

January 18, 2021

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 the National Center for Public Policy Research
Securities Exchange Act of 1934—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 2021 Annual Shareholders' Meeting (collectively, the "2021 Proxy Materials") a shareholder proposal (the "Proposal") and statement in support thereof (the "Supporting Statement") received from the National Center for Public Policy Research (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 date the Company expects to file its definitive 2021 Proxy Materials with the Commission; and
- are sending 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 the Proponent elects to submit additional correspondence to the Commission or the Staff with respect to the 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.

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THE PROPOSAL

The Proposal states:

Be it RESOLVED that shareholders of the McDonald's Corporation (the "Company") request that our Company prepare and annually update a report to shareholders, at reasonable expense and excluding proprietary information, listing and analyzing charitable contributions during the prior year. The report should

1. Identify organizational or individual recipients of donations, whether cash or in-kind, in excess of \$500 and aggregate smaller contributions by categories of recipients such as community organizations, schools, medical groups, churches, political or social activism organizations, and the like;
2. Identify for donations not yet spent or used: the purposes to which the donations are to be put, any restrictions on the use of the donations, and any mechanisms by which the restrictions on donations will be monitored and enforced;
3. Identify for donations already spent or used: the purposes to which the donations were to be put, the purposes to which the donations were actually put, the method by which the use of the donations was monitored and ascertained, and an evaluation of the efficacy of the donation and the Company's intention with regard to future donations to the organization;
4. Include management's analysis of any risks to the Company's brand, reputation, or shareholder value posed by all public controversies associated with the donations, including an explanation of the objective and consistent standards by which such controversies were discovered and their effect on the Company gauged; and
5. Identify, if and as appropriate, philanthropic areas or initiatives considered most germane to corporate values while posing less risk to Company reputation; or in the alternative, any decision to scale back without replacement risky or misused donations.

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

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BASES FOR EXCLUSION

We hereby respectfully request that the Staff concur in our view that the Proposal may be excluded from the 2021 Proxy Materials pursuant to:

- Rule 14a-8(i)(12)(ii) because the Proposal deals with substantially the same subject matter as at least two previously submitted shareholder proposals that were included in the Company's 2017 and 2018 proxy materials, respectively, and the most recently submitted of those proposals did not receive the support necessary for resubmission; and
- Rule 14a-8(i)(7) because the Proposal relates to the Company's ordinary business operations.

ANALYSIS

I. The Proposal May Be Excluded Under Rule 14a-8(i)(12)(ii) Because It Deals With Substantially The Same Subject Matter As At Least Two Previously Submitted Proposals, And The Most Recently Submitted Of Those Proposals Did Not Receive The Support Necessary For Resubmission.

Under Rule 14a-8(i)(12)(ii), a shareholder proposal dealing with “substantially the same subject matter as another proposal or proposals that has or have been previously included in the company’s proxy materials within the preceding 5 calendar years” may be excluded from the proxy materials “for any meeting held within 3 calendar years of the last time it was included if the proposal received . . . [l]ess than 6% of the vote on its last submission to shareholders if proposed twice previously within the preceding 5 calendar years.”

A. Overview Of Rule 14a-8(i)(12).

The Commission has indicated that the condition in Rule 14a-8(i)(12) that the shareholder proposals deal with “substantially the same subject matter” does not mean that the previous proposal(s) and the current proposal must be exactly the same. Although the predecessor to Rule 14a-8(i)(12) required a proposal to be “substantially the same proposal” as prior proposals, the Commission amended this rule in 1983 to permit exclusion of a proposal that “deals with substantially the same subject matter.” The Commission explained

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that this revision to the standard applied under the rule responded to commenters who viewed it as:

[A]n appropriate response to counter the abuse of the security holder proposal process by certain proponents who make minor changes in proposals each year so that they can keep raising the same issue despite the fact that other shareholders have indicated by their votes that they are not interested in that issue.

Exchange Act Release No. 20091 (Aug. 16, 1983). *See also* Exchange Act Release No. 19135 (Oct. 14, 1982), in which the Commission stated that Rule 14a-8 “was not designed to burden the proxy solicitation process by requiring the inclusion of such proposals.” In the release adopting this change, the Commission explained the application of the standard, stating:

The Commission believes that this change is necessary to signal a clean break from the strict interpretive position applied to the existing provision. The Commission is aware that the interpretation of the new provision will continue to involve difficult subjective judgments, but anticipates that those judgments will be based upon a consideration of the substantive concerns raised by a proposal rather than the specific language or actions proposed to deal with those concerns.

Following this line of precedent, the Staff has consistently concurred with the exclusion under Rule 14a-8(i)(12) of proposals relating to a company’s charitable and political contributions even where the course of action requested in one proposal differs from that requested in the other proposal, provided that both proposals address the same substantive concerns. For example, in *Johnson & Johnson* (avail. Feb. 5, 2016) (“*Johnson & Johnson 2016*”), the Staff concurred with the exclusion of a proposal requesting a congruency analysis between corporate values and the company’s political, lobbying and policy activities. One prior proposal had requested a similar congruency analysis, and a second prior proposal requested a policy to screen political contributions and electioneering communications against candidates whose voting records were inconsistent with the company’s published values. The Staff concurred that all three proposals dealt with substantially the same subject matter—which the company described as congruency between the company’s corporate values and political contributions made by the company—and that the subsequent proposal was therefore excludable under Rule 14a-8(i)(12). Also, in *Google Inc.* (avail. Mar. 6, 2015), the Staff concurred with the exclusion under Rule 14a-8(i)(12) of a proposal requesting that the company provide a semi-annual report on the company’s website disclosing the company’s political contributions and expenditures as well as its policies and

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procedures related to such expenditures because it dealt with substantially the same subject matter as a prior proposal requesting that the company hold an annual advisory shareholder vote on political contributions with each such proposal disclosing the company's political contributions along with an analysis of the congruency of these political expenditures and policies with company value. *See also Pfizer Inc.* (avail. Jan. 11, 2013) (concurring that a proposal requesting a review of the company's charitable and political contributions and a report addressing the interrelation of both types of contributions was excludable under Rule 14a-8(i)(12) because it dealt with substantially the same subject matter as prior proposals requesting that the company publish each political contribution made in the prior year in various major newspapers); *Bank of America Corp.* (avail. Dec. 22, 2008) (concurring that a proposal requesting a semi-annual report containing detailed information relating to political contributions and expenditures was excludable under Rule 14a-8(i)(12) because the proposal "clearly share[d] identical substantive concerns" with prior proposals requesting the annual publication of a broad and detailed statement of political contributions made by the company, despite the fact that "the specific language or actions proposed in each deal[t] with those concerns in a slightly different manner"); *Comcast Corp.* (avail. Feb. 5, 2008) (concurring that a proposal requesting that the company provide a semi-annual report disclosing the company's political contributions and expenditures and related policies for such contributions and expenditures was excludable under Rule 14a-8(i)(12) because it dealt with substantially the same subject matter as prior proposals requesting the company to publish a detailed statement of each contribution made by the company in respect of a political campaign, political party, referendum or citizens' initiative, even though one proposal contemplated the inclusion of slightly different information in the report than the other proposal); *Medtronic Inc.* (avail. June 2, 2005) and *Bank of America Corp.* (avail. Feb. 25, 2005) (concurring that proposals requesting that the companies list all of their political and charitable contributions on their websites were excludable under Rule 14a-8(i)(12) because each dealt with substantially the same subject matter as prior proposals requesting that the companies cease making charitable contributions); *Dow Jones & Co., Inc.* (avail. Dec. 17, 2004) (concurring that a proposal requesting that the company publish information relating to its process for donations to a particular non-profit organization was excludable under Rule 14a-8(i)(12) because it dealt with substantially the same subject matter as a prior proposal requesting an explanation of the procedures governing all charitable donations).

Moreover, the Staff has consistently concurred with the exclusion of proposals under Rule 14a-8(i)(12) when the proposal in question shares similar underlying social or policy issues with a prior proposal, even if the proposals request that the company take different actions. *See, e.g., Apple Inc.* (avail. Nov. 20, 2018) (concurring that a proposal requesting that the company review its policies related to human rights to assess whether it needed to

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adopt and implement additional policies was excludable under Rule 14a-8(i)(12) because it dealt with substantially the same subject matter as one prior proposal requesting that the company establish a board committee on human rights and a second prior proposal requesting that the board amend the company's bylaws to *require* a board committee on human rights); *Apple Inc. (Eli Plenk)* (avail. Dec. 15, 2017) (concurring that a proposal requesting that the company prepare a report assessing the feasibility of integrating sustainability metrics, including metrics regarding diversity among senior executives, into performance measures of the CEO was excludable under Rule 14a-8(i)(12) because it dealt with substantially the same subject matter as two earlier proposals requesting that the company adopt an accelerated recruitment policy requiring the company to increase the diversity of senior management and its board of directors); *Saks Inc.* (avail. Mar. 1, 2004) (concurring that a proposal requesting that the board of directors implement a code of conduct based on International Labor Organization standards, establish an independent monitoring process and annually report on adherence to such code was excludable under Rule 14a-8(i)(12) because it dealt with substantially the same subject matter as one prior proposal that was nearly identical to the proposal at issue and a second prior proposal requesting a report on the company's vendor labor standards and compliance mechanism); *Bristol-Myers Squibb Co.* (avail. Feb. 11, 2004) (concurring that a proposal requesting that the board review pricing and marketing policies and prepare a report on how the company will respond to pressure to increase access to prescription drugs was excludable under Rule 14a-8(i)(12) because it dealt with substantially the same subject matter as prior proposals requesting the creation and implementation of a policy of price restraint on pharmaceutical products).

B. The Proposal Deals With Substantially The Same Subject Matter As At Least Two Proposals That Were Previously Included In The Company's Proxy Materials Within The Preceding Five Calendar Years.

The Company has within the past five years included in its proxy materials at least two shareholder proposals regarding a Company report on charitable contributions.

- The Company included in its 2018 proxy materials, filed with the Commission on April 12, 2018 (the "2018 Proposal," attached as Exhibit B), a shareholder proposal that requested that "the Board of Directors prepare and annually update a report to shareholders...listing and analyzing charitable contributions during the prior year."
- The Company included in its 2017 proxy materials, filed with the Commission on April 13, 2017 (the "2017 Proposal," attached as Exhibit C), a shareholder proposal nearly identical to the 2018 Proposal that requested that "the Company

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prepare and annually update a report to shareholders...listing and analyzing charitable contributions in the prior year.”

The Proposal deals with substantially the same subject matter as each of the 2018 Proposal and the 2017 Proposal (collectively, the “Previous Proposals”). Specifically, the Proposal and the Previous Proposals each request that the Company and/or Board of Directors report to shareholders on the charitable contributions the Company made during the prior year. The express language of the Proposal and the Previous Proposals demonstrates that they address substantially the same substantive concern—namely, the Company’s charitable giving and how it reflects the Company’s values. The following chart demonstrates this:

Proposal	2018 Proposal	2017 Proposal
<p><i>The resolved clauses of the Proposal and the Previous Proposals each request a report listing and analyzing charitable contributions during the prior year.</i></p>		
<p>The resolved clause of the Proposal requests that the Company “prepare and annually update a report to shareholders, at reasonable expense and excluding proprietary information, listing and analyzing charitable contributions during the prior year.”</p>	<p>The resolved clause of the 2018 Proposal requests that the Board of Directors “prepare and annually update a report to shareholders, at reasonable expense and excluding proprietary information, listing and analyzing charitable contributions during the prior year.”</p>	<p>The resolved clause of the 2017 Proposal requests that the Company “prepare and annually update a report to shareholders, at reasonable expense and excluding proprietary information, listing and analyzing charitable contributions during the prior year.”</p>
<p><i>The resolved clauses of the Proposal and the Previous Proposals each request that the report identify the recipients of donations in excess of \$500.</i></p>		
<p>The resolved clause of the Proposal requests that the report “[i]dentify organizational or individual recipients of donations, whether cash or in-kind, in excess of \$500 and aggregate smaller contributions by categories of recipients such</p>	<p>The resolved clause of the 2018 Proposal requests that the report “[i]dentify organizational or individual recipients of donations, whether cash or in-kind, in excess of \$500 and aggregate of smaller contributions by categories of recipients such</p>	<p>The resolved clause of the 2017 Proposal requests that the report “[i]dentify organizational or individual recipients of donations, whether cash or in-kind, in excess of \$500 and aggregate of smaller contributions by categories of recipients such</p>

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Proposal	2018 Proposal	2017 Proposal
as community organizations, schools, medical groups, churches, political or social activism organizations, and the like.”	as community organizations, schools, dietary organizations, medical groups, environmental, churches, etc.”	as community organizations, schools, dietary organizations, medical groups, environmental, churches, etc.”
<i>The Proposal and the Previous Proposals each contemplate an analysis of how the Company’s charitable contributions pose risks to the Company’s brand, reputation, or shareholder value posed by public controversies associated with such contributions.</i>		
The resolved clause of the Proposal requests that the report “analy[ze]...risks to the Company’s brand, reputation, or shareholder value posed by all public controversies associated with the donations...”	The resolved clause of the 2018 Proposal requests that the Board “analy[ze]...risks to the Company’s brand, reputation, or shareholder value posed by public controversies associated with contributions...”	The resolved clause of the 2017 Proposals, requests that management “analy[ze]...risks to the Company’s brand, reputation, or shareholder value posed by public controversies associated with contributions...”
<i>The Proposal and the Previous Proposals each contemplate development of a method for monitoring risk and/or criteria for determining which charitable contributions are not in alignment with the Company’s corporate values.</i>		
The resolved clause of the Proposal requests that the report identify “the method by which the use of the donations was monitored and ascertained and an evaluation of the efficacy of the donation and the Company’s intention...” and include “an explanation of the objective and consistent standards by which such controversies [associated with the donations] were discovered and their effect on the Company gauged.”	The resolved clause of the 2018 Proposal requests inclusion of “coherent criteria for assessing congruency and brand risk, such as identifying philanthropic areas or initiatives considered most germane to corporate values and types of donations that may be contrary to company values or reputation.”	The resolved clause of the 2017 Proposal requests inclusion of “coherent criteria for assessing congruency and brand risk, such as identifying philanthropic areas or initiatives considered most germane to corporate values and types of donations that may be contrary to company values or reputation.”

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Proposal	2018 Proposal	2017 Proposal
<i>The Proposal and the Previous Proposals each request a congruency analysis of how charitable contributions align with the Company’s corporate values.</i>		
The resolved clause of the Proposal requests that the report “[i]dentify, if and as appropriate, philanthropic areas or initiatives considered most germane to corporate values while posing less risk to Company reputation...”	The resolved clause of the 2018 Proposal requests that the report “[i]dentify areas of alignment and potential conflict between the Company’s charitable contributions and the Company’s key stated ambitions, values and mission...” and “evaluate and state justification for any identified incongruent activities.”	The resolved clause of the 2017 Proposal requests that the report “[i]dentify areas of alignment and potential conflict between the Company’s charitable contributions and the Company’s key stated ambitions, values and mission...” and “evaluate and state justification for any identified incongruent activities.”

In addition to the similarities in the resolved clauses identified above, the Proposal and the Previous Proposals share similar concerns in their supporting statements—namely, how certain of the Company’s charitable contributions that implicate current political and social issues may present reputational risks to the Company. For example, the Supporting Statement references a news article discussing the Company’s support of the Black Lives Matter movement (“BLM”), and notes that “[t]he political and social events which triggered these and many related Company commitments are potentially highly divisive, and carry significant potential for misapplication of well-intentioned contributions to activities fraught with risk to our Company’s reputation.” The Supporting Statement concludes that it has “become more important than ever for corporations, and for the Company specifically, to monitor carefully, and to report to shareholders, the content of, intentions for, actual use of, and lessons learned from its charitable contributions.” Similarly, the Previous Proposals’ supporting statements noted that “[r]esearch by the Proponent uncovered charitable activities that may pose a risk to the Company’s reputation and brand by undermining the Company’s stated commitments” and cited to media backlash engendered by the Company’s support of health-related initiatives and organizations. Therefore, the Previous Proposals’ supporting statements concluded that to “minimize risk to its reputation and brand...the Company should disclose and review its charitable activities.”

Similar to the precedents cited above, including *Johnson & Johnson (2016)*, the substantive concern underlying both the Proposal and the Previous Proposals is the same. In

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Johnson & Johnson (2016), the proposal at issue requested a report analyzing the congruency between corporate values and the company's political, lobbying and policy activities and contributions. Likewise, although the Proposal here does not expressly ask for a "congruency" analysis, it clearly contemplates an examination of how the Company's charitable contributions align with its corporate values, as demonstrated in the chart above. One prior proposal in *Johnson & Johnson (2016)* was very similar to the proposal at issue, while the second prior proposal asked for a different action—systematic screening of political contributions and electioneering communications against candidates whose voting records are inconsistent with the company's values. The Staff still found that the underlying concern was the same, despite the different requested actions. Here, however, the requested actions as between the Proposal and the Previous Proposals (which are very similar to one another) are even more similar than those at issue in *Johnson & Johnson (2016)*. As a threshold matter, both the Proposal and the Previous Proposals seek a report listing and analyzing charitable contributions during the prior year, and as such the fundamental actions and deliverables requested are the same. While the Previous Proposals request some different information to be included in the report (e.g., "evaluate and state justification for any identified incongruent activities"), more of the requested information overlaps with the information sought by the Proposal, as demonstrated in the chart above, such that the underlying concern of the Proposal and Previous Proposals is clearly the same—the Company's charitable giving and how it reflects the Company's values. Therefore, the Proposal presents an even stronger case for exclusion under Rule 14a-8(i)(12) than the proposal at issue in *Johnson & Johnson (2016)*, because it shares the same underlying concern as the Previous Proposals, requests the same action, and the 2018 Proposal did not get sufficient votes in support to allow for a resubmission.

Pursuant to Rule 14a-8(i)(12), the proposals at issue need not be identical in terms and scope in order to merit relief. As illustrated above, although the specific language in the Previous Proposals and the Proposal is not identical, each address the same substantive concern. Moreover, as demonstrated in the chart above, there is significant and meaningful overlap in language, scope and purpose of the Proposal as compared with the Previous Proposals, going well beyond addressing the same substantive concern. The Proposal and the Previous Proposals each request an annual report listing and analyzing the Company's charitable contributions during the prior year, and each enumerates specific information requested to be included in the report, the majority of which directly overlaps. As such, the Proposal is excludable under Rule 14a-8(i)(12)(ii) because it deals with substantially the same subject matter as the Previous Proposals, and, as documented below, the 2018 Proposal did not receive the necessary shareholder support to permit resubmission.

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C. The Shareholder Proposal Included In The Company's 2018 Proxy Materials Did Not Receive The Shareholder Support Necessary To Permit Resubmission.

In addition to requiring that the proposals address the same substantive concern, Rule 14a-8(i)(12) sets thresholds with respect to the percentage of shareholder votes cast in favor of the last proposal submitted and included in the Company's proxy materials. As evidenced in the Company's Form 8-K filed on May 30, 2018, which states the voting results for the Company's 2018 Annual Shareholders' Meeting and is attached as Exhibit D, the 2018 Proposal received 3.29% of the votes cast at the Company's 2018 Annual Shareholders' Meeting.¹ Thus, the vote on the 2018 Proposal failed to achieve the 6% threshold specified in Rule 14a-8(i)(12)(ii) at the Company's 2018 Annual Shareholders' Meeting.

For the foregoing reasons, the Company may exclude the Proposal from its 2021 Proxy Materials under Rule 14a-8(i)(12)(ii).

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

As discussed below, the Proposal may be excluded under Rule 14a-8(i)(7) because it relates to an ordinary business matter—namely the Company's charitable contributions to specific types of organizations.

A. Background.

Pursuant to Rule 14a-8(i)(7), a shareholder proposal may be excluded if it “deals with a matter relating 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 [of] 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 explained that the underlying policy

¹ The 2018 Proposal received 514,466,188 “against” votes and 16,927,612 “for” votes. Abstentions and broker non-votes were not included for purposes of this calculation. The total shareholder votes cast is calculated using a fraction for which the numerator is “for” votes and the denominator is “for + against” votes. See Staff Legal Bulletin No. 14, Question F.4 (July 13, 2001).

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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 is relevant here, the first consideration is that certain tasks are “so fundamental to management’s ability to run a company on a day-to-day basis” that they cannot be subject to direct shareholder oversight.

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 long held that when applying Rule 14a-8(i)(7) to proposals requesting a report, the Staff considers “the *underlying subject matter* of the report.” Staff Legal Bulletin No. 14E (Oct. 27, 2009) (citing Exchange Act Release No. 20091 (Aug. 16, 1983)) (emphasis added).

B. The Proposal May Be Excluded Under Rule 14a-8(i)(7) Because It Relates To Charitable Contributions Made To Specific Types Of Organizations.

The Proposal may be excluded under Rule 14a-8(i)(7) because it relates to charitable contributions to specific types of organizations, which is a well-established component of a company’s “ordinary business.”² When read in context with the Supporting Statement, it is clear the Proposal is not addressed generally to the Company’s policies toward charitable giving, but instead is intended to serve as a shareholder referendum on Company contributions to organizations that are affiliated with or supportive of a specific social movement—BLM. The Supporting Statement clearly demonstrates that the Proposal is

² *See, e.g., JPMorgan Chase & Co.* (avail. Feb. 28, 2018) (“*JPMorgan*”) (concurring with the exclusion under Rule 14a-8(i)(7) of a proposal requesting the company provide an annual report disclosing the company’s standards for choosing recipients of charitable donations); *PG&E Corp.* (avail. Feb. 4, 2015) (concurring with the exclusion under Rule 14a-8(i)(7) of a proposal requesting the company limit its contributions that support same-sex marriage); *The Walt Disney Co.* (avail. Nov. 20, 2014) (concurring with the exclusion under Rule 14a-8(i)(7) of a proposal relating to charitable contributions to the Boy Scouts of America); *Wachovia Corp.* (avail. Jan. 25, 2005) (concurring with the exclusion under Rule 14a-8(i)(7) of a proposal recommending that the board prohibit charitable contributions to Planned Parenthood and similar organizations); *American Home Products Corp.* (avail. Mar. 4, 2002) (concurring with the exclusion under Rule 14a-8(i)(7) of a proposal requesting that the company form a committee to study the impact of its charitable contributions in the context of specific prior charitable contributions to Planned Parenthood).

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specifically focused on the Company's purportedly "highly divisive" contributions in response "to political and social events" that "carry significant potential for misapplication of well-intentioned contributions to activities fraught with risk to our Company's reputation." Although the Supporting Statement does not explicitly identify the targeted contributions, the Proposal includes footnotes containing hyperlinks to online publications, including Brietbart.com, criticizing BLM-related protests and reporting on the Company's charitable activities aimed at advancing social justice and equality, including a \$1 million donation announced by the Company to the National Association for the Advancement of Colored People ("NAACP") and the National Urban League. One of the sources cited in the Supporting Statement's footnotes contained a hyperlinked letter to McDonald's employees, in which the President of McDonald's USA announced that "over the next several weeks, McDonald's will provide several opportunities to discuss these issues and our commitment to diversity and inclusion."³ The supplemental information provided on the linked websites that the Proponent wants distributed to all shareholders demonstrate that the Proposal is specifically focused on the Company's support for BLM. By targeting specific Company charitable contributions, the Proposal's requested report therefore relates directly to the well-recognized ordinary business matter of deciding which nonprofit organizations to support financially.

Notably, this is at least the fourth proposal that the Proponent has submitted this year purporting to address a company's general charitable giving activity but in fact targeting charitable support of organizations perceived as affiliated with BLM. In *AT&T Inc.* (avail. Jan. 15, 2021), *The Walt Disney Co.* (avail. Dec. 23, 2020) ("*Walt Disney 2020*") and *Starbucks Corp.* (avail. Dec. 23, 2020) ("*Starbucks 2020*"), the Staff concurred with the exclusion under Rule 14a-8(i)(7) of nearly identical proposals submitted by the same Proponent as relating to matters of each company's ordinary business. Like the Proposal here, the "Resolved" clause in each of *AT&T*, *Walt Disney 2020* and *Starbucks 2020* requested an intricately detailed but facially neutral report regarding those companies' general charitable giving activities. However, just as is the case in the Supporting Statement here and as discussed in more detail below, the supporting statements in *AT&T*, *Walt Disney 2020* and *Starbucks 2020* included thinly veiled references, including through online articles

³ Joe Erlinger, A Letter to the McDonald's System, LinkedIn (May 30, 2020), available at https://www.linkedin.com/pulse/letter-mcdonalds-system-joe-erlinger/?trackingId=YwgP9vWbT6q3FXxyPFHIRQ==&src=aff-lilpar&veh=aff_src.aff-lilpar_c.partners_pkw.10078_plc.Skimbit%20Ltd._pcrid.449670_learning&trk=aff_src.aff-lilpar_c.partners_pkw.10078_plc.Skimbit%20Ltd._pcrid.449670_learning&clickid=3exSI71y6xyLTJjwUxOMo36AUkEy7qzxMUyWzM0&irgwc=1.

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hyperlinked in footnotes, to each company's contributions to organizations supportive of or sympathetic to BLM.

Just as in *Walt Disney 2020*, here the Supporting Statement explicitly acknowledges that it targets specific “potentially highly divisive” contributions, and the websites linked to in the Supporting Statement's footnotes make clear that the Proposal is specifically targeting the Company's charitable contributions to social justice organizations aligned with BLM. For example, one article linked in the Supporting Statement notes that the Company issued a statement “supporting the Black Lives Matter movement” and announcing a \$1 million donation to the NAACP and the National Urban League and shows a tweet from the Company saying, “They were one of us: Trayvon Martin. Michael Brown. Alton Sterling. Botham Jean. Atatiana Jefferson. Ahmaud Arbery. George Floyd.”⁴ Immediately following that citation, the Supporting Statement asserts that “[t]he political and social events which triggered these and many related Company commitments are potentially highly divisive” and “fraught with risk to our Company's reputation.” Another article cited and linked in the Supporting Statement refers to a Morning Consult poll on public support for BLM protests following the death of George Floyd and others in the African American community,⁵ characterizes the protests as “riots,” and argues that “the riots and protests [are] tearing apart cities around the nation.”⁶

The Staff repeatedly has concurred with the exclusion of proposals under Rule 14a-8(i)(7) when (as here) the supporting statement demonstrates that the proposal focuses on a particular type of charitable organization—even if the “Resolved” clause itself does not specifically mention any organizations. For example, in *JPMorgan*, the same Proponent submitted a proposal containing a “Resolved” clause purportedly focused on the company's general charitable contributions. However, the supporting statement specifically targeted contributions to the Southern Poverty Law Center, Planned Parenthood and the Clinton Foundation. Similarly, the resolution of the proposal in *Starbucks Corp.* (avail. Jan. 4, 2018) (“*Starbucks 2018*”) used facially neutral language, but the supporting statement criticized Planned Parenthood, a recipient of Starbucks' charitable contributions, for “being the subject

⁴ Kristin Salaky, 12 Ways Food Brands And Restaurants Are Responding To Calls To Action By Black Lives Matter, *delish* (June 4, 2020), available at <https://www.delish.com/food-news/a32745444/food-brands-black-lives-matter-support/>.

⁵ Morning Consult, National Tracking Poll #2005131, available at https://assets.morningconsult.com/wp-uploads/2020/06/01181629/2005131_crosstabs_POLICE_RVs_FINAL_LM-1.pdf.

⁶ Allum Bokhari, Silent Majority: Poll Shows American Voters Support Use of Military, National Guard in Riots, *BRIETBART* (Jun. 2, 2020), available at <https://www.breitbart.com/politics/2020/06/02/silent-majority-poll-shows-american-voters-support-use-of-military-national-guard-in-riots/>.

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of much controversy.” In both *JPMorgan* and *Starbucks 2018*, the Staff concurred that the proposal could be omitted under Rule 14a-8(i)(7) because it “relate[d] to contributions to specific types of organizations.” Other examples abound. *See, e.g., AT&T; Walt Disney 2020; Starbucks 2020; The Home Depot, Inc.* (avail. Mar. 18, 2011) (supporting statement referenced specific contributions to organizations and groups that support the LGBT community); *Johnson & Johnson* (avail. Feb. 12, 2007) (supporting statement referenced specific contributions to Planned Parenthood); *Wells Fargo & Co.* (avail. Feb. 12, 2007) (the “whereas” clauses of the proposal specifically criticized Planned Parenthood and a lack of contributions to the Boy Scouts of America); *Bank of America Corp.* (avail. Jan. 24, 2003) (supporting statement referenced specific contributions to Planned Parenthood); *American Home Products Corp.* (avail. Mar. 4, 2002) (“whereas” clauses of the proposal specifically referenced contributions to Planned Parenthood); *Schering-Plough Corp.* (avail. Mar. 4, 2002) (a “whereas” clause of the proposal and the supporting statement referenced specific contributions to Planned Parenthood).

As demonstrated in the discussion above, through the Supporting Statement and its footnotes, the Proposal specifically targets the Company’s charitable contributions to racial justice entities and those aligned with the BLM movement—a movement that the Proponent has actively and publicly campaigned against. For example, the Proponent has launched an online petition available through its website demanding “Amazon cease all funding to Black Live Matters” and decrying “Black Lives Matter (BLM) activists and supporters rioting in our streets.”⁷ In addition, in the past few months alone, the Proponent has published several articles on its website demonstrating its opposition to BLM and advocating against those perceived to support BLM and related social justice movements, such as “How Woke CEOs Traded Our Future for BLM Approval,”⁸ “Mastercard Unable to Defend its Support for Marxist Group ‘Black Lives Matter,’”⁹ “Civil Rights Movement Had a ‘Moral Authority’ Black Lives Matter Lacks,”¹⁰ “2020’s ‘Moral Panic’ Put Corporate Reputations at

⁷ National Center for Public Policy Research, Tell Amazon To Stop Funding Black Lives Matter, available at <https://nationalcenter.org/tell-amazon-to-stop-funding-black-lives-matter/>.

⁸ National Center for Public Policy Research, How Woke CEOs Traded Our Future For BLM Approval, available at <https://nationalcenter.org/ncppr/2020/09/18/how-woke-ceos-traded-our-future-for-blm-approval/>.

⁹ National Center for Public Policy Research, Mastercard Unable To Defend Its Support For Marxist Group “Black Lives Matter”, available at <https://nationalcenter.org/ncppr/2020/06/16/mastercard-unable-to-defend-its-support-for-marxist-group-black-lives-matter/>.

¹⁰ National Center for Public Policy Research, Civil Rights Movement Had A “Moral Authority” Black Lives Matter Lacks, available at <https://nationalcenter.org/project21/2020/08/12/civil-rights-movement-had-a-moral-authority-black-lives-matter-lacks/>.

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Page 16

Risk,”¹¹ “If You Want to Defund Something, Start With Higher Education”¹² and “Black Lives Matter Movement Is no Longer Redeemable, Says Project 21’s Nedd.”¹³

The fact that the Supporting Statement focuses on particular organizations through a website linked in footnotes and references to “political and social events which triggered these and many related Company commitments” does not change the analysis. As the Staff explained in Staff Legal Bulletin No. 14G (Oct. 16, 2012), where shareholders and the company can understand with reasonable certainty exactly what actions or measures a proposal requires, the information on a cited website “supplements the information contained in the proposal and in the supporting statement.” Accordingly, the inclusion of hyperlinks to websites in the footnotes to the Supporting Statement is equivalent to expressly including the information on those websites in the Supporting Statement.

The Proposal’s design to criticize the Company’s charitable contributions by linking to secondary sources rather than quoting directly from those sources is directly in line with the approach taken in *AT&T*, *Walt Disney 2020* and *Starbucks 2020*. The Proposal, Supporting Statement, and the sources hyperlinked in the Supporting Statement’s footnotes—read as a whole—make clear that the Proposal is targeting charitable contributions in support of one specific movement. That targeted focus renders the Proposal excludable as an ordinary business matter.

In light of the above, the Proposal—when read together with the Supporting Statement and its footnotes—clearly seeks to limit charitable contributions that are used to support a particular type of charitable organization. Thus, consistent with *AT&T*, *Walt Disney 2020*, *Starbucks 2020*, *JPMorgan* and the other precedents cited above, the Proposal addresses matters related to the Company’s ordinary business and may be excluded under Rule 14a-8(i)(7).

¹¹ National Center for Public Policy Research, 2020’s “Moral Panic” Put Corporate Reputations At Risk, available at <https://nationalcenter.org/ncppr/2020/10/06/2020s-moral-panic-put-corporate-reputations-at-risk/>.

¹² National Center for Public Policy Research, If You Want To Defund Something, Start With Higher Education, available at <https://nationalcenter.org/ncppr/2020/07/09/if-you-want-to-defund-something-start-with-higher-education/>.

¹³ National Center for Public Policy Research, Black Lives Matter Movement Is No Longer Redeemable, Says Project 21’s Nedd, available at <https://nationalcenter.org/project21/2015/11/06/black-lives-matter-movement-is-no-longer-redeemable-says-project-21s-nedd/>.

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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 2021 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 Jeffrey Pochowicz, Senior Director – Corporate Governance and Assistant Secretary, at (312) 442-2930.

Sincerely,



Elizabeth A. Ising

Enclosures

cc: Jeffrey Pochowicz, McDonald's Corporation
Justin Danhof, National Center for Public Policy Research

EXHIBIT A

FedEx®

Express

<https://www.fedex.com/shipping/html/en/PrintFrame.html>

ORIGIN ID: TSGA (703) 568-4727
 SCOTT SHEPARD
 NCPPR
 20 F STREET NW
 SUITE 700
 WASHINGTON, DC 20001
 UNITED STATES US

SHIP DATE: 18NOV20
 ACTWGT: 1.00 LB
 CAD: 100230591/NET4280

BILL SENDER

TO **JEROME N. KRULEWITCH, CORP. SEC'Y**
MCDONALD'S CORPORATION
110 NORTH CARPENTER ST.

568.5686916766

CHICAGO IL 60607
 (800) 244-6227 REF. DEPT.
 INV. PO



Extremely Urgent

FedEx
 TRK# 7721 2315 4108
 0201

TUE - 24 NOV AA
EXPRESS SAVER

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██████████ 60607
 IL-US ORD



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EXP 09/21


FirefoX



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 4108
 11.23

772123154108
MARITSA ESPINOZA | Delegate: MARITSA ESPINOZA
 M/S: 8N-128-159 | Delegate: 8N-128-159

Phone: 630-623-6419 | Delegate: 630-623-6419
 Processed: 11/23/2020 10:30:39 AM | CRIOS

772123154108 



Delivered

Monday 11/23/2020 at 10:04 am



DELIVERED

Signed for by: J.JAMES

[GET STATUS UPDATES](#)
[OBTAIN PROOF OF DELIVERY](#)

FROM
WASHINGTON, DC US

TO
CHICAGO, IL US

Shipment Facts

TRACKING NUMBER
772123154108

SERVICE
FedEx Express Saver

WEIGHT
1 lbs / 0.45 kgs

DELIVERED TO
Shipping/Receiving

TOTAL PIECES
1

TOTAL SHIPMENT WEIGHT
1 lbs / 0.45 kgs


TERMS
Shipper

PACKAGING
FedEx Pak

SPECIAL HANDLING SECTION
Deliver Weekday

STANDARD TRANSIT

11/24/2020 by 4:30 pm

SHIP DATE

Thu 11/19/2020

ACTUAL DELIVERY
Mon 11/23/2020 10:04 am

Travel History

Local Scan Time 

Monday, 11/23/2020

10:04 am	CHICAGO, IL	Delivered
8:06 am	CHICAGO, IL	On FedEx vehicle for delivery
7:28 am	CHICAGO, IL	At local FedEx facility

Saturday, 11/21/2020

8:29 am	CHICAGO, IL	At local FedEx facility
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Friday, 11/20/2020

7:00 pm	CHICAGO, IL	At destination sort facility
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5:44 pm	MEMPHIS, TN	Departed FedEx location
10:33 am	MEMPHIS, TN	Arrived at FedEx location

Thursday, 11/19/2020

8:34 pm	WINDSOR LOCKS, CT	Left FedEx origin facility
2:51 pm	WINDSOR LOCKS, CT	Picked up

Wednesday, 11/18/2020

6:12 pm	FARMINGTON, CT	At FedEx origin facility
6:12 pm	FARMINGTON, CT	In FedEx possession Package received after final location pickup has occurred. Scheduled for pickup next business day.
3:39 pm		Shipment information sent to FedEx





November 18, 2020

Via FedEx to

Jerome N. Krulewitch
Corporate Secretary
McDonald's Corporation
110 North Carpenter Street
Chicago, Illinois 60607

Dear Mr. Krulewitch,

I hereby submit the enclosed shareholder proposal ("Proposal") for inclusion in the McDonald's Corporation (the "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 United States Securities and Exchange Commission's proxy regulations.

I submit the Proposal as the Deputy Director of the Free Enterprise Project of the National Center for Public Policy Research, which has continuously owned Company stock with a value exceeding \$2,000 for a year prior to and including the date of this Proposal and which intends to hold these shares through the date of the Company's 2021 annual meeting of shareholders. A Proof of Ownership letter is forthcoming and will be delivered to the Company.

Copies of correspondence or a request for a "no-action" letter should be forwarded to Justin Danhof, Esq, General Counsel, National Center for Public Policy Research, 20 F Street, NW, Suite 700, Washington, DC 20001 and emailed to JDanhof@nationalcenter.org.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott Shepard", written over a light blue horizontal line.

Scott Shepard

Enclosure: Shareholder Proposal

Charitable Giving Reporting

Be it **RESOLVED** that shareholders of the McDonald's Corporation (the "Company") request that our Company prepare and annually update a report to shareholders, at reasonable expense and excluding proprietary information, listing and analyzing charitable contributions during the prior year. The report should

1. Identify organizational or individual recipients of donations, whether cash or in-kind, in excess of \$500 and aggregate smaller contributions by categories of recipients such as community organizations, schools, medical groups, churches, political or social activism organizations, and the like;
2. Identify for donations not yet spent or used: the purposes to which the donations are to be put, any restrictions on the use of the donations, and any mechanisms by which the restrictions on donations will be monitored and enforced;
3. Identify for donations already spent or used: the purposes to which the donations were to be put, the purposes to which the donations were actually put, the method by which the use of the donations was monitored and ascertained, and an evaluation of the efficacy of the donation and the Company's intention with regard to future donations to the organization;
4. Include management's analysis of any risks to the Company's brand, reputation, or shareholder value posed by all public controversies associated with the donations, including an explanation of the objective and consistent standards by which such controversies were discovered and their effect on the Company gauged; and
5. Identify, if and as appropriate, philanthropic areas or initiatives considered most germane to corporate values while posing less risk to Company reputation; or in the alternative, any decision to scale back without replacement risky or misused donations.

Supporting Statement

The Securities & Exchange Commission has long and consistently stated that charitable contributions by corporations are "generally found to involve a matter of corporate policy which is extraordinary in nature and beyond a company's ordinary business operations,"¹ and so is amenable, without omission, to shareholder proposals to require reporting about them and about potential or realized risks arising from them, so long as the proposal relates to the corporation's "charitable contributions generally," rather than merely to some segment of the corporation's charitable contributions.²

Need for reporting has now grown acute. Many corporations, including our Company, have committed to making significant charitable contributions in recent months.³ The political and social events which triggered these and many related Company commitments are potentially highly divisive, and carry significant potential for misapplication of well-intentioned

¹ <https://www.sec.gov/divisions/corpfin/cf-noaction/14a-8/2010/humanlife021910-14a8.pdf>

² <https://www.sec.gov/divisions/corpfin/cf-noaction/14a-8/2017/johnharrington022817-14a8.pdf>

³ <https://www.delish.com/food-news/a32745444/food-brands-black-lives-matter-support/>

contributions to activities fraught with risk to our Company's reputation.⁴ It has therefore become more important than ever for corporations, and for Company specifically, to monitor carefully, and to report to shareholders, the content of, intentions for, actual use of and lessons learned from its charitable contributions.

⁴ <https://www.breitbart.com/politics/2020/06/02/silent-majority-poll-shows-american-voters-support-use-of-military-national-guard-in-riots/>; <https://abcnews.go.com/Politics/64-americans-oppose-defund-police-movement-key-goals/story?id=71202300>



12/2/20, 11:29 AM

ORIGIN ID:TSGA (603) 557-3873
JUSTIN DANHOF
NCPPR
20 F STREET, NW
SUITE 700
WASHINGTON, DC 20001
UNITED STATES US

SHIP DATE: 02DEC20
ACTWGT: 0.10 LB
CAD: 100230591/INET4280

BILL SENDER

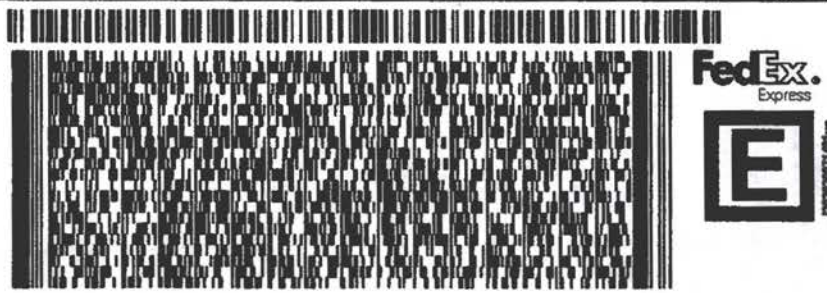
TO **JEROME KRULEWITCH**
MCDONALD'S CORPORATION
110 NORTH CARPENTER STREET
ATTN: CORPORATE SECRETARY
CHICAGO IL 60607

566.2/919618766

(800) 244-6227
INV
PO

REF:

DEPT:



FRI - 04 DEC 4:30P

** 2DAY **

TRK# 7722 3798 4914
0201

DSR

60607

SH CHIA

IL-US ORD



MAIL ROOM
DEC 04 2020
RECEIVED

772237984914
JEROME KRULEWITCH / mc16150
M/S: | N/A

Phone: 630 - 623 - 6255
Processed: 12/4/2020 10:07:02 AM | CRIOS



TRACK ANOTHER SHIPMENT

772237984914



ADD NICKNAME

Delivered
Friday, December 4, 2020 at 9:54 am



DELIVERED

Signed for by: J.DEJOHNETTE

GET STATUS UPDATES

OBTAIN PROOF OF DELIVERY

Direct signature required ?

FROM

Washington, DC US

TO

CHICAGO, IL US

Shipment Facts

TRACKING NUMBER

772237984914

SERVICE

FedEx 2Day

WEIGHT

0.5 lbs / 0.23 kgs

DELIVERED TO

Shipping/Receiving

TOTAL PIECES

1

TOTAL SHIPMENT WEIGHT

0.5 lbs / 0.23 kgs

TERMS

Shipper

PACKAGING

FedEx Envelope

SPECIAL HANDLING SECTION

Deliver Weekday, Direct Signature Required

SHIP DATE

12/2/20 ?

SIGNATURE SERVICES

Direct signature required ?

STANDARD TRANSIT

12/4/20 by 4:30 pm ?

ACTUAL DELIVERY

12/4/20 at 9:54 am

Travel History

TIME ZONE

Local Scan Time



Friday, December 4, 2020

9:54 AM	CHICAGO, IL	Delivered
8:21 AM	CHICAGO, IL	On FedEx vehicle for delivery
7:46 AM	CHICAGO, IL	At local FedEx facility
4:57 AM	CHICAGO, IL	At destination sort facility
3:41 AM	MEMPHIS, TN	Departed FedEx location

Wednesday, December 2, 2020

8:10 PM	ROCKVILLE, MD	Picked up
3:21 PM	GAITHERSBURG, MD	Picked up Tendered at FedEx Office
10:29 AM		Shipment information sent to FedEx

[Collapse History](#) ^



Via FedEx

December 2, 2020

Jerome N. Krulewitch
Corporate Secretary
McDonald's Corporation
110 North Carpenter Street
Chicago, Illinois 60607

Dear Mr. Krulewitch,

Enclosed please find a Proof of Ownership letter from UBS Financial Services Inc. in connection with the shareholder proposal submitted under Rule 14(a)-8 (Proposals of Security Holders) of the United States Securities and Exchange Commission's proxy regulations by the National Center for Public Policy Research to McDonald's Corporation on November 18, 2020.

Copies of correspondence or a request for a "no-action" letter should be forwarded to Justin Danhof, Esq, General Counsel, National Center for Public Policy Research, 20 F Street, NW, Suite 700, Washington, DC 20001 and emailed to JDanhof@nationalcenter.org.

Sincerely,

A handwritten signature in black ink, appearing to read "Justin Danhof", written over a horizontal line.

Justin Danhof, Esq.



UBS Financial Services Inc.
1000 Harbor Boulevard
Weehawken, NJ 07086
Tel. 877-827-7870
FAX 877-785-8404

UBS Wealth Advice Center

www.ubs.com

Jerome N. Krulewitch
Corporate Secretary
McDonald's Corporation
110 North Carpenter Street
Chicago, Illinois 60607

December 2, 2020

Confirmation: Information regarding the account of The National Center for Public Policy Research

Dear Mr. Krulewitch,

The following client has requested UBS Financial Services Inc. to provide you with a letter of reference to confirm its banking relationship with our firm.

The National Center for Public Policy Research has been a valued client of ours since October 2002 and as of the close of business on 11/18/2020, the National Center for Public Research held, and has held continuously for at least one year 20 shares of McDonalds Corp. common stock. UBS continues to hold the said stock.

Please be aware this account is a securities account not a "bank" account. Securities, mutual funds, and other non-deposit investment products are not FDIC-insured or bank guaranteed and are subject to market fluctuation.

Questions

If you have any questions about this information, please contact Reese Bickham at (844) 964-0333.

UBS Financial Services is a member firm of the Securities Investor Protection Corporation (SIPC).

Sincerely

Catherine R Bickham

Catherine Reese Bickham
Financial Advisor
UBS Financial Services Inc.

EXHIBIT B

Dialogue with Proponent. The Company has engaged in meaningful dialogue on this topic with the proponent’s representative and has provided access to McDonald’s subject matter experts to address questions and concerns. We have been transparent about our progress and the challenges associated with addressing this important issue. This dialogue has also focused on McDonald’s continuing efforts to address these challenges in the best interests of our customers, suppliers and shareholders.

Therefore, in light of McDonald’s ongoing sustainability efforts and transparent reporting, we believe that the request is unnecessary, redundant as to the Company’s current practices and initiatives, and has the potential for a diversion of resources with no corresponding benefit to the Company, our customers and our shareholders.

Vote

Voting recommendation:



The Board recommends that you vote **AGAINST** this proposal.

PROPOSAL

6

Item to be voted on:

Advisory vote on a shareholder proposal requesting a report on charitable contributions

The Board recommends that you vote **AGAINST** this proposal.

Mr. John Harrington has notified the Company that he intends to submit the following shareholder proposal at this year’s Annual Shareholders’ Meeting. As explained below, the Board recommends that you vote **AGAINST** this proposal. The proponent beneficially owns 100 shares of the Company’s common stock, and there were 786,087,519 shares outstanding as of the record date.

The proponent is responsible for the content of the following proposal, for which the Company and the Board accept no responsibility:

SHAREHOLDER PROPOSAL

RESOLVED, shareholders of **McDonald’s Corporation** (the “Company”) hereby request that the Board of Directors prepare and annually update a report to shareholders, at reasonable expense and excluding proprietary information, listing and analyzing charitable contributions during the prior year. The report should:

1. Identify organizational or individual recipients of donations, whether cash or in-kind, in excess of \$500 and aggregate of smaller contributions by categories of recipients such as community organizations, schools, dietary organizations, medical groups, environmental, churches, etc.;
2. Identify areas of alignment and potential conflict between the Company’s charitable contributions and the Company’s key stated ambitions, values and mission as stated in its corporate social responsibility reports and SEC filings;
3. Include the Board’s analysis of any risks to the Company’s brand, reputation, or shareholder value posed by public controversies associated with contributions or any incongruencies with corporate values;
4. Include coherent criteria for assessing congruency and brand risk, such as identifying philanthropic areas or initiatives considered most germane to corporate values and types of donations that may be contrary to company values or reputation; and
5. Based on the above, evaluate and state justification for any identified incongruent activities.

Supporting Statement

Research by the Proponent uncovered charitable activities that may pose a risk to the Company's reputation and brand by undermining the Company's stated commitments.

Examples include:

- **McTeacher's Nights.** The Company's "Ambition" includes "using our reach to be a positive force" and being a "Good Neighbor" because we "champion happy, healthy kids."¹ Yet teachers' unions have stated that the Company's McTeacher's Nights program exploits the trust families place in schools to promote junk food to children, undermining teachers' efforts to teach students healthy habits. Other school programs have faced similar criticisms.
- **Sponsorship of health organizations.** The Company has made contributions to health-related organizations, including the American Academy of Pediatrics,² the California Dietetic Association,³ and the Michigan Academy of Nutrition and Dietetics conference,⁴ among others. Because of our company's association with foods high in fat, sugar and salt, a number of these contributions were criticized by Dietitians for Public Integrity and other observers, leading to detrimental media coverage for our Company.

As long-term shareholders of McDonald's Corporation, we believe the Board should ensure that Company practices minimize risk to reputation and brand. Thus, the Board should review charitable activities and disclose its analysis of deviations from congruency with company values and risks to shareholder value.⁵ Vote yes if you agree with this view.

THE BOARD'S STATEMENT IN OPPOSITION

The Board recommends voting **AGAINST** this proposal requesting the Board publish an annual report identifying the Company's charitable contributions and providing a congruency analysis between its corporate values and those contributions. The Company has meaningful, efficient processes in place for corporate governance that guide and appropriately limit the manner of the Company's contributions and provide for oversight of charitable contributions at the management and Board levels. After careful review of this proposal, the Board has determined that providing the requested disclosures would incur unnecessary expense without providing any meaningful benefit to shareholders.

McDonald's Guidelines for Charitable Contributions. Giving back to local communities is one of our core values. While charitable initiatives vary from country to country, the Company is globally aligned around two main giving priorities: improving the lives of children and their families primarily through support of Ronald McDonald House Charities (as more fully described below) and strengthening communities by addressing local needs. The Company has in place global compliance guidelines for the approval of charitable contributions that are designed to ensure that corporate funds are allocated appropriately, and that contributions are aligned with the Company's giving priorities, core values and Brand image. In the case of significant charitable contributions, an internal review is conducted, and the contribution must be approved by one or more members of our executive team. Also, as part of its oversight responsibilities related to Brand trust, the Board's Sustainability & Corporate Responsibility Committee regularly reviews reports on the Company's charitable contributions and philanthropy initiatives. Accordingly, providing a detailed report including the amount of, and rationale behind, each individual contribution as requested by the

1 http://corporate.mcdonalds.com/mcd/our_company/our-ambition.html

2 <http://web.archive.org/web/20131019182904/http://www.aapexperience.org/2013/onsiteprogram.pdf>

3 <http://www.shape.com/blogs/shape-your-life/mcdonalds-sponsors-nutrition-convention>; <http://www.motherjones.com/environment/2014/05/my-trip-mcdonalds-sponsored-nutritionist-convention>

4 <http://integritydietitians.org/2016/02/19/mcdonalds-sponsors-michigan-academy-of-nutrition-and-dietetics-conference/>

5 <http://well.blogs.nytimes.com/2015/08/09/coca-cola-funds-scientists-who-shift-blame-for-obesity-away-from-bad-diets/>

proponent would serve no useful purpose because the Company already vets the congruency of charitable donations through its global compliance guidelines and provides information about its contributions to the Sustainability & Corporate Responsibility Committee for its review. The report would therefore cause the Company to incur the unnecessary burden and expense of administering a complicated global reporting system, without providing any real value to shareholders.

McDonald's Employee Matching Gift Program. For U.S.-based employees, the Company encourages individual giving by matching certain charitable contributions dollar for dollar (from a minimum donation of \$50 up to \$5,000 annually for most staff employees and \$10,000 annually for officers and members of the Company's Board). The Company has established qualification criteria for determining the eligible not-for-profit organizations, which are designed to ensure that each matching contribution made by the Company will be consistent with the Company's core values and Brand image. The proposed cataloging and disclosure of these matching gift contributions as requested by the proponent would not be an efficient or appropriate use of the Company's resources, and, as stated above, would not provide any real value to shareholders because the existing program ensures that the Company's donations are going to organizations that are in line with the Company's giving priorities.

McDonald's Support of Ronald McDonald House Charities (RMHC). The Company is a founding mission partner of RMHC, whose mission is to create, find and support programs that directly impact the health and well-being of children. At its corporate headquarters and in markets around the world, the Company provides RMHC direct financial support and in-kind support through use of Company facilities and resources. Of equal importance, Company employees have provided countless hours of volunteer support, not only in physical service hours at local chapter programs but also through sharing knowledge and expertise in areas such as technology, accounting, marketing and law, all intended to help reduce administrative expenses for RMHC. We are proud to have supported the growth of RMHC from one Ronald McDonald House in 1974 to a network of nearly 290 chapters spanning over 64 countries and regions. Further information regarding our support of RMHC is available on the Company's website at <http://corporate.mcdonalds.com/content/corpmcd/scale-for-good/our-people-and-communities/ronald-mcconald-house-charities.html>.

Given the nature and scope of the Company's giving programs and the strong governance surrounding charitable contributions as described above, the Board believes that the annual report and analysis requested by the proponent would incur cost without commensurate benefit to shareholders. In making this determination, the Board considered shareholders' responses to similar "congruency analysis" proposals related to corporate spending submitted by the same proponent in 2015, 2016 and 2017, which received declining support of only approximately 7.50%, 5.41% and 3.50% of the votes cast, respectively.

Vote

Voting recommendation:



The Board recommends that you vote **AGAINST** this proposal.

EXHIBIT C

PROPOSAL NO. 12

Advisory vote on a shareholder proposal requesting a report on charitable contributions.

Mr. John Harrington has notified the Company that he intends to submit the following proposal at this year's Annual Meeting. As explained below, the Board recommends that you vote **AGAINST** this shareholder proposal. The proponent states that he beneficially owns 100 shares of McDonald's common stock, and there were 816,753,115 shares outstanding as of the record date.

The proponent is responsible for the content of the following proposal, for which the Company and the Board accept no responsibility:

SHAREHOLDER PROPOSAL

RESOLVED, shareholders of **McDonald's Corporation** (the "Company") hereby request that the Company prepare and annually update a report to shareholders, at reasonable expense and excluding proprietary information, listing and analyzing charitable contributions during the prior year. The report should:

1. Identify organizational or individual recipients of donations, whether cash or in-kind, in excess of \$500 and aggregate of smaller contributions by categories of recipients such as community organizations, schools, dietary organizations, medical groups, environmental, churches, etc.;
2. Identify areas of alignment and potential conflict between the Company's charitable contributions and the Company's key stated ambitions, values and mission as stated in its corporate social responsibility reports and SEC filings;
3. Include management's analysis of any risks to the Company's brand, reputation, or shareholder value posed by public controversies associated with contributions or any incongruencies with corporate values;
4. Include coherent criteria for assessing congruency and brand risk, such as identifying philanthropic areas or initiatives considered most germane to corporate values and types of donations that may be contrary to company values or reputation; and
5. Based on the above, evaluate and state justification for any identified incongruent activities.

SUPPORTING STATEMENT

Research by the Proponent uncovered charitable activities that may pose a risk to the Company's reputation and brand by undermining the Company's stated commitments. Examples include:

- **McTeacher's Nights.** The Company's "Ambition" includes "using our reach to be a positive force" and being a "Good Neighbor" because we "champion happy, healthy kids."¹ Yet teachers' unions have stated that the Company's McTeacher's Nights program exploits the trust families place in schools to promote junk food to children, undermining teachers' efforts to teach students healthy habits. Other school programs have faced similar criticisms.
- **Sponsorship of health organizations.** The Company has made contributions to health-related organizations, including the American Academy of Pediatrics,² the California Dietetic Association,³ and the Michigan Academy of Nutrition and Dietetics conference,⁴ among others. Because of our company's association with foods high in fat, sugar and salt, a number of these contributions were criticized by Dieticians for Public Integrity and other observers, leading to detrimental media coverage for our Company.

As long-term shareholders of McDonald's Corporation, we believe the Company should ensure that its practices minimize risk to its reputation and brand. Thus, the Company should disclose and review its charitable activities to ensure they are congruent with its stated values and avoid unnecessary risk to shareholder value.⁵ Vote yes if you agree with this view.

¹ http://corporate.mcdonalds.com/mcd/our_company/our-ambition.html

² <http://web.archive.org/web/20131019182904/http://www.aapexperience.org/2013/onsiteprogram.pdf>

³ <http://www.shape.com/blogs/shape-your-life/mcdonalds-sponsors-nutrition-convention>; <http://www.motherjones.com/environment/2014/05/my-trip-mcdonalds-sponsored-nutritionist-convention>

⁴ <http://integritydietitians.org/2016/02/19/mcdonalds-sponsors-michigan-academy-of-nutrition-and-dietetics-conference/>

⁵ <http://well.blogs.nytimes.com/2015/08/09/coca-cola-funds-scientists-who-shift-blame-for-obesity-away-from-bad-diets/>

THE BOARD'S STATEMENT IN OPPOSITION

The Board recommends voting **AGAINST** this proposal requesting the Board to publish an annual report identifying virtually all of the Company's charitable contributions and providing a congruency analysis between its corporate values and those contributions. The Company has meaningful, efficient processes in place for corporate governance and oversight of charitable contributions at the management and Board levels. After careful review of this proposal, the Board has determined that providing the requested disclosures would incur unnecessary expense without providing any meaningful benefit to shareholders.

McDonald's Guidelines for Charitable Contributions. Giving back to local communities is one of our core values. While charitable initiatives vary country to country, the Company is globally aligned around two main giving priorities: improving the lives of children and their families primarily through support of Ronald McDonald House Charities (as more fully described below), and strengthening communities by addressing local needs. The Company has in place global compliance guidelines for approval of charitable contributions, which are designed to ensure that corporate funds are allocated appropriately, and that contributions are aligned with the Company's giving priorities, core values and Brand image. Also, as part of its oversight responsibilities related to Brand trust, the Board's Sustainability & Corporate Responsibility Committee regularly reviews reports on the Company's charitable contributions and philanthropy initiatives. Further information regarding the Company's giving philosophy and activities is available on the Company's website at <http://corporate.mcdonalds.com/mcd/sustainability/community.html>. Accordingly, providing a detailed report including the amount of, and rationale behind, each individual contribution as requested by the proponent, would serve no useful purpose, while causing the Company to incur the unnecessary burden and expense of administering a complicated global reporting system, without providing any real value to shareholders.

McDonald's Employee Matching Gift Program. For U.S. based employees, the Company encourages individual giving by matching certain charitable contributions dollar for dollar (up to \$5,000 annually for most staff employees and \$10,000 annually for officers and members of the Company's Board of Directors). The Company has established qualification criteria for the not-for-profit organizations, which are designed to ensure that each matching contribution made by the Company will be consistent with the Company's core values and Brand image. The proposed cataloging and disclosure of these matching gift contributions as requested by the proponent would not be an efficient or appropriate use of the Company's resources, and, as stated above, would not provide any real value to shareholders.

McDonald's Support of Ronald McDonald House Charities (RMHC). The Company's "charity of choice" is RMHC, whose mission is to create, find and support programs that directly impact the health and well-being of children. At its corporate headquarters and in markets around the world, the Company provides direct financial support and in-kind support through use of Company facilities and resources. Of equal importance, Company employees have provided countless hours of volunteer support, not only to local chapter programs but through sharing knowledge and expertise in areas such as technology, accounting, marketing and legal, all intended to help reduce administrative expenses for RMHC. We are proud to have supported the growth of RMHC from one Ronald McDonald House in 1974 to a network of over 290 chapters spanning over 63 countries and regions.

Given the nature and scope of the Company's giving programs and the strong governance surrounding charitable contributions as described above, the Board believes that the annual report and analysis requested by the proponent would incur cost without commensurate benefit to shareholders. We also point to similar "congruency analysis" proposals related to corporate spending submitted by the same proponent in 2015 and 2016, which received support of approximately 7.50% and 5.41% of the votes cast, respectively.



The Board of Directors recommends that shareholders vote **AGAINST** this proposal.

EXHIBIT D

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549**

FORM 8-K

**CURRENT REPORT PURSUANT TO
SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of report (Date of earliest event reported): May 24, 2018

McDONALD'S CORPORATION

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

1-5231
(Commission
File Number)

36-2361282
(IRS Employer
Identification No.)

**110 North Carpenter Street
Chicago, Illinois**
(Address of Principal Executive Offices)

60607
(Zip Code)

(630) 623-3000
(Registrant's telephone number, including area code)

**One McDonald's Plaza
Oak Brook, Illinois 60523**
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 5.07. Submission of Matters to a Vote of Security Holders.

The following is a brief description of each matter voted upon at the Annual Shareholders' Meeting of McDonald's Corporation (the "Company") held on May 24, 2018, as well as the number of votes cast with respect to each matter.

Each of the eleven Directors proposed by the Company were re-elected by the following votes to serve until the Company's 2019 Annual Shareholders' Meeting or until his or her respective successor has been elected and qualified. The voting results were as follows:

<u>Director Name</u>	<u>Votes For</u>	<u>Votes Against</u>	<u>Abstentions</u>	<u>Broker Non-Votes</u>
Lloyd Dean	521,640,602	16,726,336	950,643	127,593,058
Stephen Easterbrook	531,016,539	7,397,698	903,344	127,593,058
Robert Eckert	518,445,933	19,930,251	941,397	127,593,058
Margaret Georgiadis	536,193,921	2,314,720	808,940	127,593,058
Enrique Hernandez, Jr.	504,149,424	34,102,711	1,065,446	127,593,058
Jeanne Jackson	514,922,573	23,570,629	824,379	127,593,058
Richard Lenny	521,098,727	17,234,658	984,196	127,593,058
John Mulligan	535,877,947	2,467,968	971,666	127,593,058
Sheila Penrose	529,740,932	8,776,504	800,145	127,593,058
John Rogers, Jr.	515,218,312	23,211,405	887,864	127,593,058
Miles White	473,017,606	65,403,615	896,360	127,593,058

The proposal regarding an advisory vote to approve the compensation awarded to the Company's named executive officers for 2017 was approved by shareholders. The votes on this matter were as follows: 503,560,659 votes for; 33,250,613 votes against; 2,506,309 abstentions; and 127,593,058 broker non-votes.

The proposal regarding an advisory vote to approve the appointment of Ernst & Young LLP to serve as independent auditor for 2018 was approved by shareholders. The votes on this matter were as follows: 646,716,944 votes for; 18,814,238 votes against; and 1,379,457 abstentions. There were no broker non-votes on this matter.

The proposal regarding an advisory vote on a shareholder proposal requesting the ability for shareholders to act by written consent was not approved by shareholders. The votes on this matter were as follows: 226,325,379 votes for; 309,276,282 votes against; 3,715,920 abstentions; and 127,593,058 broker non-votes.

The proposal regarding an advisory vote on a shareholder proposal requesting a report on plastic straws was not approved by shareholders. The votes on this matter were as follows: 41,267,695 votes for; 487,062,501, votes against; 10,987,385 abstentions; and 127,593,058 broker non-votes.

The proposal regarding an advisory vote on a shareholder proposal requesting a report on charitable contributions was not approved by shareholders. The votes on this matter were as follows: 16,927,612 votes for; 514,466,188 votes against; 7,923,781 abstentions; and 127,593,058 broker non-votes.

Item 7.01. Regulation FD Disclosure.

On May 24, 2018, the Company issued an Investor Release announcing that on the same day the Board declared a quarterly cash dividend. A copy of the Investor Release is attached as Exhibit 99 to this Form 8-K.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

99 [Investor Release of McDonald's Corporation issued May 24, 2018: McDonald's Announces Quarterly Cash Dividend](#)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

McDONALD'S CORPORATION

(Registrant)

Date: May 30, 2018

By: /s/ Denise A. Horne

Denise A. Horne

Corporate Vice President, Associate General Counsel
and Assistant Secretary