

McDonald's 2021

As the world grapples with COVID-19, many underlying health conditions suspected of making people vulnerable to the pandemic are also associated with elevated dietary intake of sugar: obesity, hypertension, cardiovascular disease, diabetes, and chronic kidney and liver diseases.

Therefore, our company's sugar-laden menu may be associated with sugar-related illnesses and vulnerability to the pandemic.

Moreover, the pandemic has highlighted issues of disproportionate health impacts of COVID-19 on people of color. According to a recent study, in 2017 our company was one of the top spenders on advertising, the top spender on Spanish-language TV ad spending and is part of an industry trend to disproportionately target Black and Hispanic children with junk food ads.

With the rise of diabetes in youth and a better understanding of the influence of marketing on consumption habits, the American Academy of Pediatrics (AAP) released a policy statement a decade ago, calling for a total ban on a child-targeted and interactive junk food advertising. Yet our Company continues to market sugary drinks with advertising detrimentally influencing children's food preferences and health.

A growing number of jurisdictions have banned the sale of junk food and sugary drinks to children and numerous community campaigns as seeking to impose taxes as well as new labeling laws for sugary beverages. In 2019, the AAP and the American Heart Association released a joint statement in support of such taxes, potentially increasing risk associated with our company's business.

To defend our products, our company has been funding lobbying efforts generally through trade associations like the National Restaurant Association to preempt local control, restrict regulations, or confuse the science.

In contrast, the proponents believe our company should be part of the solution and should not be pushing sugary beverages through advertising or funding “educational” efforts that shift the blame from poor diet causing obesity to lack of exercise.

Further, the proponents insist the voluntary sugar-reduction targets and initiatives of the Board offers as reason for a vote “against” are not a substitute for a report that makes clear to shareholders the company’s risk in continuing to center much of its business around sugar-sweetened products.

Resolved, that shareholders request the board issue a report on Sugar and Public Health, with support from a group of independent and nationally recognized scientists and scholars providing critical feedback on our company’s sugar products marketed to consumers, especially those McDonald’s products targeted to children and young consumers. Such report to shareholders should be produced at reasonable expense, exclude proprietary or legally privileged information and be published no later than November 1st, 2021 and include an assessment of risks to the company’s finances and reputation associated with changing scientific understanding of the role of sugar in disease causation.