UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

DIVISION OF
CORPORATION FINANCE

March 5, 2019

Elizabeth A. Ising
Gibson, Dunn & Crutcher LLP
shareholderproposals@gibsondunn.com

Re: McDonald's Corporation

Dear Ms. Ising:

This letter is in regard to your correspondence dated March 5, 2019 concerning the shareholder proposal (the "Proposal") submitted to McDonald's Corporation (the "Company") by CtW Investment Group (the "Proponent") for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders. Your letter indicates that the Proponent has withdrawn the Proposal and that the Company therefore withdraws its January 21, 2019 request for a no-action letter from the Division. Because the matter is now moot, we will have no further comment.

Copies of all of the correspondence related to this matter will be made available on our website at http://www.sec.gov/divisions/corpfin/cf-noaction/14a-8.shtml. For your reference, a brief discussion of the Division's informal procedures regarding shareholder proposals is also available at the same website address.

Sincerely,

Jacqueline Kaufman
Attorney-Adviser

cc: Dieter Waizenegger
CtW Investment Group
dieter.waizenegger@ctwinvestmentgroup.com

GIBSON DUNN

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March 5, 2019

VIA E-MAIL

Office of Chief Counsel
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: *McDonald's Corporation*
Shareholder Proposal of CtW Investment Group
Securities Exchange Act of 1934—Rule 14a-8

Ladies and Gentlemen:

In a letter dated January 21, 2019, we requested that the staff of the Division of Corporation Finance concur that our client, McDonald's Corporation (the "Company"), could exclude from its proxy statement and form of proxy for its 2019 Annual Meeting of Shareholders a shareholder proposal (the "Proposal") and statements in support thereof received from CtW Investment Group (the "Proponent").

Enclosed as Exhibit A is confirmation, dated February 28, 2019, that the Proponent has withdrawn the Proposal. In reliance on this communication, we hereby withdraw the January 21, 2019 no-action request.

Please do not hesitate to call me at (202) 955-8287, or Denise A. Horne, the Company's Corporate Vice President, Associate General Counsel and Assistant Secretary, at (630) 623-3154.

Sincerely,

Elizabeth A. Ising

Enclosure

cc: Denise A. Horne, McDonald's Corporation
Richard Clayton, CtW Investment Group

EXHIBIT A

From: Dieter Waizenegger <Dieter.Waizenegger@ctwinvestmentgroup.com>
Sent: Thursday, February 28, 2019 6:00 PM
To: Card Jennifer
Cc: Richard Clayton
Subject: Withdrawal of CtW shareholder proposal

Jennifer,

Pursuant to our separate agreement, on behalf of CtW Investment Group, I withdraw the shareholder proposal that was submitted to McDonald's Corporation for inclusion in its proxy statement for the 2019 Annual Shareholders' Meeting.

Regards,
Dieter

Dieter Waizenegger
Executive Director
CtW Investment Group
Office +1 (202) 721-6027
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Follow us at @CtWInvGrp

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January 21, 2019

VIA E-MAIL

Office of Chief Counsel
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: *McDonald's Corporation*
Shareholder Proposal of CtW Investment Group
Securities Exchange Act of 1934 ("Exchange Act")—Rule 14a-8

Ladies and Gentlemen:

This letter is to inform you that our client, McDonald's Corporation (the "Company"), intends to omit from its proxy statement and form of proxy for its 2019 Annual Meeting of Shareholders (collectively, the "2019 Proxy Materials") a shareholder proposal (the "Proposal") and statements in support thereof (the "Supporting Statement") received from CtW Investment Group (the "Proponent").

Pursuant to Rule 14a-8(j), we have:

- filed this letter with the Securities and Exchange Commission (the "Commission") no later than eighty (80) calendar days before the Company intends to file its definitive 2019 Proxy Materials with the Commission; and

- concurrently sent copies of this correspondence to the Proponent.

Rule 14a-8(k) and Staff Legal Bulletin No. 14D (Nov. 7, 2008) ("SLB 14D") provide that shareholder proponents are required to send companies a copy of any correspondence that the proponents elect to submit to the Commission or the staff of the Division of Corporation Finance (the "Staff"). Accordingly, we are taking this opportunity to inform the Proponent that if it elects to submit additional correspondence to the Commission or the Staff with respect to this Proposal, a copy of that correspondence should be furnished concurrently to the undersigned on behalf of the Company pursuant to Rule 14a-8(k) and SLB 14D.

THE PROPOSAL

The "Resolved" clause of the Proposal states:

> RESOLVED that shareholders of McDonald's Corp. ("McDonald's") urge the Board of Directors to adopt a policy that McDonalds will not engage in any Inequitable Employment Practice. "Inequitable Employment Practices" are mandatory arbitration of employment-related claims; non-compete agreements with employees; and non-disclosure agreements ("NDAs") entered into in connection with arbitration or settlement of claims that any McDonald's employee engaged in unlawful discrimination or harassment, unless such an NDA is requested by the employee.

A copy of the Proposal and the Supporting Statement, as well as related correspondence with the Proponent, is attached to this letter as Exhibit A.

BASIS FOR EXCLUSION

For the reasons discussed below, we believe the Proposal properly may be excluded from the 2019 Proxy Materials pursuant to Rule 14a-8(i)(7) because the Proposal deals with matters relating to the Company's ordinary business operations. In this regard, even if some employment agreements addressed in the Proposal could be viewed in some contexts as touching upon what the Staff considers to be a significant policy issue, the Proposal is overly broad in nature and encompasses ordinary business matters that under well-established Staff precedent render it excludable under Rule 14a-8(i)(7).

ANALYSIS

The Proposal May Be Excluded Under Rule 14a-8(i)(7) Because It Involves Matters Related To The Company's Ordinary Business Operations.

A. Background

Rule 14a-8(i)(7) permits a company to omit from its proxy materials a shareholder proposal that relates to the company's "ordinary business" operations. According to the Commission's release accompanying the 1998 amendments to Rule 14a-8, the term "ordinary business" "refers to matters that are not necessarily 'ordinary' in the common meaning of the word," but instead the term "is rooted in the corporate law concept providing management with flexibility in directing certain core matters involving the company's business and operations." Exchange Act Release No. 40018 (May 21, 1998) (the "1998 Release").

In the 1998 Release, the Commission stated that the underlying policy of the ordinary business exclusion is "to confine the resolution of ordinary business problems to management and the board of directors, since it is impracticable for shareholders to decide how to solve such problems at an annual shareholders meeting," and identified two central considerations that underlie this policy. As relevant here, one of these considerations was that "[c]ertain tasks are so fundamental to management's ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight."

The 1998 Release further distinguishes proposals pertaining to ordinary business matters from those involving "significant social policy issues." *Id.* (citing Exchange Act Release No. 12999 (Nov. 22, 1976)). Note 4 of Staff Legal Bulletin 14E (Oct. 27, 2009) states that "[i]n those cases in which a proposal's underlying subject matter transcends the day-to-day business matters of the company and raises policy issues so significant that it would be appropriate for a shareholder vote, the proposal generally will not be excludable under Rule 14a-8(i)(7) as long as a sufficient nexus exists between the nature of the proposal and the company." The Staff reaffirmed this position in Note 32 of Staff Legal Bulletin 14H (Oct. 22, 2015), explaining "[w]hether the significant policy exception applies depends, in part, on the connection between the significant policy issue and the company's business operations." In this regard, when assessing proposals under Rule 14a-8(i)(7), the Staff considers the terms of the resolution and its supporting statement as a whole. *See* Staff Legal Bulletin No. 14C, part D.2 (June 28, 2005) ("In determining whether the focus of these proposals is a significant social policy issue, we consider both the proposal and the supporting statement as a whole.")

A shareholder proposal being framed in the form of a request for a report does not change the nature of the proposal. The Commission has stated that a proposal requesting the dissemination of a report may be excludable under Rule 14a-8(i)(7) if the subject matter of the report is within the ordinary business of the issuer. *See* Exchange Act Release No. 20091 (Aug. 16, 1983). In addition, the Staff has indicated that "[where] the subject matter of the additional disclosure sought in a particular proposal involves a matter of ordinary business . . . it may be excluded under [R]ule 14a-8(i)(7)." *Johnson Controls, Inc.* (avail. Oct. 26, 1999). Similarly, the Staff has concurred that a proposal requesting adoption of a policy is excludable if the underlying subject matter pertains to ordinary business and does not implicate a significant social policy issue. *See, e.g.*, *The TJX Companies, Inc.* (avail. Apr. 16, 2018) (concurring in the exclusion under Rule 14a-8(i)(7) of a proposal requesting that the company adopt "a new universal and comprehensive animal welfare policy applying to all of the [c]ompany's stores, merchandise and suppliers" because the proposal related to ordinary business operations); *Time Warner Inc. (Ridenour)* (avail. Mar. 13, 2018) (concurring in the exclusion under Rule 14a-8(i)(7) of a proposal requesting that the company "adopt a policy requiring that the Company's news operations tell the truth, and

issue an annual report to shareholders explaining instances where the Company failed to meet this basic journalistic obligation" because the proposal related to ordinary business operations); *The Walt Disney Co.* (avail. Dec. 12, 2017) (same).

As discussed below, the Proposal relates to the Company's ordinary business operations and does not focus on a significant policy issue. Thus, consistent with the standards set forth in the 1998 Release, the Proposal is excludable under Rule 14a-8(i)(7).

B. The Proposal Is Excludable Because It Relates To The Management Of The Company's Workforce

The Commission recognized in the 1998 Release that certain tasks "are so fundamental to management's ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight." 1998 Release. Examples of the tasks cited by the Commission include "management of the workforce, such as the hiring, promotion, and termination of employees, decisions on production quality and quantity, and the retention of suppliers." *Id.* The Staff has consistently recognized that proposals pertaining to the management of a company's workforce, including a company's employment practices, are excludable under Rule 14a-8(i)(7). For example, a proposal in *Berkshire Hathaway Inc.* (avail. Jan. 31, 2012) mandated the dismissal of employees who engaged in behavior that would create a conflict of interest, "constitut[e] cause [for dismissal]" or violate certain other principles specified in the proposal. The Staff concurred that the proposal could be excluded under Rule 14a-8(i)(7) because it dealt with "management of [the company's] workforce." Similarly, in *Northrop Grumman Corp.* (avail. Mar. 18, 2010), the Staff concurred that a proposal requesting that the board provide certain disclosures in the context of the company's reduction-in-force review process could be excluded, noting that "[p]roposals concerning a company's management of its workforce are generally excludable under [R]ule 14a-8(i)(7)." *See also Merck & Co., Inc.* (avail. Mar. 6, 2015) (concurring that a proposal requesting that the company fill only entry-level positions with outside candidates and adopt a policy of developing individuals for its higher level positions exclusively from employees meeting certain standards could be excluded because "the proposal relates to procedures for hiring and promoting employees"); *Starwood Hotels & Resorts Worldwide, Inc.* (avail. Feb. 14, 2012) (concurring that a proposal requesting verification and documentation of U.S. citizenship for the company's U.S. workforce could be excluded because it concerned "procedures for hiring and training employees"); *National Instruments Corp.* (avail. Mar. 5, 2009) (concurring that a proposal requesting that the company adopt a detailed succession policy could be excluded because it related to "ordinary business operations (i.e., the termination, hiring, or promotion of employees)"); *Wells Fargo & Co.* (avail. Feb. 22, 2008) (concurring that a proposal requesting a policy stating that the company would not employ individuals who worked at a credit rating agency within the last year could be excluded because it related to "ordinary

business operations (i.e., the termination, hiring, or promotion of employees)"); *Consolidated Edison, Inc.* (avail. Feb. 24, 2005) (concurring that a proposal requesting the termination of certain supervisors could be excluded as it related to "the termination, hiring, or promotion of employees"); *Allegheny Energy, Inc.* (avail. Mar. 3, 2003) (concurring that a proposal requesting removal of certain officers could be excluded because it related to "ordinary business operations (i.e., the termination, hiring, or promotion of employees)"); *Merck & Co., Inc.* (avail. Mar. 7, 2002) (concurring that a proposal requesting that the company keep shareholders informed regarding the resolution of employment disputes could be excluded as it related to the company's "management of the workforce"); *Burlington Northern Santa Fe Corp.* (avail. Feb. 15, 2000) (concurring that a proposal relating to employment policies could be excluded as it related to "management of the workforce").

In addition, the Staff has consistently concurred in the exclusion of proposals under Rule 14a-8(i)(7) that request the adoption of policies concerning a company's employees. For example, in *Intel Corp.* (avail. Mar. 18, 1999), the Staff concurred in the exclusion of a proposal requesting implementation of an employee bill of rights policy. *See also Bristol-Myers Squibb Co.* (avail. Jan. 7, 2015) (concurring in the exclusion of a proposal requesting that the board consider adoption of anti-discrimination principles concerning employees' right to engage in legal activities relating to the political process on their personal time); *YUM! Brands, Inc.* (avail. Jan. 7, 2015) (same); *The Walt Disney Co.* (avail. Nov. 24, 2014, *recon. denied* Jan. 5, 2015) (concurring in the exclusion of a proposal requesting that the board consider adopting "anti-discrimination principles that protect employees' human right to engage in legal activities relating to the political process, civic activities and public policy without retaliation in the workplace" because the proposal related to the company's "policies concerning its employees"); *Costco Wholesale Corp.* (avail. Nov. 14, 2014, *recon. denied* Jan. 5, 2015) (concurring in the exclusion of a proposal requesting adoption of a company-wide Code of Conduct including an anti-discrimination policy that protects employees' right to engage in political and civic activities).

The Staff also has previously concurred that proposals addressing settlement terms in the employment litigation context are excludable under Rule 14a-8(i)(7). In *Point Blank Solutions, Inc.* (avail. Mar. 10, 2008, *recon. denied* Mar. 20, 2008), the Staff concurred with exclusion under Rule 14a-8(i)(7) of a proposal requesting that the company reject a settlement in a suit against former employees unless certain settlement terms were met. The Staff noted that the proposal related to the company's "ordinary business operations (*i.e.*, litigation strategy and related decisions)."

The Proposal requests that the Company "adopt a policy that [it] will not engage in any Inequitable Employment Practice," which the Proposal defines to mean a range of contractual arrangements entered into between the Company and its employees in connection with their employment, including arbitration, non-compete and non-disclosure agreements.

The Supporting Statement further emphasizes the Proposal's focus on a variety of routine contractual arrangements with employees, stating that "companies have increasingly relied on a suite of contractual arrangements involving their employees." By seeking a blanket policy prohibiting the Company from entering into any of the specified contractual arrangements with its employees regardless of the context, the Proposal demonstrates that its scope relates to the Company's management of its workforce. For example, the Supporting Statement to the Proposal asserts that "Companies increasingly seek to impose non-compete restrictions, originally designed for higher-level knowledge workers, on entry-level workers." Nevertheless, the Proposal would prohibit the use of non-compete provisions worldwide, even for "higher-level knowledge workers." Although some states in the U.S. do not enforce non-competition agreements, many states will enforce reasonably drafted provisions, as they recognize that such provisions help protect a company's intellectual property and trade secrets (such as terms of customer contracts). However, the Proposal would prohibit such agreements regardless of the context or the amount of compensation that may be associated with an employee's agreement to enter into such an agreement.

The Company's decisions with respect to management of its workforce, including whether and under what circumstances to enter into contractual arrangements with employees, are fundamental to the management of the Company's business. These decisions are multifaceted, complex, and based on factors beyond the knowledge and expertise of shareholders, such as the amount of compensation associated with such arrangements, competitive practices in different lines of business or geographic regions, and differing legal regimes. Here, a decision to implement the Proposal's requested policy would require shareholders to understand Company-specific effects across thousands of employees who are employed in a wide range of positions around the world, and thus would be impractical for shareholders voting at an annual meeting.

For these reasons, similar to the proposals discussed above, the Proposal is excludable under Rule 14a-8(i)(7) because the requested policy directly implicates the Company's employment practices and management of its workforce, which are ordinary business matters.

C. The Proposal Does Not Transcend The Company's Ordinary Business Operations

The well-established precedent set forth above demonstrates that the Proposal addresses ordinary business matters and therefore is excludable under Rule 14a-8(i)(7). While the Staff stated in the 1998 Release that proposals "focusing on sufficiently significant social policy issues (e.g., significant discrimination matters) generally would not be considered to be excludable," the Proposal does not focus on that policy issue but instead touches upon the issue of discrimination in the context of addressing a proposed policy that

would apply to the settlement of certain types of claims. However, even where a proposal references or addresses a significant policy issue, it may be excluded when the proposal also involves ordinary business issues. For example, in *JPMorgan Chase & Co.* (avail. Mar. 9, 2015), the Staff concurred in the exclusion of a proposal that requested that the company amend its human rights-related policies "to address the right to take part in one's own government free from retribution," and also included examples of companies that had adopted non-retaliation policies to protect employees' expressed political views and contributions in its supporting statement, because the proposal related to "[the company's] policies concerning its employees." *See also Deere & Co.* (avail. Nov. 14, 2014) (concurring in the exclusion of a proposal requesting the implementation and enforcement of a company-wide employee code of conduct that included an anti-discrimination policy where the proposal also related to the company's "policies concerning its employees," an ordinary business matter). Similarly, even where a proposal addresses a significant policy issue, it may be excluded when it also addresses matters that relate to a company's ordinary business operations. For example, in *Bank of America Corp.* (avail. Feb. 19, 2014, *recon. denied* Mar. 10, 2014, *Comm. review denied* May 22, 2014), the Staff concurred in exclusion of a proposal under Rule 14a-8(i)(7) that addressed compensation arrangements raising a significant policy issue because the proposal also encompassed non-incentive based compensation arrangements that implicated the company's ordinary business operations. In *PetSmart, Inc.* (avail. Mar. 24, 2011), the proposal requested that the board require its suppliers to certify they had not violated "the Animal Welfare Act, the Lacey Act, or any state law equivalents," the principal purpose of which related to preventing animal cruelty. The Staff granted no-action relief under Rule 14a-8(i)(7) and stated, "[a]lthough the humane treatment of animals is a significant policy issue, we note your view that the scope of the laws covered by the proposal is 'fairly broad in nature from serious violations such as animal abuse to violations of administrative matters such as record keeping.'" *See also Mattel, Inc.* (avail. Feb. 10, 2012) (concurring in the exclusion of a proposal that requested the company require its suppliers publish a report detailing their compliance with the International Council of Toy Industries Code of Business Practices, noting that the ICTJ encompasses "several topics that relate to…ordinary business operations and are not significant policy issues"); *JPMorgan Chase & Co.* (avail. Mar. 12, 2010) (concurring in the exclusion of a proposal that requested the adoption of a policy banning future financing of companies engaged in a particular practice that impacted the environment because the proposal addressed "matters beyond the environmental impact of JPMorgan Chase's project finance decisions"); *Apache Corp.* (avail. Mar. 5, 2008) (concurring in the exclusion of a proposal requesting the implementation of equal employment opportunity policies based on certain principles and noting that "some of the principles relate to Apache's ordinary business operations"); *General Electric Co.* (avail. Feb. 10, 2000) (concurring in the exclusion of a proposal relating to the accounting and use of funds for the company's executive compensation

program because it both touched upon the significant policy issue of senior executive compensation, and involved the ordinary business matter of choice of accounting method).

Here, the Proposal requests the adoption of a policy that would prohibit a broad range of contractual agreements with employees and other practices, regardless of context. The Proposal defines "inequitable employment practices" to mean a range of routine contractual agreements with employees, including arbitration, non-compete, and settlement agreements. *See Point Blank Solutions, Inc.* (avail. Mar. 10, 2008). Thus, the "inequitable employment practices" enumerated in the Proposal do not focus only on "significant discrimination matters" or other significant policy issues like those contemplated by the 1998 Release. Like the precedents discussed above, the Proposal relates to a broad range of ordinary business matters that extend beyond any significant policy issue touched upon by the Proposal. Although there may be public debate surrounding some of the types of employee agreements covered by the Proposal in certain contexts, there is not widespread agreement that all of these practices are controversial.[1] Indeed, the Proponent acknowledges in its Supporting Statement that non-compete restrictions may be appropriate for "higher-level knowledge workers." Because the Proposal relates to a broad range of ordinary course employment practices, it does not focus on a significant policy issue, and therefore, may be properly excluded under Rule 14a-8(i)(7).

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[1] *See, e.g.*, *Non-compete Contracts: Economic Effects and Policy Implications*, Office of Econ. Policy, U.S. Dep't. of the Treas. 15-16 (March 2016), *available at* https://www.treasury.gov/resource-center/economic-policy/Documents/UST%20Non-competes%20Report.pdf.

CONCLUSION

Based upon the foregoing analysis, we respectfully request that the Staff concur that it will take no action if the Company excludes the Proposal from its 2019 Proxy Materials.

We would be happy to provide you with any additional information and answer any questions that you may have regarding this subject. Correspondence regarding this letter should be sent to shareholderproposals@gibsondunn.com. If we can be of any further assistance in this matter, please do not hesitate to call me at (202) 955-8287, or to email Denise A. Horne, the Company's Corporate Vice President, Associate General Counsel and Assistant Secretary, at Denise.Horne@us.mcd.com.

Sincerely,

Elizabeth A. Ising

Enclosures

cc: Denise A. Horne, McDonald's Corporation
Richard Clayton, CtW Investment Group

EXHIBIT A

From: Richard Clayton <richard.clayton@ctwinvestmentgroup.com>
Sent: Wednesday, December 5, 2018 11:01 AM
To: Corporate Secretary <corporatesecretary@us.mcd.com>
Subject: CtW Investment Group shareholder resolution

Please find attached our cover letter and resolution submission for the 2019 McDonald's annual shareholders meeting. Thank you.

Richard W. Clayton
Research Director
CtW Investment Group
O (202) 721 6038
F (202) 721 0661
C (202) 2556433

CtW Investment Group

December 5, 2018

Mr. Jerome Krulewitch
Executive Vice President, General Counsel,
and Corporate Secretary
Office of the Corporate Secretary
McDonald's Corporation
Department 010
110 North Carpenter Street
Chicago, IL 60607

Dear Mr. Krulewitch,

We appreciate the letter, dated October 26, 2018 and signed by Mr. Krishnan, acknowledging receipt of our August 29 letter to Mr. Hernandez. Unfortunately, it appears that the transmittal of McDonald's response to us was delayed by several weeks: the envelope is postmarked November 15, and we received it on November 26. Moreover, while Mr. Krishnan helpfully informed us that he has shared the letter with "the appropriate people here at McDonald's," his letter contains no substantive response to the questions we pose and the concerns we raise. This is disappointing, as we have been receiving substantive responses from many of the other 30 companies included in this initiative, and had been hoping to have a substantive dialog with McDonald's that would allow us to eschew filing a shareholder resolution this year.

As you know, the deadline to file a shareholder resolution for consideration at McDonald's 2019 annual meeting under Rule 14(a)-8 is December 13, 2018. Moreover, shortly after this deadline passes, we will be participating in the December 19 meeting in Chicago including Mr. Krishnan, other McDonald's representatives, and members of the Human Capital Management Coalition. We would be happy to either include the concerns we raised in our August 29 letter in the agenda for that meeting, or to schedule a separate meeting shortly prior to or following the Coalition meeting. But given the delayed response to our original letter and the resulting tight timeline, and in order to ensure that shareholders will have an opportunity to address the inequitable employment practices we address in our letter, we have decided to file our resolution now.

***

We hereby submit the enclosed shareholder proposal ("Proposal") for inclusion in McDonald's Corporation's ("Company") proxy statement to be circulated to Company shareholders in conjunction with the next annual meeting of shareholders. The Proposal is submitted under Rule 14(a)-8 (Proposals of Security Holders) of the U.S. Securities and Exchange Commission's proxy regulations.

CtW is the beneficial owner of approximately 30 shares of the Company's common stock, which been held continuously for more than a year prior to this date of submission. The Proposal requests that the Board adopt a policy that in will not engage in any inequitable employment practices, which are:

- Mandatory arbitration of employment-related claims,

1900 L Street NW, Suite 900 Washington, DC 20036
202-721-6060
www.ctwinvestmentgroup.com

- Non-compete agreements with employees,
- Non-disclosure agreements entered into in connection with arbitration or settlement of claims that any Citigroup employee engaged in unlawful discrimination or harassment.

CtW intends to hold the shares through the date of the Company's next annual meeting of shareholders. The record holder of the stock will provide the appropriate verification of the Fund's beneficial ownership by separate letter. Either the undersigned or a designated representative will present the Proposal for consideration at the annual meeting of shareholders.

If you have any questions or wish to discuss the Proposal, please contact Richard Clayton, Director of Research, at (202) 721-6038 or richard.clayton@ctwinvestmentgroup.com. Copies of correspondence or a request for a "no-action" letter should be forwarded to Mr. Clayton in care of the CtW Investment Group, 1900 L St. NW, Suite 900, Washington, DC 20036.

Sincerely,

Dieter Waizenegger
Executive Director, CtW Investment Group

RESOLVED that shareholders of McDonald's Corp. ("McDonald's") urge the Board of Directors to adopt a policy that McDonalds will not engage in any Inequitable Employment Practice. "Inequitable Employment Practices" are mandatory arbitration of employment-related claims; non-compete agreements with employees; and non-disclosure agreements ("NDAs") entered into in connection with arbitration or settlement of claims that any McDonald's employee engaged in unlawful discrimination or harassment, unless such an NDA is requested by the employee.

SUPPORTING STATEMENT

In recent years, companies have increasingly relied on a suite of contractual arrangements involving their employees, Inequitable Employment Practices, that burden the economy, impede labor mobility and prevent the discovery and redress of misconduct. As a result, there is a robust public debate over their use, including responses by legislators, regulators and state attorneys general.

Companies increasingly seek to impose non-compete restrictions, originally designed for higher-level knowledge workers, on entry-level workers. The Obama Administration opposed this expansion, and measures to curb it have been introduced in Congress and many states. Non-compete provisions stifle innovation and entrepreneurship, harming the broader economy. Sandwich chain Jimmy John's came under fire for requiring entry-level hires to sign a non-compete agreeing not to work for a competing sandwich maker for two years.

Mandatory arbitration and NDAs undermine public policy by limiting remedies for wrongdoing and keeping misconduct secret. Mandatory arbitration precludes employees from suing in court for wrongs like wage theft, discrimination and harassment, and requires them to submit to private arbitration, which has been found to favor companies and discourage claims. Recent high-profile sexual harassment cases involving Fox News and Uber highlighted the impact of arbitration clauses. In December 2017, a bill to end mandatory arbitration of sexual harassment claims bill was introduced in Congress. All 56 state and territorial attorneys general urged Congressional leaders to support it.

The secrecy NDAs provide can allow a toxic culture to flourish, increasing the severity of eventual consequences and harming employee morale. NDAs were allegedly used to keep sexual harassment by Harvey Weinstein and Bill O'Reilly secret. McDonald's faced strikes in September 2018 in which workers protested the company's failure to adequately address sexual harassment, and a 2016 study found that 40% of female fast-food employees had been sexually harassed.

Washington state recently banned the use of NDAs in sexual harassment cases and similar legislation has been proposed in New York, California and Pennsylvania. Federal legislation has been introduced to limit employers' ability to secure NDAs upfront and require employers to disclose information about sexual harassment claims.

Our Proposal asks McDonalds to commit not to use any of the Inequitable Employment Practices, which we believe will encourage focus on human capital management and improve accountability. We urge shareholders to vote for this Proposal.

amalgamated bank

December 5, 2018

Attention: Jerry Krulewitch, Corporate Secretary
McDonald's Corporation, Department 010,
110 North Carpenter Street, Chicago, IL 60607
Email: corporatesecretary@us.mcd.com

Dear Mr. Krulewitch:

Please be advised that Amalgamated Bank holds 30 shares of McDonald's Corporation ("Company") common stock beneficially for the CTW Investment Group (CTW), the proponent of a shareholder proposal submitted to the Company on December 5, 2018, in accordance with Rule 14(a)-8 of the Securities and Exchange Act of 1934. The requisite shares of the Company's stock held by CTW have been held for at least one year from the date of submission of the proposal on December 5, 2018, shares having been held continuously for more than a year. CTW intends to hold those shares through the date of the Company's 2019 annual shareholders' meeting.

Amalgamated Bank serves as custodian and record holder for CtW Investment Group. The above-mentioned shares are registered in a nominee name of Amalgamated Bank. The shares are held by the Bank through DTC Account #2352.

Sincerely,

Chuck Hutton
First Vice President
Investment Management Division, Client Service

275 Seventh Avenue
New York, NY 10001
amalgamatedbank.com