



WHEREAS: The World Health Organization and the U.S. Centers for Disease Control and Prevention have reported antibiotic resistance is a global public health crisis that threatens to overturn many of the medical advances made over the last century. In Europe, there is a review of the Veterinary Medicinal Products and Medicated Feed Regulations, which may lead to a ban of the routine administration of antibiotics to animals. Experts estimate antibiotic-resistant infections will kill 10 million people per year worldwide by 2050.

A major factor in the spread of antibiotic resistance is its overuse in food-producing animals. Over 70% of medically important antibiotics in the U.S. are sold for livestock use (FDA, 2012), often given to promote animal growth or to prevent rather than to treat illness.

McDonald's has phased out medically important antibiotics in its poultry supply chains in the U.S. in 2015. However, McDonald's has not committed to a similar sourcing policy for poultry outside the U.S., for beef or for pork.

In its annual report, McDonald's acknowledges continued business success "depends on our System's ability to anticipate and respond effectively to continuously shifting consumer demographics, trends in food sourcing, food preparation and consumer preferences in the IEO segment." In a recent survey of American adults, Crain's Chicago Business found that at least 34 percent would be more likely to eat at McDonald's if they served meat raised without antibiotics and hormones.

Subway announced a policy to serve beef and pork without routine antibiotic use by 2025; Panera Bread and Chipotle already serve meat raised without routine use of antibiotics. CKE Restaurants Inc. introduced the All-Natural Burger made from grass-fed, free-range cattle raised without antibiotics. Producers including Tyson, Applegate, and Niman Ranch supply beef and pork raised without antibiotics. Failure to offer antibiotic-free products endangers McDonald's market share.

In April 2016, investors holding over \$1 trillion in assets called on McDonald's to set timelines to prohibit the use of medically important antibiotics in its global meat and poultry supply chains as they view its use as a risk to public health as well as the brand.

BE IT RESOLVED: Shareholders request that the Board update the 2015 McDonald's Global Vision for Antimicrobial Stewardship in Food Animals by adopting the following policy regarding use of antibiotics by its meat suppliers:

1. Globally in the poultry supply chain prohibit the use of antibiotics in classes of drugs used in human medicine for purposes other than treatment or non-routine control of veterinarian-diagnosed illness (e.g. for growth promotion and routine disease prevention), allowing only for use in treatment of veterinarian-diagnosed illness in a flock, and;
2. Set global sourcing targets with timelines for pork and beef raised without the non-therapeutic use of medically-important antibiotics.

SUPPORTING STATEMENT: Given growing health concerns, changing consumer preferences and industry trends, shareholders would benefit from more detailed plans that sets McDonald's on a course to phase-out the non-therapeutic use of medically important antibiotics in meat production.