

## **– REPORT ON SUGAR AND PUBLIC HEALTH –**

**Whereas**, McDonald's has historically been involved in controversies on an array of consumer issues including marketing of junk food to children, use of genetically modified organisms, pesticide use, and McDonald's role in fueling a global epidemic of diet-related diseases;

Some of the most serious issues continue to be related to the public health and safety impacts of McDonald's practices, including the sale of sugary drinks, and the growing national health epidemic relating to increases of sugar in our diet;

McDonald's continues to be the target of multiple campaigns related to our products that contribute to general level of decline in public health of consumers, including reports that 1 in 3 United States children born in 2000 will develop diabetes, resulting from poor diet, as increase in obesity in turn increases the risk of diabetes, hypertension, heart disease, cancers, asthma, arthritis, reproductive complications and premature death;

McDonald's continues to directly market junk food, including our Happy Meal, with advertising influencing children's food preferences, diets and health;

In 2011, the American Academy of Pediatrics released a policy statement calling for a total ban on child-targeted and interactive junk food advertising as a response to concerns regarding childhood obesity;

McDonald's decades-old partnership with The Coca Cola Company has been one of the reasons for McDonald's being in the public eye for our role in fueling the diet related public health crisis, specifically through our sale of sugar sweetened beverages;

Public pressure against junk food and sugary drinks linked to obesity and diabetes has led to numerous campaigns to impose local taxes on sugary beverages, which include the products we sell, to which McDonald's has responded by lobbying to prevent local food taxation on sugary beverages McDonald's sells linked to obesity and diabetes;

In 2019, the American Academy of Pediatrics and the American Heart Association released a statement in support of such taxes, potentially increasing McDonald's risk associated with its business of sugary drinks;

Shareholders believe McDonald's should be part of the solution to the obesity epidemic in working with healthcare professionals and experts in diet and nutrition, not promoting advertising campaigns and sponsoring nutrition organizations like the Academy of Nutrition and Dietetics, and funding the International Life Sciences Institute to shift the blame away from poor diet causing obesity, to lack of exercise;

**Be It, Therefore, Resolved:** Shareholders request the board of directors issue a report on Sugar and Public Health, with support from independent and nationally recognized scientists and scholars providing critical feedback on McDonald's sale of sugar products marketed to consumers, especially those products targeted to children and young consumers. Such report should be produced at reasonable expense, exclude proprietary or legally privileged information, published no later than November 1<sup>st</sup>, 2020, including an assessment of risks to the company's finances and reputation associated with changing scientific understanding of the role of sugar in disease causation.