



DIVISION OF
CORPORATION FINANCE

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

April 3, 2023

Elizabeth A. Ising
Gibson, Dunn & Crutcher LLP

Re: McDonald's Corporation (the "Company")
Incoming letter dated January 23, 2023

Dear Elizabeth A. Ising:

This letter is in response to your correspondence concerning the shareholder proposal (the "Proposal") submitted to the Company by John Chevedden for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders.

The Proposal requests a report on the Company's lobbying expenditures that contains information specified in the Proposal.

There appears to be some basis for your view that the Company may exclude the Proposal under Rule 14a-8(i)(11). We note that the Proposal is substantially duplicative of a previously submitted proposal that will be included in the Company's 2023 proxy materials. Accordingly, we will not recommend enforcement action to the Commission if the Company omits the Proposal from its proxy materials in reliance on Rule 14a-8(i)(11).

Copies of all of the correspondence on which this response is based will be made available on our website at <https://www.sec.gov/corpfin/2022-2023-shareholder-proposals-no-action>.

Sincerely,

Rule 14a-8 Review Team

cc: John Chevedden

January 23, 2023

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 John Chevedden
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 2023 Annual Meeting of Shareholders (collectively, the "2023 Proxy Materials") a shareholder proposal and statements in support thereof (the "Duplicate Proposal") received from John Chevedden (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 2023 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 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 sent at the same time to the undersigned on behalf of the Company pursuant to Rule 14a-8(k) and SLB 14D.

Office of Chief Counsel
Division of Corporation Finance
January 23, 2023
Page 2

THE DUPLICATE PROPOSAL

The Duplicate Proposal, titled “Improve Transparency in regard to Lobbying,” states:

Resolved, the shareholders of McDonald’s request the preparation of a report, updated annually, disclosing:

1. Company policy and procedures governing lobbying, both direct and indirect, and grassroots lobbying communications.
2. Payments by McDonald’s used for (a) direct or indirect lobbying or (b) grassroots lobbying communications, in each case including the amount of the payment and the recipient.
3. McDonald’s membership in and payment to any tax-exempt organization that writes and endorses model legislation.
4. Description of management’s and the Board’s decision-making process and oversight for making payments described in sections 2 and 3 above.

For purposes of this proposal, a “grassroots lobbying communication” is a communication directed to the general public that (a) refers to specific legislation or regulation, (b) reflects a view on the legislation or regulation and (c) encourages the recipient of the communication to take action with respect to the legislation or regulation. “Indirect lobbying” is lobbying engaged in by a trade association or other organization of which McDonald’s is a member.

Both “direct and indirect lobbying” and “grassroots lobbying communications” include efforts at the local, state and federal levels.

The report shall be presented to the Public Policy and Strategy Committee and posted on McDonald’s website.

The Duplicate Proposal and correspondence with the Proponent relevant to this no-action request are attached to this letter as Exhibit A.

BASIS FOR EXCLUSION

We hereby respectfully request that the Staff concur in our view that the Duplicate Proposal may be excluded from the 2023 Proxy Materials pursuant to Rule 14a-8(i)(11) because the Duplicate Proposal substantially duplicates another proposal previously submitted to the Company that the Company intends to include in the 2023 Proxy Materials.

Office of Chief Counsel
Division of Corporation Finance
January 23, 2023
Page 3

ANALYSIS

The Duplicate Proposal May Be Excluded Under Rule 14a-8(i)(11) Because It Substantially Duplicates An Earlier Submitted Proposal That The Company Intends To Include In Its 2023 Proxy Materials

A. Background

On November 21, 2022, the Company received a shareholder proposal regarding lobbying disclosure submitted on behalf of SOC Investment Group requesting that the Company prepare a report on the Company's lobbying policy, procedures, payments, and oversight processes to be updated annually and posted on the Company's website and statement in support thereof (the "Prior Proposal," and together with the Duplicate Proposal, the "Proposals"). The Prior Proposal and related correspondence are attached to this letter as Exhibit B.

The Prior Proposal states:

Resolved, Company stockholders request the preparation of a report, updated annually, disclosing:

1. Company policy and procedures governing lobbying, both direct and indirect, and grassroots lobbying communications.
2. Payments by the Company used for (a) direct or indirect lobbying or (b) grassroots lobbying communications, in each case including the amount of the payment and the recipient.
3. Description of management's decision-making process and the Board's oversight for making payments described above.

For purposes of this proposal, a "grassroots lobbying communication" is a communication directed to the general public that (a) refers to specific legislation or regulation, (b) reflects a view on the legislation or regulation and (c) encourages the recipient of the communication to take action with respect to the legislation or regulation. "Indirect lobbying" is lobbying engaged in by a trade association or other organization of which the Company is a member.

Both "direct and indirect lobbying" and "grassroots lobbying communications" include efforts at the local, state and federal levels.

Office of Chief Counsel
Division of Corporation Finance
January 23, 2023
Page 4

The report shall be presented to the Governance Committee and posted on the Company website.

The Company received the Duplicate Proposal on December 8, 2022, which is after the date on which the Company first received the Prior Proposal. The Company intends to include the Prior Proposal in its 2023 Proxy Materials.

B. Analysis

Rule 14a-8(i)(11) provides that a shareholder proposal may be excluded if it “substantially duplicates another proposal previously submitted to the company by another proponent that will be included in the company’s proxy materials for the same meeting.” The Commission has stated that “the purpose of [Rule 14a-8(i)(11)] is to eliminate the possibility of shareholders having to consider two or more substantially identical proposals submitted to an issuer by proponents acting independently of each other.” Exchange Act Release No. 12999 (Nov. 22, 1976). When two substantially duplicative proposals are received by a company, the Staff has indicated that the company may exclude the later of the proposals it received from its proxy materials, unless the initial proposal otherwise may be excluded. *See, e.g., Great Lakes Chemical Corp.* (avail. Mar. 2, 1998); *Pacific Gas and Electric Co.* (avail. Jan. 6, 1994).

A later proposal may be excluded as substantially duplicative of an earlier proposal despite differences in terms or breadth and despite the proposals requesting different actions. For example, in *Exxon Mobil Corp.* (avail. Mar. 9, 2017), the proponent requested a report on the policies and procedures relating to the company’s political contributions and expenditures while a prior proposal requested a report relating to, among other related things, the company’s policies and procedures “governing lobbying . . . and grassroots lobbying communications.” The company argued that the later proposal substantially duplicated the prior proposal because “its real target [was] disclosure of contributions to third parties that are used for political purposes.” The proponent conceded that there may have been some overlap between the proposals but argued that its proposal was “far broader than the [prior] [p]roposal and request[ed] vastly more information” and even admitted that had the proposals been submitted in the opposite order, then the narrower proposal relating solely to lobbying disclosures might have been excludable. Nevertheless, the distinction on the timing and order of when the broader proposal was received did not change the analysis: the Staff concurred that the broader proposal was substantially duplicative of the earlier, narrower prior proposal and agreed with exclusion under Rule 14a 8(i)(11). *See also Amazon.com, Inc.* (avail. Apr. 6, 2022) (concurring that a proposal requesting the board commission an independent third-party audit on workplace health and safety, evaluating productivity quotas, surveillance practices, and the effects of these practices on injury rates and turnover was substantially duplicative of a proposal requesting the board commission an independent audit

Office of Chief Counsel
Division of Corporation Finance
January 23, 2023
Page 5

and report of the working conditions and treatment that warehouse workers face); *Exxon Mobil Corp.* (avail. Mar. 13, 2020) (“*Exxon 2020*”) (concurring with the exclusion of a proposal as substantially duplicative where the Staff explained that “the two proposals share a concern for seeking additional transparency from the [c]ompany about its lobbying activities and how these activities align with the [c]ompany’s expressed policy positions” despite the proposals requesting different actions); *Wells Fargo & Co.* (avail. Feb. 8, 2011) (concurring that a proposal seeking a review and report on the company’s loan modifications, foreclosures, and securitizations was substantially duplicative of a proposal seeking a report that would include “home preservation rates” and “loss mitigation outcomes,” which would not necessarily be covered by the other proposal); *Chevron Corp.* (avail. Mar. 23, 2009, *recon. denied* Apr. 6, 2009) (concurring that a proposal requesting that an independent committee prepare a report on the environmental damage that would result from the company’s expanding oil sands operations in the Canadian boreal forest was substantially duplicative of a proposal to adopt goals for reducing total greenhouse gas emissions from the company’s products and operations). The Staff has traditionally referred to Rule 14a-8(i)(11)’s substantial duplication standard as assessing whether the later proposal presents the same “principal thrust” or “principal focus” as a previously submitted proposal. *See Pacific Gas and Electric Co.* (avail. Feb. 1, 1993).

As demonstrated in the table beginning on the following page, the Proposals share both the same principal thrust and focus. In this regard, both Proposals seek the preparation of a report regarding the Company’s lobbying policy, procedures, payments, and oversight processes. A comparison of the two Proposals, as well as the supporting statements in each (collectively, the “Supporting Statements”), demonstrates that they address the same subject matter and share the same objective of having the Company provide additional disclosures regarding its lobbying activities:

<i>The Prior Proposal</i>	<i>The Duplicate Proposal</i>
<p><i>The Proposals both request disclosure regarding the Company’s lobbying policy, procedures, payments, and oversight processes.</i></p>	
<p>“Resolved, Company stockholders request the preparation of a report, updated annually, disclosing:</p> <ol style="list-style-type: none"> 1. Company policy and procedures governing lobbying, both direct and indirect, and grassroots lobbying communications. 2. Payments by the Company used for (a) direct or indirect lobbying or (b) grassroots lobbying communications, in each case including the amount of the payment and the recipient. 3. Description of management’s decision-making process and the Board’s oversight for making payments described above.” 	<p>“Resolved, the shareholders of McDonald’s request the preparation of a report, updated annually, disclosing:</p> <ol style="list-style-type: none"> 1. Company policy and procedures governing lobbying, both direct and indirect, and grassroots lobbying communications. 2. Payments by McDonald’s used for (a) direct or indirect lobbying or (b) grassroots lobbying communications, in each case including the amount of the payment and the recipient... 4. Description of management’s and the Board’s decision-making process and oversight for making payments described in sections 2 and 3 above.”
<p><i>The Proposals provide identical definitions of the same key terms used in the Proposals.</i></p>	
<p>“For purposes of this proposal, a ‘grassroots lobbying communication’ is a communication directed to the general public that (a) refers to specific legislation or regulation, (b) reflects a view on the legislation or regulation and (c) encourages the recipient of the communication to take action with respect to the legislation or regulation. ‘Indirect lobbying’ is lobbying engaged in by a trade association or other organization of which the Company is a member.</p> <p>Both ‘direct and indirect lobbying’ and ‘grassroots lobbying communications’</p>	<p>“For purposes of this proposal, a ‘grassroots lobbying communication’ is a communication directed to the general public that (a) refers to specific legislation or regulation, (b) reflects a view on the legislation or regulation and (c) encourages the recipient of the communication to take action with respect to the legislation or regulation. ‘Indirect lobbying’ is lobbying engaged in by a trade association or other organization of which McDonald’s is a member.</p> <p>Both ‘direct and indirect lobbying’ and ‘grassroots lobbying communications’</p>

include efforts at the local, state and federal levels.”	include efforts at the local, state and federal levels.”
<i>The Proposals both raise concerns about the alignment of the Company’s lobbying procedures with the Company’s goals and shareholder interests.</i>	
<p>“Whereas, we believe in full disclosure of lobbying activities and expenditures of McDonald’s Corporation (“Company”) to assess whether the Company lobbying is consistent with its expressed goals and stockholder interests.”</p> <p>“McDonald’s states that the ‘backbone of our Brand is, and always has been, a commitment to a core set of values,’ that includes integrity and community. Complete reporting would shed light on how that commitment operates in practice.”</p>	<p>“Whereas, full disclosure of McDonald’s lobbying activities and expenditures to assess whether McDonald’ [sic] lobbying is consistent with its expressed goals and shareholder interests.”</p> <p>“Reputational damage stemming from these misalignments and failure to disclose could harm shareholder value . . .”</p>
<i>The Proposals both are concerned with the adequacy of the Company’s current lobbying disclosure practices.</i>	
“McDonald’s does not currently report on the full extent of its lobbying efforts.”	“McDonald’s lack of disclosure presents reputational risks when its lobbying contradicts company public positions.”
<i>The Proposals both express concern about state and local-level lobbying procedures and expenditures.</i>	
<p>“The company spent \$5,748,941 in California, largely to oppose AB 257 in 2022, a state law that creates a council to set minimum standards on working conditions, and that industry groups now seek to overturn.”</p> <p>“The company also spent \$100,805 in lobbying activities in 2021 for New York City alone.”</p> <p>“State level lobbying disclosures are uneven, incomplete or absent. For example, in</p>	“This does not include state lobbying, where McDonald’s also lobbies, for example reportedly pushing its franchisees to lobby against a California fast-food labor law.”

Office of Chief Counsel
 Division of Corporation Finance
 January 23, 2023
 Page 8

<p>Florida McDonald’s spent anywhere between \$1-\$9,999 on lobbying for each of Q1-Q3 in 2022, a figure that does not provide investors with meaningful information.”</p>	
<p><i>The Proposals both are concerned with the Company’s spending on undisclosed, grassroots lobbying.</i></p>	
<p>“McDonald’s does not disclose donations to third party groups that spend millions on lobbying and often undisclosed grassroots activity; these groups may be spending ‘at least double what’s publicly reported.’”</p>	<p>“Companies can give unlimited amounts to third party groups that spend millions on lobbying and undisclosed grassroots activity.”</p>
<p><i>The Proposals both are concerned with the Company’s disclosures regarding its membership in specific trade associations.</i></p>	
<p>“While McDonald’s discloses a list of trade association memberships, it does not disclose indirect lobbying expenditures through groups like the International Franchise Association, Business Roundtable, or the National Restaurant Association (NRA), all of which McDonald’s is a member.”</p> <p>“In 2022, the NRA spent \$2,110,000 and previously lobbied Congress against paid sick leave during the Covid-19 pandemic.”</p>	<p>“[McDonald’s] only discloses major national trade association memberships such as the International Franchise Association (IFA) and National Restaurant Association (NRA). The disclosure leaves out state trade associations like Illinois Restaurant Association, all SWGs and also membership in the Business Roundtable (BRT), which has spent over \$365 million on federal lobbying since 1998.”</p> <p>“For example, McDonald’s states it is taking action on climate change, yet the BRT opposed the Inflation Reduction Act and its historic investments in climate action. McDonald’s believes in providing a best-in-class employee experience, yet NRA and IFA are lobbying to block state wage laws. And while McDonald’s previously left the American Legislative Exchange Council, which is attacking “woke capitalism,” it is represented by its trade association, as IFA was a sponsor of its 2022 annual meeting.”</p>

Office of Chief Counsel
Division of Corporation Finance
January 23, 2023
Page 9

Although the Duplicate Proposal and the Prior Proposal use some different words to phrase their shared request that the Company prepare a report detailing its lobbying procedures and expenditures, and employ several unique examples in their respective supporting statements, these are not substantive differences that detract from the overall shared principal thrust or focus of the Proposals. The only notable difference between the Proposals is the addition of Item 3 in the Resolved clause of the Duplicate Proposal. This item requests that the proposed report include the Company's "membership in and payments to any tax-exempt organization that writes and endorses model legislation." However, the rest of the Proposals are nearly identical, and this one difference does not change the principle focus of the Proposals.

The Staff has consistently concurred with the exclusion under Rule 14a-8(i)(11) of substantially duplicative proposals relating to lobbying expenditures. Most recently, in *Pfizer Inc. (Tara Health Foundation)* (avail. Feb. 22, 2022), the company received two proposals that, like the Proposals, were substantially similar except that the latter-received proposal included a request for additional details not included in the earlier-received proposal. The company argued that the latter-received proposal was excludable under Rule 14a-8(i)(11) because the principal focus of both proposals related to the alignment of the company's stated values and its lobbying and electioneering expenditures and that the proposals "share[d] the same thrust and focus – an analysis of the congruency of Pfizer's political and electioneering expenditures during the preceding year against Pfizer's publicly stated values and policies." Although the latter-received proposal also requested that the report "list[] and explain[] any instances of incongruent expenditures, and stat[e] whether the identified incongruencies have led to a change in future expenditures or contributions," the Staff concurred with exclusion under Rule 14a-8(i)(11). Similarly, in *Exxon 2020*, the company received two proposals, one of which was substantially similar to the Proposals and another, latter-received proposal that requested a report on how the company's "lobbying activities (direct and through trade associations) align with the goal of limiting average global warming to well below 2 degrees Celsius," including the company's plans to mitigate any risks from "misaligned lobbying." The company argued that the latter-received proposal was excludable under Rule 14a-8(i)(11) because the principal focus of both proposals related to the company's lobbying expenses. In concurring with exclusion, the Staff noted that "the two proposals share a concern for seeking additional transparency from the [c]ompany about its lobbying activities and how these activities align with the [c]ompany's expressed policy positions, of which one is the [c]ompany's stated support of the Paris Climate Agreement." See also *Lehman Brothers Holdings, Inc.* (avail. Jan. 12, 2007) (concurring with exclusion under Rule 14a-8(i)(11) where an earlier proposal requested a report on contributions "in respect of a political campaign, political party, referendum or citizens['] initiative, or attempts to influence legislation" and a later "much more comprehensive" proposal sought not only the same information but also additional

Office of Chief Counsel
Division of Corporation Finance
January 23, 2023
Page 10

disclosures regarding “contributions to or expenditures on behalf of independent political committees . . . and amounts paid to entities such as trade associations that are used for political purposes”); *Bank of America Corp. (AFL-CIO Reserve Fund)* (avail. Feb. 14, 2006) (concurring with the exclusion of a proposal as substantially duplicative of a prior political contributions proposal despite the proponent’s assertion that the subsequent proposal was “much broader in scope” and “would capture a much wider array of political contributions than the [prior] [p]roposal”).

Additionally, the Staff recently determined that shareholder proposals virtually identical to the Proposals were substantially duplicative for purposes of Rule 14a-8(i)(11). In *The Walt Disney Co. (National Center for Public Policy Research)* (avail. Dec. 6, 2019), the company first received a proposal (the “Disney First Proposal”), the resolved clause of which is identical to the resolved clause in the Company’s Prior Proposal except for company-specific references. The company then received a subsequent proposal (the “Disney Excluded Proposal,” and together with the Disney Prior Proposal, the “Disney Proposals”), virtually identical to the Proposal except for company-specific references. The resolved clauses in the Disney Proposals were virtually identical—the only substantive difference in the Disney Proposals was the addition in the Disney Excluded Proposal of the requirement that the report include the company’s “membership and payments to any tax-exempt organization that writes and/or endorses model legislation” (which is the same substantive difference between the Proposals). In light of the company’s representation to include the Disney Prior Proposal in its proxy materials, the Staff concurred with the exclusion of the later received Disney Excluded Proposal under Rule 14a-8(i)(11). Given that the Proposals essentially mirror the Disney Proposals as described above, the Proposals are excludable under Rule 14a-8(i)(11) just as in *Disney*.

Furthermore, the Staff has consistently concurred with the exclusion of proposals under Rule 14a-8(i)(11) when the earlier- and later-received proposals presented the same principal thrust or focus even when the supporting statements are worded differently. *See, e.g., Comcast Corp.* (avail. Mar. 14, 2019) (concurring with the exclusion of an independent board chair proposal, with a supporting statement outlining certain management-related benefits of an independent chair and expressing concern with the company’s current employment practices as substantially duplicative of an earlier-received proposal, with a supporting statement raising concerns with a certain “beneficial owner of [company] class B common stock (with 100-to-one voting power)”; *Pfizer Inc. (International Brotherhood of Teamsters General Fund)* (avail. Feb. 28, 2019) (concurring with the exclusion of a proposal requesting information on certain categories of lobbying expenditures and related company risks, with a supporting statement that “describe[d] the [p]roponents’ concern that the lack of lobbying disclosure creates reputational risk when such lobbying contradicts public positions,” as substantially duplicative of an earlier-received proposal with a supporting statement that “describe[d] lobbying in the context of [the company’s] free speech and freedom of

Office of Chief Counsel
Division of Corporation Finance
January 23, 2023
Page 11

association rights”); *Danaher Corp.* (avail. Jan. 19, 2017) (concurring with the exclusion of a proposal to adopt goals for reducing greenhouse gas emissions, with a supporting statement describing reasons to do so, as substantially duplicative of an earlier-received proposal with a supporting statement describing risks and opportunities associated with climate change).

As noted above, the resolved clauses of the Proposals are nearly identical in the phrasing of their request that the Company produce a report on its lobbying policy, procedures, payments, and oversight processes. Aspects of the Supporting Statements also rely on the same facts to make similar arguments. For example, both Proposals express concerns about gaps in the Company’s current lobbying disclosures, including disclosures related to state-level lobbying and third party groups such as trade associations, pointing to similar examples of each. While the Supporting Statements contain some differing arguments in support of their shared request, consistent with the aforementioned precedent, including *Disney*, this does not change the conclusion that the Duplicate Proposal would have its key focus addressed through implementation of the Prior Proposal and shares the same principal thrust or focus.

Furthermore, as noted above, the purpose of Rule 14a-8(i)(11) “is to eliminate the possibility of shareholders having to consider two or more substantially identical proposals submitted to an issuer by proponents acting independently of each other.” Exchange Act Release No. 12999 (Nov. 22, 1976). As the Duplicate Proposal substantially duplicates the Prior Proposal, if the Company were required to include both Proposals in its 2023 Proxy Materials, there is a risk that the Company’s shareholders would be confused when asked to vote on both Proposals. In such a circumstance, shareholders could assume incorrectly that there are substantive differences between the Proposals and the requested actions. In addition, if the voting outcome on the Proposals differed, the shareholder vote would not provide guidance on what actions shareholders want the Company to pursue, given that the same actions would be necessary to implement either the Duplicate Proposal or the Prior Proposal.

Finally, we recognize that the Commission has proposed amendments to Rule 14a-8(i)(11) that would apply this basis to exclusion where the proposals involved “address[] the same subject matter and seek[] the same objective by the same means.” See Exchange Act Release No. 95267 (July 13, 2022) (the “2022 Proposing Release”). As an initial matter, we note that applying the revised standard for Rule 14a-8(i)(11) in the Proposed Amendments to the Proposal is inappropriate under the Administrative Procedure Act because those amendments have not been adopted by the Commission to date. Regardless, we believe that the Duplicate Proposal satisfies this standard as well for the reasons noted above, specifically the Proposals each seek to require that the Company disclose additional information regarding its lobbying policies and expenditures and would accomplish that shared objective by the same means—

Office of Chief Counsel
Division of Corporation Finance
January 23, 2023
Page 12

the preparation of an annual report by the Company's Board of Directors using nearly identical criteria and posting the report on the Company's website.

For the reasons discussed above, the principal thrust or focus of the Proposals is the same. Moreover, the Company intends to include the Prior Proposal in the 2023 Proxy Materials. Accordingly, the Company believes that the Duplicate Proposal may be excluded under Rule 14a-8(i)(11).

CONCLUSION

Based upon the foregoing analysis, we respectfully request that the Staff concur that it will take no action if the Company excludes the Duplicate Proposal from its 2023 Proxy Materials pursuant to Rule 14a-8(i)(11).

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 Austin Arnett, the Company's Senior Counsel, at (231) 563-3233.

Sincerely,



Elizabeth A. Ising

Enclosures

cc: Austin Arnett, McDonald's Corporation
Jeffrey Pochowicz, McDonald's Corporation
John Chevedden

EXHIBIT A

[REDACTED]

Ms. Desiree Ralls-Morrison
Corporate Secretary
McDonald's Corporation (MCD)
110 North Carpenter Street
Chicago, IL 60607

[REDACTED]

Dear Ms. Ralls-Morrison,

This Rule 14a-8 proposal is respectfully submitted in support of the long-term performance of our company.

This Rule 14a-8 proposal is intended as a low-cost method to improve company performance – especially compared to the substantial capitalization of our company.

This proposal is for the next annual shareholder meeting.

I intend to continue holding the required amount of Company shares through the date of the Company's 2023 Annual Meeting of Stockholders (and beyond) as is or will be documented in my ownership proof.

This submitted format, with the shareholder-supplied emphasis, is intended to be used for definitive proxy publication.

Please assign the proper sequential proposal number in each appropriate place.

Please use the title of the proposal in bold in all references to the proposal in the proxy and on the ballot. If there is objection to the title please negotiate or seek no action relief. This is important because it is not infrequent that rule 14a-8 proposals have been within 1% of being approved by shareholders. The rule 14a-8 proposal title is a key part of the rule 14a-8 proposal submission.

I expect to forward a broker letter soon so if you acknowledge this proposal in an email message it may very well save you from formally requesting a broker letter from me.

Sincerely,


John Chevedden

December 8, 2022
Date

cc: Arnett Austin [REDACTED]
Jennifer Card [REDACTED]
Corporate Secretary <corporatesecretary@us.mcd.com>

Proposal 4 – Improve Transparency in regard to Lobbying

Whereas, full disclosure of McDonald’s lobbying activities and expenditures to assess whether McDonald’ lobbying is consistent with its expressed goals and shareholder interests.

Resolved, the shareholders of McDonald’s request the preparation of a report, updated annually, disclosing:

1. Company policy and procedures governing lobbying, both direct and indirect, and grassroots lobbying communications.
2. Payments by McDonald’s used for (a) direct or indirect lobbying or (b) grassroots lobbying communications, in each case including the amount of the payment and the recipient.
3. McDonald’s membership in and payments to any tax-exempt organization that writes and endorses model legislation.
4. Description of management’s and the Board’s decision-making process and oversight for making payments described in sections 2 and 3 above.

For purposes of this proposal, a “grassroots lobbying communication” is a communication directed to the general public that (a) refers to specific legislation or regulation, (b) reflects a view on the legislation or regulation and (c) encourages the recipient of the communication to take action with respect to the legislation or regulation. “Indirect lobbying” is lobbying engaged in by a trade association or other organization of which McDonald’s is a member.

Both “direct and indirect lobbying” and “grassroots lobbying communications” include efforts at the local, state and federal levels.

The report shall be presented to the Public Policy and Strategy Committee and posted on McDonald’s website.

Supporting Statement

McDonald’s spent \$22 million from 2010 – 2021 on federal lobbying. This does not include state lobbying, where McDonald’s also lobbies, for example reportedly pushing its franchisees to lobby against a California fast-food labor law.¹ McDonald’s also lobbies abroad, spending between €400,000 – 499,999 on lobbying in Europe for 2021.

Companies can give unlimited amounts to third party groups that spend millions on lobbying and undisclosed grassroots activity.² McDonald’s does not disclose its payments to trade associations and social welfare groups (SWGs), or the amounts used for lobbying, and only discloses major national trade association memberships such as the International Franchise Association (IFA) and National Restaurant Association (NRA). The disclosure leaves out state trade associations like Illinois Restaurant Association, all SWGs and also membership in the Business Roundtable (BRT), which has spent over \$365 million on federal lobbying since 1998.

McDonald’s lack of disclosure presents reputational risks when its lobbying contradicts company public positions. For example, McDonald’s states it is taking action on climate change, yet the BRT opposed the Inflation Reduction Act and its historic investments in climate action.³ McDonald’s believes in providing a best-in-class employee experience, yet NRA and IFA are lobbying to block state wage laws.⁴ And while McDonald’s previously left⁵ the American Legislative Exchange Council, which is attacking “woke capitalism,”⁶ it is represented by its trade association, as IFA was a sponsor of its 2022 annual meeting.⁷

Reputational damage stemming from these misalignments and failure to disclose could harm shareholder value, and I urge McDonald’s to expand its lobbying disclosure.

¹ <https://www.cnn.com/2022/08/31/mcdonalds-us-head-says-california-fast-food-bill-unfairly-targets-big-chains-.html>.

² <https://theintercept.com/2019/08/06/business-group-spending-on-lobbying-in-washington-is-at-least-double-whats-publicly-reported/>.

³ <https://www.theguardian.com/environment/2022/aug/19/top-us-business-lobby-group-climate-action-business-roundtable;>
<https://popular.info/p/corporations-versus-the-climate>.

⁴ <https://www.fastcompany.com/90819939/the-fast-food-industry-just-proved-how-easy-it-is-to-hijack-californias-referendum-process>.

⁵ <https://www.motherjones.com/food/2012/04/mcdonalds-alec-pepsi-kraft-voter-id/>.

⁶ <https://www.exposedbycmd.org/2022/07/27/abandoning-free-market-and-liberty-principles-alec-takes-on-woke-capitalism-bodily-autonomy-and-more-at-its-annual-meeting/>.

⁷ <https://www.exposedbycmd.org/2022/11/30/alec-lawmakers-and-corporate-lobbyists-meet-in-d-c-to-debate-rewriting-the-constitution-punishing-socially-responsible-businesses-and-protecting-misinformation/>.

Notes:

Please use the title of the proposal in bold in all references to the proposal in the proxy and on the ballot. If there is objection to the title please negotiate or seek no action relief as a last resort.

“Proposal 4” stands in for the final proposal number that management will assign.

This proposal is believed to conform with Staff Legal Bulletin No. 14B (CF), September 15, 2004 including (emphasis added):

Accordingly, going forward, we believe that it would not be appropriate for companies to exclude supporting statement language and/or an entire proposal in reliance on rule 14a-8(l)(3) in the following circumstances:

- the company objects to factual assertions because they are not supported;
- the company objects to factual assertions that, while not materially false or misleading, may be disputed or countered;
- the company objects to factual assertions because those assertions may be interpreted by shareholders in a manner that is unfavorable to the company, its directors, or its officers; and/or
- the company objects to statements because they represent the opinion of the shareholder proponent or a referenced source, but the statements are not identified specifically as such.

We believe that it is appropriate under rule 14a-8 for companies to address these objections in their statements of opposition.

See also: Sun Microsystems, Inc. (July 21, 2005).

The stock supporting this proposal will be held until after the annual meeting and the proposal will be presented at the annual meeting. **I intend to continue holding the same required amount of Company shares through the date of the Company’s 2023 Annual Meeting of Stockholders as is or will be documented in my ownership proof.**

Please acknowledge this proposal promptly by email PII.

It is not intend that dashes (–) in the proposal be replaced by hyphens (-).
Please alert the proxy editor.

The color version of the below graphic is to be published immediately after the bold title line of the proposal at the **beginning** of the proposal and be **center justified**.



FOR

***Shareholder
Rights***

EXHIBIT B

November 21, 2022

[Via email to corporatesecretary@us.mcd.com](mailto:corporatesecretary@us.mcd.com)

McDonald's Corporation
Attn: Corporate Secretary
110 N. Carpenter St.
Chicago, IL 43017

Re: Shareholder proposal for 2023 Annual Shareholder Meeting

Dear Corporate Secretary,

The SOC Investment Group is submitting the attached proposal (the "Proposal") pursuant to the Securities and Exchange Commission's Rule 14a-8 to be included in the proxy statement of McDonald's Corporation (the "Company") for its 2023 annual meeting of shareholders.

The SOC Investment Group has continuously beneficially owned, for at least 3 years as of the date hereof, at least \$2,000 worth of the Company's common stock. Verification of this ownership will be sent under separate cover. The SOC Investment Group intends to continue to hold such shares through the date of the Company's 2023 annual meeting of shareholders.

The Proposal requests that the Company's Board of Directors report on lobbying activities and expenditures by the Company. We support this proposal because we believe that the Company and its shareholders would benefit from transparency concerning the use of corporate funds to influence legislation and regulation.

The SOC Investment Group is available to meet with the Company via teleconference on December 9 from 12pm-2 pm and December 14 from 2:30-4 pm, eastern. Please contact me at [REDACTED] or [REDACTED] to schedule a meeting, or with any questions.

Sincerely,



Dieter Waizenegger
Executive Director
SOC Investment Group

Whereas, we believe in full disclosure of lobbying activities and expenditures of McDonald's Corporation ("Company") to assess whether the Company lobbying is consistent with its expressed goals and stockholder interests.

Resolved, Company stockholders request the preparation of a report, updated annually, disclosing:

1. Company policy and procedures governing lobbying, both direct and indirect, and grassroots lobbying communications.
2. Payments by the Company used for (a) direct or indirect lobbying or (b) grassroots lobbying communications, in each case including the amount of the payment and the recipient.
3. Description of management's decision-making process and the Board's oversight for making payments described above.

For purposes of this proposal, a "grassroots lobbying communication" is a communication directed to the general public that (a) refers to specific legislation or regulation, (b) reflects a view on the legislation or regulation and (c) encourages the recipient of the communication to take action with respect to the legislation or regulation. "Indirect lobbying" is lobbying engaged in by a trade association or other organization of which the Company is a member.

Both "direct and indirect lobbying" and "grassroots lobbying communications" include efforts at the local, state and federal levels.

The report shall be presented to the Governance Committee and posted on the Company website.

Supporting Statement

McDonald's does not currently report on the full extent of its lobbying efforts. We do know that McDonald's spent \$21,330,000 from 2012-2022 on federal lobbying. The company spent \$5,748,941 in California, largely to oppose AB 257 in 2022, a state law that creates a council to set minimum standards on working conditions, and that industry groups now seek to overturn. The company also spent \$100,805 in lobbying activities in 2021 for New York City alone.

Beyond that, there is not a complete picture of the world's largest fast food restaurant's lobbying activities.

- State level lobbying disclosures are uneven, incomplete or absent. For example, in Florida McDonald's spent anywhere between \$1-\$9,999 on lobbying for each of Q1-Q3 in 2022, a figure that does not provide investors with meaningful information.
- McDonald's does not disclose donations to third party groups that spend millions on lobbying and often undisclosed grassroots activity; these groups may be spending "at least double what's publicly reported."¹

While McDonald's discloses a list of trade association memberships, it does not disclose indirect lobbying expenditures through groups like the International Franchise Association, Business Roundtable, or the National Restaurant Association (NRA), all of which McDonald's is a member. In 2022, the NRA spent \$2,110,000 and previously lobbied Congress against paid sick leave during the Covid-19 pandemic.

¹ <https://theintercept.com/2019/08/06/business-group-spending-on-lobbying-in-washington-is-at-least-double-whats-publicly-reported/>

McDonald's states that the "backbone of our Brand is, and always has been, a commitment to a core set of values," that includes integrity and community.² Complete reporting would shed light on how that commitment operates in practice.

² <https://corporate.mcdonalds.com/corpmcd/our-company/who-we-are/our-values.html>



November 23, 2022

McDonald's Corporation
Attn: Corporate Secretary
110 N. Carpenter St.
Chicago, IL 43017

Via email: corporatesecretary@us.mcd.com

Re: Shareholder proposal submitted by SOC Investment Group

Dear Corporate Secretary,

I write concerning a shareholder proposal (the "Proposal") submitted to McDonald's Corporation (the "Company") by SOC Investment Group. As of November 21, 2022, SOC Investment Group beneficially owned, and had beneficially owned continuously for at least three years, shares of the Company's common stock worth at least \$2,000 (the "Shares").

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

If you require any additional information, please do not hesitate to contact me at

[REDACTED]

Very truly yours,

A handwritten signature in blue ink that reads "Melissa Arriaga".

Melissa Arriaga
Assistant Vice President
Investment Management Division, Client Service