalition 2022.pdf | |

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|----------|---|---|--|-------------|--|-----------------------------------|-------------------|
| | | | | | napkins, salad bowls, Happy Meal cartons, drink carriers, cup carriers and plastic alternatives such as wood stirrers and cutlery, and paper straws and lids. Our commitment includes all suppliers of primary-based packaging to the McDonald's System and all McDonald's restaurants owned and operated by the Company and its Franchisees. All volumes of contingency items sourced from suppliers compliant with our standards but not integrated into our data reporting system are counted as non-compliant. | | |

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|---|---|---|--|-------------|--|---|-------------------|
| | | | | | Excluded from this commitment are primary fiber-based packaging in food packaged off-site McDonald's restaurants; tray liners and limited locally sourced items. | | |
| 1.3 % recycled, % virgin fibre | N/A | Yes: quantitative <input checked="" type="checkbox"/> Yes: narrative <input type="checkbox"/> No <input type="checkbox"/> | In 2022, through our supplier survey, TraQtion, we determined that: 44% of our fiber supply was from recycled content. 56% of our supply was virgin fiber. | | | McDonalds Consumer Goods Forums Positive Coalition 2022.pdf | |
| 1.4 Percentage of virgin supply certified, and percentage per scheme and chain of custody model | N/A | Yes: quantitative <input checked="" type="checkbox"/> Yes: narrative <input type="checkbox"/> No <input type="checkbox"/> | 97% of our virgin fiber supply was certified to the following schemes: <ul style="list-style-type: none"> • 57% FSC (Forest Stewardship Council). • 41% PEFC (Programme for Endorsement of Forest Certification). | | | McDonalds Consumer Goods Forums Positive Coalition 2022.pdf | |

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|---|---|---|---|---|--------|---|-------------------|
| | | | <ul style="list-style-type: none"> 1% SFI (Sustainable Forestry Initiative). | | | | |
| 1.5 % of virgin supply traceable to origin (at least to country of harvest) | N/A | Yes: quantitative <input checked="" type="checkbox"/> Yes: narrative <input type="checkbox"/> No <input type="checkbox"/> | 98% of our virgin fiber supply was traceable to countries of origin. | In some cases, country of fiber origin reported is representative of a 'potential' country source for the mill for the specific paper type, since it may not be represented in the specific finished packaging item. For example, in the case of multiple countries of origin, the actual country of fiber origin is not traced from harvest to finished product. We report the counties of | | McDonalds Consumer Goods Forums Positive Coalition 2022.pdf | |

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|--|---|---|---|--|--------|---|-------------------|
| | | | | origin from which fiber is procured from specific mills that are generally used by the mill to make specific finished products. | | | |
| 1.6 % of supply from high priority sources | N/A | Yes: quantitative <input checked="" type="checkbox"/> Yes: narrative <input type="checkbox"/> No <input type="checkbox"/> | 10% of our fiber supply was from high priority regions. For most of that, the high risk is considered to be mitigated either by using FSC certified fiber or through an FSC controlled wood process. <1.3% of volume is from a high priority region and not mitigated. This is due to a few specific cases and is being phased out. | “High priority regions” are defined as countries, biomes, municipalities, postcodes or farms/ plantations that are identified as areas where deforestation occurs or is projected to occur as determined through regular assessments that rely on the latest supply chain data and | | McDonalds Consumer Goods Forums Positive Coalition 2022.pdf | |

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|---|---|--|---|---|--------|-----------------------------------|-------------------|
| | | | | trends. McDonald's assesses this risk annually with third parties, including WWF, to take into account the latest supply chain data and trends. | | | |
| 1.7 Actions being taken for supply from high priority sources | N/A | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> | McDonald's requires that our primary fiber supply is obtained from Forest Stewardship Council® (FSC) certified or FSC controlled wood sources, with full chain of custody certification when the country of fiber origin includes Argentina, Cambodia, China, Indonesia, Laos, Malaysia, Russia or Vietnam. | | | | |
| Element 2 | | | | | | | |
| 2.1 Direct supplier list | NA -new KPI | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> | | | | | |

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|--|---|---|--|--|--------|---|-------------------|
| 2.2 Proportion of suppliers informed about the Forest Positive Suppliers approach | N/A | Yes: quantitative <input checked="" type="checkbox"/> Yes: narrative <input type="checkbox"/> No <input type="checkbox"/> | We request that our top 80% of packaging suppliers by volume report to CDP Forests on their use forest risk commodities within their supply chain. | Through our CDP Supply Chain engagement program, we have shared information on the principles of the Forest Positive Approach with these suppliers and we provide annual feedback on the actions they are taking to conserve forests across their business along with areas for further focus. | | McDonalds Consumer Goods Forums Positive Coalition 2022.pdf | |
| 2.3 Number or proportion of suppliers identified as priority for engagement, and % engaged | N/A | Yes: quantitative <input type="checkbox"/> Yes: narrative <input type="checkbox"/> No <input checked="" type="checkbox"/> | | | | | |
| 2.4 Performance of | N/A | Yes: quantitative <input type="checkbox"/> | | | | | |

*Scope: What materials/products are in-scope of the reported value, and what proportion of total commodity volume does that scope represent?

| PPP KPIs | Publicly reported value and method provided in 2022 | Publicly reporting as of June 30th 2023 | Publicly reported value or narrative for 2023 on 2022 data | Methodology | Scope* | Link to publicly available source | Target (optional) |
|---|---|---|--|-------------|--------|-----------------------------------|-------------------|
| engaged suppliers and changes over time including progress on delivery across entire business | | Yes: narrative <input type="checkbox"/> No <input checked="" type="checkbox"/> | | | | | |

*Scope: What materials/products are in-scope of the reported value, and what proportion of total commodity volume does that scope represent?

Beef and other cattle-derived products for Retailers and Manufacturers

| Beef KPIs | Publicly reported value and method provided in 2022 | Publicly reporting as of June 30th 2023 | Publicly reported value or narrative for 2023 on 2022 data | Methodology | Scope* | Link to publicly available source | Target (optional) |
|--|---|--|--|-------------|--------|---|-------------------|
| Element 1 | | | | | | | |
| 1.1 Policy commitments to the forest positive goals | N/A | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> | McDonald's is committed to eliminating deforestation from our global supply chains. We will work throughout our supply chains to achieve the following: No deforestation of primary forests or areas of High Conservation Value, No development of High Carbon Stock forest areas, No development on peatlands, regardless of depth, and the utilization of best management practices | | | McDonalds Consumer Goods Forums Positive Coalition 2022.pdf | |

*Scope: What materials/products are in-scope of the reported value, and what proportion of total commodity volume does that scope represent?

| Beef KPIs | Publicly reported value and method provided in 2022 | Publicly reporting as of June 30th 2023 | Publicly reported value or narrative for 2023 on 2022 data | Methodology | Scope* | Link to publicly available source | Target (optional) |
|-----------|---|---|--|-------------|--------|-----------------------------------|-------------------|
| | | | for existing commodity production on peatlands, Respect human rights, Respect the right of all affected communities to give or withhold their free, prior and informed consent for plantation developments on land they own legally, communally or by custom, Resolve land rights disputes through a balanced and transparent dispute resolution process, Verify origin of raw material production and Support small-holders, farmers, | | | | |

*Scope: What materials/products are in-scope of the reported value, and what proportion of total commodity volume does that scope represent?

| Beef KPIs | Publicly reported value and method provided in 2022 | Publicly reporting as of June 30th 2023 | Publicly reported value or narrative for 2023 on 2022 data | Methodology | Scope* | Link to publicly available source | Target (optional) |
|-----------|---|---|--|-------------|--------|-----------------------------------|-------------------|
| | | | <p>plantation owners and suppliers to comply with this commitment.</p> <p>We are committed to eliminating deforestation in our supply chains to reduce our emissions from land use change.</p> <p>McDonald's is committed to eliminating deforestation from our global supply chains. When we set this commitment in 2015, we prioritized action and measurement with public milestones for 2020 for the products we use</p> | | | | |

*Scope: What materials/products are in-scope of the reported value, and what proportion of total commodity volume does that scope represent?

| Beef KPIs | Publicly reported value and method provided in 2022 | Publicly reporting as of June 30th 2023 | Publicly reported value or narrative for 2023 on 2022 data | Methodology | Scope* | Link to publicly available source | Target (optional) |
|--|---|--|---|-------------|--------|---|-------------------|
| | | | in the greatest volumes and with the potential to have the greatest impact on forests. McDonald's requires that all the beef we source meets the requirements of our Deforestation-Free Beef Procurement Policy and Commitment on Forests. We currently have more detailed requirements within this policy for beef sourced from Brazil, Paraguay, Argentina and Australia. | | | | |
| 1.2 Timebound action plan summary | N/A | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> | The McDonald's Deforestation-Free Beef | | | McDonalds Consumer Goods Forums Positive Coalition 2022.pdf | |

*Scope: What materials/products are in-scope of the reported value, and what proportion of total commodity volume does that scope represent?

| Beef KPIs | Publicly reported value and method provided in 2022 | Publicly reporting as of June 30th 2023 | Publicly reported value or narrative for 2023 on 2022 data | Methodology | Scope* | Link to publicly available source | Target (optional) |
|-----------|---|---|---|-------------|--------|-----------------------------------|-------------------|
| | | | <p>Procurement Policy (DFBPP or 'Policy') was developed to implement the McDonald's Commitment on Forests in the McDonald's beef supply chain ahead of 2020 and is integrated within our ongoing sourcing requirements. A summary of the Policy and specific requirements in Brazil can be found in links for KPI 1.1.</p> <p>This Policy established cut off dates in line with sectoral requirements and the process to be followed by all McDonald's</p> | | | | |

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| Beef KPIs | Publicly reported value and method provided in 2022 | Publicly reporting as of June 30th 2023 | Publicly reported value or narrative for 2023 on 2022 data | Methodology | Scope* | Link to publicly available source | Target (optional) |
|-----------|---|---|---|-------------|--------|-----------------------------------|-------------------|
| | | | Finished Product Suppliers and their Raw Material Suppliers (slaughterhouses and meat packers) sourcing cattle for McDonald's beef supply from countries with identified priority regions. Monitoring and public reporting on Key Performance Indicators (KPIs) are integrated into the policy, as well as a commitment on supplier engagement. The Policy is reviewed on a regular basis and considers | | | | |

*Scope: What materials/products are in-scope of the reported value, and what proportion of total commodity volume does that scope represent?

| Beef KPIs | Publicly reported value and method provided in 2022 | Publicly reporting as of June 30th 2023 | Publicly reported value or narrative for 2023 on 2022 data | Methodology | Scope* | Link to publicly available source | Target (optional) |
|---|---|---|--|--|--------|---|-------------------|
| | | | inputs from stakeholders. | | | | |
| 1.3 Beef footprint across all product categories | N/A | Yes: quantitative <input checked="" type="checkbox"/> Yes: narrative <input type="checkbox"/> No <input type="checkbox"/> | Globally, we sourced 879,686 metric tonnes of beef in 2022. | | | McDonalds Consumer Goods Forums Positive Coalition 2022.pdf | |
| 1.4 % with known origin | N/A | Yes: quantitative <input checked="" type="checkbox"/> Yes: narrative <input type="checkbox"/> No <input type="checkbox"/> | We estimate that the volume coverage through our annual raw material survey of suppliers, TraQtion, is 99.62% of our global raw material beef volume. We add an extrapolated volume to account for missing data. | We track all beef to a country level. In high priority countries of Argentina, Australia, Brazil and Paraguay, we work with Proforest and local stakeholders to enact our Deforestation-Free Beef Procurement Policy tailored to each priority sourcing country. | | McDonalds Consumer Goods Forums Positive Coalition 2022.pdf | |

*Scope: What materials/products are in-scope of the reported value, and what proportion of total commodity volume does that scope represent?

| Beef KPIs | Publicly reported value and method provided in 2022 | Publicly reporting as of June 30th 2023 | Publicly reported value or narrative for 2023 on 2022 data | Methodology | Scope* | Link to publicly available source | Target (optional) |
|-----------|---|---|--|--|--------|-----------------------------------|-------------------|
| | | | | We partner with Agrottools, a certified B-Corp, using cutting-edge satellite mapping and national government datasets to determine which areas to prioritize and assess for deforestation. A farm's location may make it a priority, but that does not mean deforestation is happening. When threats to forests are identified, our suppliers are expected to address the findings through | | | |

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| Beef KPIs | Publicly reported value and method provided in 2022 | Publicly reporting as of June 30th 2023 | Publicly reported value or narrative for 2023 on 2022 data | Methodology | Scope* | Link to publicly available source | Target (optional) |
|---|---|---|---|---|--------|-----------------------------------|-------------------|
| | | | | corrective action plans where required, | | | |
| 1.5 Progress on ensuring beef is free from deforestation, conversion and conflict for high-risk areas | N/A | Yes: quantitative <input checked="" type="checkbox"/> Yes: narrative <input type="checkbox"/> No <input type="checkbox"/> | Of our global beef volumes in 2022: 94.8% are sourced from low priority areas 3.7% are sourced from high priority areas and in compliance with our Deforestation-Free Beef Procurement Policy 1.2% was found not compliant with our Policy 0.4% was extrapolated data due to missing volumes from suppliers. <0.00% of our global beef supply was traced back to indirect cattle suppliers (this is a sourcing Policy | | | | |

*Scope: What materials/products are in-scope of the reported value, and what proportion of total commodity volume does that scope represent?

| Beef KPIs | Publicly reported value and method provided in 2022 | Publicly reporting as of June 30th 2023 | Publicly reported value or narrative for 2023 on 2022 data | Methodology | Scope* | Link to publicly available source | Target (optional) |
|---|---|--|---|-------------|--------|---|-------------------|
| | | | requirement for any beef sourced from the Amazon biome). We engage our suppliers through our DFBPP reviews and are engaged in groups like the CGF Forest Positive Coalition to also engage with suppliers collaboratively on an industry basis. | | | | |
| Element 2 | | | | | | | |
| 2.1 Direct supplier list of identified major upstream suppliers, up to slaughterhouse when possible. | N/A | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> | | | | | |
| 2.2 A summary of the Forest | N/A | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> | Through our CDP Supply Chain | | | McDonalds Consumer Goods Forums Positive Coalition 2022.pdf | |

*Scope: What materials/products are in-scope of the reported value, and what proportion of total commodity volume does that scope represent?

| Beef KPIs | Publicly reported value and method provided in 2022 | Publicly reporting as of June 30th 2023 | Publicly reported value or narrative for 2023 on 2022 data | Methodology | Scope* | Link to publicly available source | Target (optional) |
|---|---|---|---|-------------|---|---|-------------------|
| Positive Approach for meatpackers and own brand manufacturers | | | engagement program, we have shared information on the principles of the Forest Positive Approach with our globally managed beef suppliers and we provide annual feedback on the actions they are taking to conserve forests across their business along with areas for further focus. | | | | |
| 2.3 T1 suppliers to whom the Forest Positive Approach and its implementation have been communicated | N/A | Yes: quantitative <input checked="" type="checkbox"/> Yes: narrative <input type="checkbox"/> No <input type="checkbox"/> | All of our global beef suppliers are requested to disclose their use of forest risk commodities within their supply chain to CDP Forests annually. Every | | Scope: 100% of globally managed suppliers, representing 78% of our beef volume. | McDonalds Consumer Goods Forums Positive Coalition 2022.pdf | |

*Scope: What materials/products are in-scope of the reported value, and what proportion of total commodity volume does that scope represent?

| Beef KPIs | Publicly reported value and method provided in 2022 | Publicly reporting as of June 30th 2023 | Publicly reported value or narrative for 2023 on 2022 data | Methodology | Scope* | Link to publicly available source | Target (optional) |
|--|---|---|--|-------------|--------|-----------------------------------|-------------------|
| | | | globally managed beef supplier responded in 2022. Through our CDP Supply Chain engagement program, we have shared information on the principles of the Forest Positive Approach with these suppliers and we provide annual feedback on the actions they are taking to conserve forests across their business along with areas for further focus. | | | | |
| 2.4 Performance of T1 suppliers against Forest Positive | N/A | Yes: quantitative <input type="checkbox"/> Yes: narrative <input type="checkbox"/> No <input checked="" type="checkbox"/> | | | | | |

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| Beef KPIs | Publicly reported value and method provided in 2022 | Publicly reporting as of June 30th 2023 | Publicly reported value or narrative for 2023 on 2022 data | Methodology | Scope* | Link to publicly available source | Target (optional) |
|--|---|---|--|-------------|------------------------------------|---|-------------------|
| Approach including progress on delivery across entire operations | | | | | | | |
| 2.5 Meatpackers sourcing from high-risk origins that have been engaged and are being evaluated | N/A | Yes: quantitative <input checked="" type="checkbox"/> Yes: narrative <input type="checkbox"/> No <input type="checkbox"/> | The McDonald's DFBPP establishes the overall requirements and process to be followed by all McDonald's Finished Product Suppliers and their Raw Material Suppliers (slaughterhouses and meat packers) sourcing cattle for McDonald's beef supply from countries with identified priority regions. We engage Finished Product | | 100% of finished product suppliers | McDonalds Consumer Goods Forums Positive Coalition 2022.pdf | |

*Scope: What materials/products are in-scope of the reported value, and what proportion of total commodity volume does that scope represent?

| Beef KPIs | Publicly reported value and method provided in 2022 | Publicly reporting as of June 30th 2023 | Publicly reported value or narrative for 2023 on 2022 data | Methodology | Scope* | Link to publicly available source | Target (optional) |
|---|---|---|---|-------------|--------|-----------------------------------|-------------------|
| | | | Suppliers to ensure they implement the McDonald's DFBPP within their supply chain, and they must ensure that all of their Raw Material Suppliers are compliant with the Policy. | | | | |
| 2.6 Performance of meatpackers against Forest Positive Approach including progress on delivery across entire operations | N/A | Yes: quantitative <input type="checkbox"/> Yes: narrative <input type="checkbox"/> No <input checked="" type="checkbox"/> | | | | | |

*Scope: What materials/products are in-scope of the reported value, and what proportion of total commodity volume does that scope represent?

Element 4 (Landscape Engagement) Key Performance Indicators | As of September 2023, McDonalds is focusing its landscape engagement on palm oil.

| Palm Oil Landscape KPI's | Publicly reported value and method provided in 2022 | Publicly reporting as of June 30th 2023 | Publicly reported value or narrative for 2023 on 2022 data | Methodology | Link to publicly available source |
|--|--|--|--|---|-----------------------------------|
| Element 4 | | | | | |
| 4.1 Priority production landscapes identified | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> | <p>We use the data we collect annually from suppliers to identify priority production areas for further engagement. As well as deforestation risks, we cross reference these locations against potential human rights issues to understand priority regions for heightened due diligence. Our priority production landscapes are Malaysia, Indonesia and Thailand.</p> <p>We have also identified priority palm oil supply chains for our business to engage in. We have recently engaged with Wilmar on a series of projects to improve transparency and sustainability outcomes for our Palm Oil supply chain, alongside our joint partners in Proforest. Across Wilmar and McDonald's, we share a commitment to the sustainable sourcing of Palm oil and to supporting the delivery of NDPE</p> | | https://corporate.mcdonalds.com/corpmcd/our-purpose-and-impact/our-planet/nature-forests-water.html | |

**Scope: What materials/products are in-scope of the reported value, and what proportion of total commodity volume does that scope represent?*

| Palm Oil Landscape KPI's | Publicly reported value and method provided in 2022 | Publicly reporting as of June 30th 2023 | Publicly reported value or narrative for 2023 on 2022 data | Methodology | Link to publicly available source |
|--|---|--|--|---|-----------------------------------|
| | | (no deforestation, no expansion on peat and no exploitation) in palm oil production. We have both been engaged in the development of the NDPE Implementation Reporting Framework (NDPE IRF) which provides an overview of progress towards NDPE for all palm oil mills supplying a refinery. Through this collaboration, we will build on the progress made to date across the sector to drive greater improvement in NDPE IRF Deforestation and Peat profiles as well as Land and Labor Profiles within our supply chains. Our work also includes greater engagement with smallholders to improve traceability and sustainability outcomes. | | | |
| 4.2 Methodology used to identify priority production landscapes | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> | | | | |
| 4.3 Number of landscape initiatives currently engaged in | Yes: quantitative <input checked="" type="checkbox"/> Yes: narrative <input type="checkbox"/> No <input type="checkbox"/> | We have recently engaged with one palm oil initiative in Indonesia. | | https://corporate.mcdonalds.com/corpmcd/our-purpose-and-impact/our-planet/nature-forests-water.html | |
| 4.4 For each landscape initiative your company is currently engaged in, information on: <i>1) Name, location, timeline and other partners involved</i> | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> | Sustain-Kutim, is a new sustainable landscape initiative in Kutai Timur, Indonesia. Initial project dates (2023-2027). McDonald's will contribute to the initiative through disbursed financial support. | | https://corporate.mcdonalds.com/corpmcd/our-purpose-and-impact/our-planet/nature-forests-water.html | |

**Scope: What materials/products are in-scope of the reported value, and what proportion of total commodity volume does that scope represent?*

| Palm Oil Landscape KPI's | Publicly reported value and method provided in 2022 | Publicly reporting as of June 30th 2023 | Publicly reported value or narrative for 2023 on 2022 data | Methodology | Link to publicly available source |
|--|---|--|--|-------------|-----------------------------------|
| <p>2) Report on type of engagement (e.g disbursed financial support, in-kind support, capacity, preferential sourcing)</p> <p>3) Specific actions or projects that are supported</p> <p>4) How the actions intend to address systemic issues and contribute to delivering forest positive goals (at least one of conservation, restoration, positive inclusion of farmers and communities, landscape-level multi-stakeholder platforms or partnerships)</p> <p>5) Linkages to shared landscape-level goals developed through multi-stakeholder processes</p> | | <p>Project objectives include:</p> <ul style="list-style-type: none"> Support the Kutai Timur District Government in the implementation of the East Kutai Declaration and Sustainable Plantation Plan 2021-2030, including monitoring land use management and identifying HCV areas. Support smallholders in meeting certification standards (ISPO and RSPO) and village land-use planning working with cooperative farmer groups and communities. <p>Sustainable Village Program: community-based approach including support to secure land, monitor and manage community forests, improve agricultural practices and support alternative livelihoods.</p> <p>As this is a new initiative, we are finalizing details and will share more details shortly.</p> | | | |

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