

Particulars

About Your Organisation

1.1 Member Name

McDonald's Corporation

1.2 Membership Number

3-0044-11-000-00

1.3 Membership Sector

Retailers

1.4 Membership Category

Ordinary

1.5 Country

United States

2.0 Does your company or organisation produce, process, consume or sell any palm oil or any products containing derivatives of palm oil?

Yes

2.1 Please select ALL the palm oil-related activity(ies) that describe your company or organisation as multiple selections are allowed. ACOP reporting is NOT limited to the primary sector of the member's RSPO membership. You will be required to complete the relevant ACOP section based on your selection(s).

- ☐ I own and operate oil palm estate(s)
- ☐ I represent a palm oil Independent Smallholder farmer Group
- ☐ I own and operate palm oil mills
- ☐ I own and operate palm kernel crushing plants - Processors and/or Traders
- ☐ I trade or broker palm oil, palm kernel oil or related products - Processors and/or Traders
- ☐ I am a refiner of palm oil or palm kernel oil - Processors and/or Traders
- ☐ I am a processor of intermediate (B2B) palm oil, palm kernel oil or related fractions/derivatives - Processors and/or Traders
- ☐ I am a B2B distributor or wholesaler of palm oil, palm kernel oil or related products - Processors and/or Traders
- ☐ I manufacture final consumer (B2C) products containing palm oil, palm kernel oil or related products. This includes products manufactured by 3rd party contractors - Consumer Goods Manufacturers
- ☐ I retail final consumer (B2C) products containing palm oil, palm kernel oil or related products - Retailers
- ☒ I operate food retail outlets that use palm oil, palm kernel oil or related products - Retailers
- ☐ I am a conservation and environmental NGO supporting the sustainable development of the palm oil industry
- ☐ I am a social and human development NGO supporting the sustainable development of the palm oil industry

Retailers

1. Operational Profile

1.1 Please state your company's main activity(ies) within the palm oil supply chain. Please select all options that apply to your operations.

- ☐ Retail - with own brand products
- ☐ Retail - without own brand products
- ☒ Food service providers
- ☐ Retail wholesalers
- ☐ Other

Other

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2. Palm Oil and Certified Sustainable Palm Oil Consumption

Information in Section 2.0 - Palm Oil and Certified Sustainable Palm Oil Consumption - is a mandatory declaration in your ACOP. This includes volume data on palm oil, palm kernel oil and related products consumed, to enable the RSPO to accurately calculate uptake of individual members, sectors and RSPO members as a whole. ACOP reports without reported volume data will be considered as incomplete and will not be accepted. Incomplete ACOP reports may lead to suspension or termination of RSPO membership.

2.1 Please list down all operations and subsidiaries using palm oil, palm kernel oil and related products that are owned and/or managed by the member, including those under Group Membership

McDonald's restaurants worldwide include restaurants owned by the Company and its Franchisees. For more information, please see the Company's Annual Report.

<https://corporate.mcdonalds.com/content/dam/sites/corp/nfl/pdf/McD%20-%202024%20Annual%20Report%20to%20Shareholders.pdf>

2.1.1 In which markets does your company sell goods with palm oil and oil palm products?

Europe, North America, China, India, Malaysia, Indonesia, Africa, Latin America, Rest of the World

DL.2.0 In order to facilitate ease of reporting and transparency, RSPO members operating within the palm oil demand supply chain can now choose to report palm oil and palm oil product volumes on:

an aggregate level (as in previous ACOP reporting cycles)

2.2 Total volume of RSPO-certified (IP, MB, SG and RSPO Credits/Book and Claim) and Non RSPO-certified palm oil, palm kernel oil and related products purchased for use in your company's own-brand products. Third-party brand products containing palm oil should be excluded.

Description	Tonnes
Total volume of crude palm oil (tonnes)	121815.00
Total volume of crude palm kernel oil (tonnes)	1302.00
Total volume of palm kernel expeller (tonnes)	0.00
Total volume of crude palm oil/palm kernel oil-based derivatives and fractions (tonnes)	0.00
Total	123117.00

2.2.1 Please estimate the percentage of derivatives and fractions (reported in Question RT.2.2) derived from palm oil or from palm kernel oil. The default split for volumes is assumed to be 80% palm oil-based derivatives and 20% palm kernel oil-based derivatives.

Description	Percentage
Palm oil-based derivatives and fractions	0
Palm kernel oil-based derivatives and fractions	0

2.3 Please estimate the regional distribution of your company's uncertified and certified palm oil, palm kernel oil and related products sales (as declared in Question 2.2) in the following countries/regions.

Countries/Regions	Percentage
Europe	6
North America	27
Malaysia	7
Indonesia	10
China	13
India	2
Latin America	1
Africa	1
Rest of World	33

2.4 Total volume of RSPO-certified palm oil, palm kernel oil and related products purchased for use in your company's own-brand products. Third-party brand products containing palm oil should be excluded.

Description	Crude/Refined Palm Oil (CSPO)	Crude/Refined Palm Kernel Oil (CSPKO)	Palm Kernel Expeller (CSPKE)	Certified Derivatives and Fractions
RSPO Credits from Mill / Crusher	7896.00	0.00	0.00	31586.00
RSPO Credits from Independent Smallholder	0.00	0.00	0.00	0.00
Mass Balance (MB)	10881.00	260.00	0.00	43265.00
Segregated (SG)	5730.00	0.00	0.00	22918.00
Identity Preserved (IP)	116.00	0.00	0.00	464.00
Total	24623.00	260.00	0.00	98233.00

2.4.1 Please estimate the percentage of RSPO-certified derivatives and fractions (reported in Question RT.2.4) derived from RSPO-certified palm oil or from RSPO-certified palm kernel oil. The default split for volumes is assumed to be 80% palm oil-based derivatives and 20% palm kernel oil-based

Description	Percentage
Certified Palm oil-based derivatives and fractions	80
Certified Palm kernel oil-based derivatives and fractions	20

2.5 According to the volume information you have provided in Question 2.2 and Question 2.4, your company's Certified Sustainable Palm Oil uptake is:

100.00%

2.5.1 Please provide additional information on your certified palm oil, palm kernel oil and related products uptake. This may include your usage of RSPO Credits to cover gaps in certified uptake, changes due to business environment, variations due to stock positions or efforts to support independent smallholders beyond volume commitments.

We are committed to increasing traceability for the palm oil used in the McDonald's system in the greatest volumes, which means a focus on increasing our physical RSPO volumes (Mass Balance, Segregated or Identity Preserved). All volumes used in the McDonald's system are required to be covered by either RSPO Physical Certification or through RSPO credits. We require the largest volume of palm oil in the McDonald's system (sourced for restaurant cooking oil, supplier par fry for Global Core products and as an ingredient in Global core products) to be RSPO physically certified where commercially viable. Where information is not available through our annual raw material survey of suppliers or where annual compliance to our sustainable sourcing standard was not met, McDonald's ensures these volumes are covered by RSPO book and claim credits while also working with the relevant markets and suppliers to ensure continuous improvement and adherence to our responsible sourcing standards. In addition, McDonald's has invested in palm oil landscape level initiatives and supply chain partnerships to help advance the livelihoods of smallholders and enhance ecosystem resiliency.

2.6 Please estimate the regional distribution of your company's RSPO certified palm oil, palm kernel oil and related products (as declared in Question RT.2.4) in the following countries/regions:

Countries/Regions	Percentage
Europe	6
North America	27
Malaysia	7
Indonesia	10
China	13
India	2
Latin America	1
Africa	1
Rest of World	33

3. TimeBound Plan

3.1 Which year did your company begin (or expects to begin) using RSPO-certified sustainable palm oil and palm oil products in own-brand products

2012

3.1.1 If the previous target year has not been met, please explain why.

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3.2 Which year did your company begin (or expects to begin) using only RSPO-certified sustainable palm oil, palm kernel oil and related products from any supply chain option in own-brand products.

2017

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

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3.3 Which year did your company begin (or expects to begin) using only RSPO-certified sustainable palm oil and palm oil products from physical supply chain options (Identity Preserved, Segregated and/or Mass Balance) in own-brand products.

2020

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

By the end of 2020 our sustainable sourcing standards require all palm oil sourced by suppliers for use as McDonald's restaurant cooking oil and supplier global core par fry-oil to be RSPO physically certified. This represents the largest volume of palm oil in the McDonald's system. In 2024, 81.63% of these volumes were RSPO physically certified. Where annual compliance was not met, McDonald's will ensure these volumes are covered by RSPO Book and Claim credits and will work with the relevant markets and suppliers to ensure continuous improvement and adherence to our responsible sourcing standards.

McDonald's also sets an expectation that all Global Core product ingredients be RSPO physically certified, where commercially viable. This includes core menu products where palm oil is used directly as an ingredient in a McDonald's product.

Across all volumes of palm oil sourced for McDonald's globally which includes restaurant cooking oil, global core product par fry oil, global core product ingredients as well as non-global core product par fry and non-global core product ingredients, the RSPO physically certified volumes have increased from 13% in 2016 to 68% in 2024.

In 2024, our physical certification for all palm oil volumes in the system were: 23.3% Segregated and 44.2% Mass Balance. RSPO Book and Claim credits made up the remaining 32.5%.

3.4 If the TimeBound Plan commitments declared above do not cover all countries in which the member operates, please explain why

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4. Trademark Use

4.1 Does your company use or plan to use the RSPO Trademark in own-brand products?

No

4.3 Please explain why your company does not plan to use the RSPO Trademark in own-brand products

- ☐ 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

Others

References made to RSPO support and usage on website but ecolabel not actively applied globally to menu or product packaging due to varying usage across markets

5. Actions for Next Reporting Period

5.1 Please outline activities that your company will take in the coming year to promote the production or consumption of certified sustainable palm oil (CSPO)

- ☐ Participation in RSPO Working Group or Task Forces
- ☐ Support Independent Smallholders (ISH)
- ☐ Contribute to the RSPO Smallholder Trainer Academy
- ☐ Financial contribution to the RSPO Smallholder Support Fund
- ☐ Direct investments in Smallholder Certification projects
- ☒ Involvement/direct investments in Jurisdictional/Landscape approach
- ☐ Direct/collective investments in conservation and restoration initiatives
- ☐ Financial contribution to support members with Remediation and Compensation (RaCP) process, direct/collective investments in conservation and restoration initiatives
- ☐ Allocating FTE to promote the production or consumption of certified sustainable oil palm products
- ☒ Specific policies and action plans by the member to promote CSPO production or consumption in the upstream or downstream supply chain, including target dates or broader policies that include such efforts
- ☐ No activities planned
- ☐ Others

Other

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Challenges and Support

1.1 What significant obstacles or challenges has your company encountered in the promotion of certified sustainable palm oil (CSPO)? What efforts has your company taken to address these obstacles or challenges?

- ☐ 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
- ☐ No challenges faced
- ☐ Others

Others

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1.2 In addition to the actions already reported in this ACOP report, what other ways has your company supported the vision of the RSPO to transform markets to make sustainable palm oil the norm?

- ☐ Communication and/or engagement to transform the negative perception of palm oil
- ☒ Engagement with business partners or consumers on the use of CSPO
- ☐ Engagement with government agencies
- ☒ Engagement with peers and clients
- ☐ Promotion of CSPO through off product claims
- ☒ Promotion of CSPO outside of RSPO venues such as trade workshops or industry associations
- ☒ Promotion of physical CSPO
- ☐ Providing funding or support for CSPO development efforts
- ☐ Research & Development support
- ☒ Stakeholder engagement
- ☐ No actions taken
- ☐ Others

Others

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1.3 If your company has any other publicly-available reports or information regarding its palm oil-related policies and activities, please provide the links here

Responsible Sourcing: <https://corporate.mcdonalds.com/corpmcd/our-purpose-and-impact/food-quality-and-sourcing/responsible-sourcing.html>

Nature, Forests & Water: <https://corporate.mcdonalds.com/corpmcd/our-purpose-and-impact/our-planet/nature-forests-water.html>

Human Rights: <https://corporate.mcdonalds.com/corpmcd/our-purpose-and-impact/jobs-inclusion-and-empowerment/human-rights.html>

Climate Action: <https://corporate.mcdonalds.com/corpmcd/our-purpose-and-impact/our-planet/climate-action.html>

Purpose &

Impact: https://corporate.mcdonalds.com/content/dam/sites/corp/nfl/pdf/McDonalds_PurposeImpact_ProgressReport_2023_2024.pdf
