

McDonald's & the Alliance for a Healthier Generation  
**FIVE-YEAR PROGRESS REPORT ON 2013 COMMITMENTS**



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# BACKGROUND

In September 2013, McDonald's began working with the Alliance for a Healthier Generation in a global effort to increase customers' access to fruits, vegetables, low-fat dairy, and water and to help families make informed choices. McDonald's made five commitments related to menu offerings, menu boards, packaging, and advertising directed to children to be implemented in 20 major markets by 2020.



## PARTICIPATING MARKETS

- Argentina
- Australia
- Austria
- Brazil
- Canada
- China
- France
- Germany
- Hong Kong
- Italy
- Japan
- Netherlands
- Poland
- Russia
- Spain
- Sweden
- Switzerland
- Taiwan
- United Kingdom
- United States

## ONGOING COMMITMENT

In addition to ongoing execution of these commitments, in February 2018, McDonald's announced five new global goals through 2022 that further its efforts with the Alliance for a Healthier Generation. The five Global Happy Meal Goals were developed with Healthier Generation and will include reporting very two years across the same 20 major markets. You can learn more about the Global Happy Meal Goals at <https://corporate.mcdonalds.com/corpmcd/scale-for-good/commitment-to-families.html>.



### COMMITMENT 1

Feature only water, milk, and juice as the beverages on Happy Meal menu boards and ads directed to children.



### COMMITMENT 2

Offer a side salad, fruit, or vegetable option as a substitute for french fries in value meals.



### COMMITMENT 3

Offer a new fruit, vegetable, low-fat dairy, or water option in the Happy Meal or use new packaging innovations to generate excitement for these options.



### COMMITMENT 4

Dedicate one panel of Happy Meal boxes or bags to communicate a fun nutrition or children's well-being message four times annually.



### COMMITMENT 5

Include a fun nutrition or children's well-being message in 100% of external ads directed to children.



Indicates footnote, which are available in Appendix B, pages 16-18

# METHODOLOGY

McDonald's committed to participate in independent verification and reporting on the 2013 Commitments. This process included the collection of data reported directly by the 20 McDonald's market teams and independent data collection including secret shopper surveys at randomly selected restaurants in each market. In addition to verifying progress toward each commitment, this report uses sales data to show how beverage and side item selections have changed since the commitments were made.

## TIMELINE



Visit [keybridgedc.com](http://keybridgedc.com) for the **DETAILED METHODOLOGY & GLOSSARY OF KEY TERMS**

## DATA SOURCES



### RESTAURANT SURVEYS

Over 665 restaurants were visited in 2018 and early 2019 to capture photos of menu boards, self-ordering kiosk screens, and in-store advertising directed to children. Surveyors were asked to purchase Happy Meals and capture photos of their contents, including the Happy Meal box or bag in which the meal was served.



### AD PLACEMENT DATA

The advertising agencies of record for McDonald's in each market provided detailed ad placement data to Keybridge. The data were reviewed to confirm that only the ads designed for media directed to children were shown on media directed to children.



### MEDIA FILES



McDonald's provided Keybridge with 210 Happy Meal box and bag images and 279 television and digital ads that were directed to children. External ads were reviewed to confirm that no soda was featured. Happy Meal boxes and external ads were reviewed to confirm the inclusion of qualifying nutrition or children's well-being messages.



### SALES DATA

McDonald's provided proprietary Happy Meal, value meal, and a la carte sales data to Keybridge. These data were reviewed to confirm the availability of qualifying new items. In addition, data were used to identify sales trends related to fruit, vegetable, low-fat dairy, and water options in Happy Meals and value meals.



Indicates footnote, which are available in Appendix B, pages 16-18

# RESULTS OVERVIEW

This report marks the final round of verification across all 20 participating markets for these 2013 commitments. The results demonstrate that **the 20 participating markets will meet the implementation goals ahead of schedule**. In 2018, the markets exceeded the milestone goals and largely met the 2020 goal of completely fulfilling the five commitments. The following summarizes results by commitment across the 20 markets.



## COMMITMENT 1 Happy Meal Beverages

97%

of menu boards and self-ordering kiosks observed in restaurant surveys featured **only water, milk, and juice** as the beverages in Happy Meals.



## COMMITMENT 2 Value Meal Side Salad

96%

of menu boards and self-ordering kiosks observed in restaurant surveys clearly communicated that a **side salad, fruit, or vegetable could be substituted for french fries** in a value meal.



## COMMITMENT 3 Happy Meal Innovations

93%

of surveyors were able to **purchase a fruit, vegetable, low-fat dairy, or water option** with their Happy Meal that was a new offering, came in new innovative packaging, or was provided as part of a sampling program.



## COMMITMENT 4 Happy Meal Boxes & Bags

6  
Happy Meal  
boxes

or bags distributed in each market, on average, featured panels **dedicated to a fun nutrition or children's well-being message** - more than the four boxes required per year to meet the commitment.



## COMMITMENT 5 Ads Directed to Children

97%

of TV and digital ads designed for media directed to children included **fun nutrition or children's well-being messages**.

While all 20 markets took actions to fulfill each commitment, five markets had additional work to do to fulfill one or two commitments. Those markets have outlined plans for improving their fulfillment of these commitments in 2019. Once verification of these additional actions is completed, this report will be updated through an addendum showing those results.

# IMPACTS

As part of the verification and reporting of progress on McDonald's 2013 Commitments, each market reported sales data for relevant Happy Meal and value meal side, dessert, and beverage offerings. These data help to demonstrate the changes made, the scale, and the impact of actions taken to fulfill the commitments. The following are among the key findings observed across all markets that were able to report the sales data. 

## MENU OFFERINGS & INNOVATIONS



**161** fruit, vegetable, low-fat dairy, and water options were offered in Happy Meals in 2018, including **43 new options** that were added to menus after the commitments were announced in September 2013.



**67** fruit & vegetable options



**34** no- & low-fat dairy options



**34** juice & juice drink options



**26** water options

## CHANGE IN CUSTOMER SELECTIONS



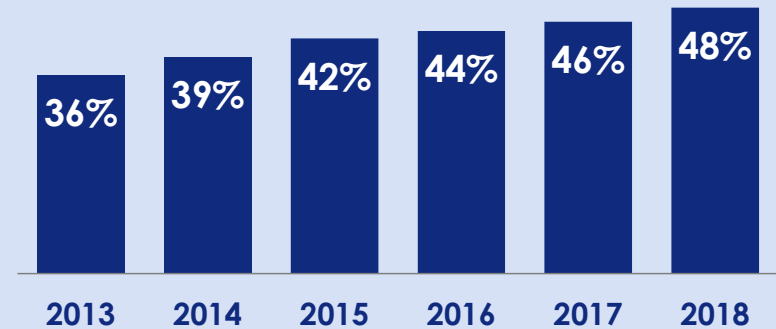
The share of Happy Meals served with milk, water, or juice has increased by

**+12 percentage points**

since the commitment to remove sodas from menu boards was announced in September 2013.

### HAPPY MEAL BEVERAGE SELECTIONS

Percent of Happy Meals Served with Milk, Water or Juice



## SCOPE & SCALE



**6.4+ billion**

fruit, vegetable, low-fat dairy, and water items have been served in Happy Meals since September 2013 across 20 participating markets.



**200+ million**

value meal customers chose a side salad, fruit, or vegetable instead of french fries since September 2013.



Indicates footnote, which are available in Appendix B, pages 16-18

# COMMITMENT 1 RESULTS



Feature only water, milk, and juice as the beverages on Happy Meal menu boards and in ads directed to children. <sup>3,4</sup>



**100%**  
of Happy Meal menu boards seen inside restaurants across the 20 markets featured only milk, water, and juice.



**99%**  
of Happy Meal menu boards seen in drive thru across the 20 markets featured only milk, water, and juice.



**92%**  
of Happy Meal primary beverage selection pages on self-ordering kiosks across the 20 markets featured only milk, water, and juice.



**100%**  
of toy displays and posters directed to children that were observed in restaurants across the 20 markets did not feature soda.



**100%**  
of television ads designed for media directed to children across the 20 markets did not feature soda.



**100%**  
of digital ads designed for media directed to children across the 20 markets did not feature soda.

Happy Meal Menu Boards

Self-Ordering Kiosks

In-Store Advertising

External Advertising

To fulfill Commitment 1, all Happy Meal menu boards must only feature milk, water, and juice options. Soda and other sugar-sweetened beverages may not be listed or pictured.

## EXAMPLE: Happy Meal Menu Board | United States

**happy meal**  
includes apple slices & kids fries

**4 Pc. Chicken McNuggets** 305 Cal. 0.00  
**Hamburger** 365 Cal. 0.00  
**Cheeseburger** 415 Cal. 0.00

**mighty kids meal** includes apple slices & small fries

**6 Pc. Chicken McNuggets** 525 Cal. 0.00  
**McDouble** 635 Cal. 0.00  
add McNuggets' Sauces 30-110 Cal. ea.

**choose a drink for your meal** additional charges may apply  
1% Low-Fat White Milk +100 Cal. Kids Soft Drink +0-120 Cal.  
Fat Free Chocolate Milk +130 Cal. Small Soft Drink\* +0-160 Cal.  
100% Apple Juice +100 Cal. \*Mighty Kids Meal only

With every Happy Meal or Mighty Kids Meal purchase, a donation is made to Ronald McDonald House Charities. From June 25, 2015 - December 31, 2017, participating McDonald's® will donate a penny per Happy Meal or Mighty Kids Meal sold to Ronald McDonald House Charities. For more information go to rnhc.org.

2013 Menu Board

Non-Compliant Beverages Listed

**Happy Meal**

**Choose a meal** with kids fries

4 pc. Chicken McNuggets® 000 | 310-440 Cal. Sauces add 30-110 Cal. ea.  
6 pc. Chicken McNuggets® 000 | 400-530 Cal. Sauces add 30-110 Cal. ea.  
Hamburger 000 | 380-510 Cal.

**Choose a side**\*\*\*

Go-GURT®  
Apple Slices

**Choose a drink**\*\*\*

Honest Kids® Organic Apple Juice Drink  
White Milk  
Dasani® Water

\*\*\*Additional charges may apply.

2018 Menu Board

Only Compliant Beverages Listed



Indicates footnote, which are available in Appendix B, pages 16-18

# COMMITMENT 1 RESULTS



Feature only water, milk, and juice as the beverages on Happy Meal menu boards and in ads directed to children. <sup>3,4</sup>



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Happy Meal Menu Boards

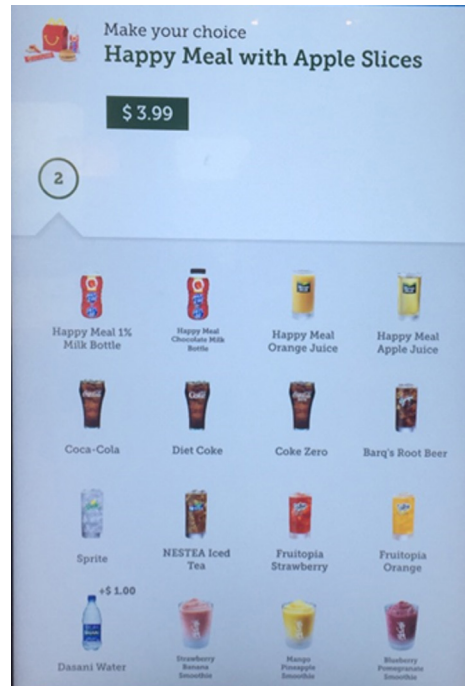
Self-Ordering Kiosks

In-Store Advertising

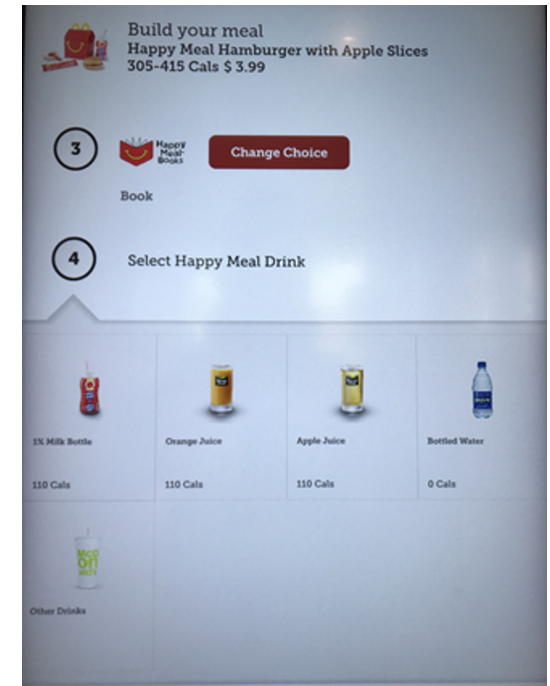
External Advertising

To fulfill Commitment 1, self-ordering kiosks must only feature milk, water, and juice options on the primary Happy Meal beverage selection screen. Soda and other beverages may be listed, but not pictured, on a secondary beverage selection screen if a customer first selects an "Other Beverages" option.

## EXAMPLE: Happy Meal Beverage Selection Screen | Canada



**Non-Compliant Kiosk Screen**  
Before June 2018



**Compliant Kiosk Screen**  
After June 2018



# COMMITMENT 1 RESULTS



Feature only water, milk, and juice as the beverages on Happy Meal menu boards and in ads directed to children. <sup>3,4</sup>



**100%**

of Happy Meal menu boards seen inside restaurants across the 20 markets featured only milk, water, and juice.



**99%**

of Happy Meal menu boards seen in drive thru across the 20 markets featured only milk, water, and juice.



**92%**

of Happy Meal primary beverage selection pages on self-ordering kiosks across the 20 markets featured only milk, water, and juice.



**100%**

of toy displays and posters directed to children that were observed in restaurants across the 20 markets did not feature soda.



**100%**

of television ads designed for media directed to children across the 20 markets did not feature soda.



**100%**

of digital ads designed for media directed to children across the 20 markets did not feature soda.

Happy Meal Menu Boards

Self-Ordering Kiosks

In-Store Advertising

External Advertising

To fulfill Commitment 1, in-store advertising directed to children, such as toy merchandisers and Happy Meal posters, must only feature milk, water, or juice when beverages are featured.

## EXAMPLES: In-Store Advertising | United States



Happy Meal Toy Merchandiser with Qualifying Beverage Featured



Happy Meal Poster with Qualifying Beverage Featured

# COMMITMENT 1 RESULTS



Feature only water, milk, and juice as the beverages on Happy Meal menu boards and in ads directed to children. <sup>3,4</sup>



**100%**

of Happy Meal menu boards seen inside restaurants across the 20 markets featured only milk, water, and juice.



**99%**

of Happy Meal menu boards seen in drive thru across the 20 markets featured only milk, water, and juice.



**92%**

of Happy Meal primary beverage selection pages on self-ordering kiosks across the 20 markets featured only milk, water, and juice.



**100%**

of toy displays and posters directed to children that were observed in restaurants across the 20 markets did not feature soda.



**100%**

of television ads designed for media directed to children across the 20 markets did not feature soda.



**100%**

of digital ads designed for media directed to children across the 20 markets did not feature soda.

Happy Meal Menu Boards

Self-Ordering Kiosks

In-Store Advertising

External Advertising

To fulfill Commitment 1, external advertisements directed to children cannot feature beverages other than milk, water, or juice.

**EXAMPLE: Television Ad Promoting Qualifying Beverages | Argentina**



*"Drinking dairy products is healthy, and they're delicious!"*

<sup>3,4</sup> Indicates footnote, which are available in Appendix B, pages 16-18

# COMMITMENT 2 RESULTS



Offer a side salad, fruit, or vegetable option as a substitute for french fries in value meals. <sup>Q</sup>



99%

of value meal menu boards seen inside restaurants featured the side salad option.



97%

of value meal menu boards seen in drive thrus featured the side salad option.



99%

of value meal side selection pages on self-ordering kiosks featured the side salad, fruit, or vegetable option.



99%

of menu boards seen inside restaurants and in drive thrus pictured the salad option when french fries were pictured.

## Value Meal Menu Boards

## Self-Ordering Kiosks

To fulfill Commitment 2, value meal menu boards must clearly communicate the side salad, fruit, or vegetable side option. If french fries are pictured on the menu board, the side salad, fruit, or vegetable option must also be pictured.

### EXAMPLE: Value Meal Menu Board | Austria

Value Meal Menu Board with Only French Fries Featured  
Before September 2018



Value Meal Menu Board with Salad and French Fries Featured  
After September 2018



# COMMITMENT 2 RESULTS



Offer a side salad, fruit, or vegetable option as a substitute for french fries in value meals. <sup>Q</sup>5



99%

of value meal menu boards seen inside restaurants featured the side salad option.



97%

of value meal menu boards seen in drive thrus featured the side salad option.



99%

of value meal side selection pages on self-ordering kiosks featured the side salad, fruit, or vegetable option.



99%

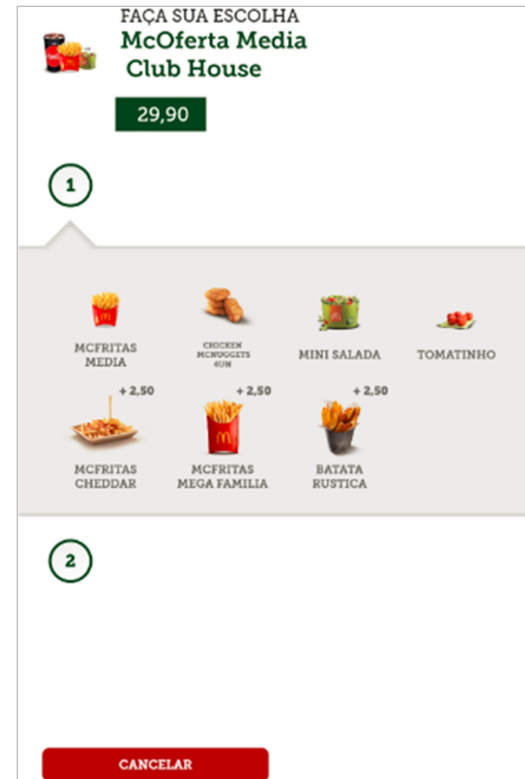
of menu boards seen inside restaurants and in drive thrus pictured the salad option when french fries were pictured.

## Value Meal Menu Boards

## Self-Ordering Kiosks

To fulfill Commitment 2, value meal ordering sequences on self-ordering kiosks must feature the side salad, fruit, or vegetable side option as a substitute for french fries.

### EXAMPLE: Value Meal Menu Side Selection Screen | Brazil

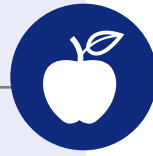


Value Meal Side Selection Screen with Salad and Cherry Tomatoes Featured



Indicates footnote, which are available in Appendix B, pages 16-18

# COMMITMENT 3 RESULTS



Offer a new fruit, vegetable, low-fat dairy, or water option in the Happy Meal or use new packaging innovations to generate excitement for these options.



**43**

fruit, vegetable, low-fat dairy, and water options offered in Happy Meals in 2018 across the 20 participating markets were introduced after September 2013.



**4**

packaging innovations offered in 2018 were introduced to Happy Meals across the 20 participating markets after September 2013.



**2**

sampling programs for Happy Meal fruit, vegetable, low-fat dairy, and water options offered in 2018 across the 20 participating markets were introduced after September 2013.



**93%**

of surveyors were able to purchase or receive the qualifying new items, packaging innovations, or samples in Happy Meals.

## Qualifying Actions

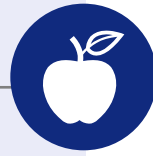
## Happy Meal Purchases

To fulfill Commitment 3, each of the 20 participating markets were required to introduce one qualifying item to Happy Meals, one packaging innovation, or one sampling program. The markets offered 49 qualifying actions in 2018 that were introduced after September 2013.

### QUALIFYING NEW HAPPY MEAL OFFERINGS | 20 Markets



# COMMITMENT 3 RESULTS



Offer a new fruit, vegetable, low-fat dairy, or water option in the Happy Meal or use new packaging innovations to generate excitement for these options.



**43**

fruit, vegetable, low-fat dairy, and water options offered in Happy Meals in 2018 across the 20 participating markets were introduced after September 2013.



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packaging innovations offered in 2018 were introduced to Happy Meals across the 20 participating markets after September 2013.



**2**

sampling programs for Happy Meal fruit, vegetable, low-fat dairy, and water options offered in 2018 across the 20 participating markets were introduced after September 2013.



**93%**

of surveyors were able to purchase or receive the qualifying new items, packaging innovations, or samples in Happy Meals.

## Qualifying Actions

## Happy Meal Purchases

To verify that the new, qualifying items were available in restaurants, surveyors were asked to purchase a Happy Meal with the qualifying item and take a photo of their purchase.

### EXAMPLE: Happy Meal Purchase with Qualifying New Item | France



Purchased on October 29, 2018



Indicates footnote, which are available in Appendix B, pages 16-18

# COMMITMENT 4 RESULTS



Dedicate one panel of Happy Meal boxes or bags to communicate a fun nutrition or children's well-being message four times annually.



117

different Happy Meal box designs with a qualifying message were distributed in 2018 across the 20 participating markets



94%

of surveyors received a Happy Meal box that corroborated the promotional schedule or a generic box.

## Happy Meal Boxes with Qualifying Messages

Happy Meal Purchases

In order to fulfill Commitment 4, each market must dedicate one full panel of a Happy Meal box or bag to a fun nutrition or children's well-being message four times annually or for an equivalent amount of time – 16 weeks out of the year. <sup>6</sup>

### EXAMPLE: Happy Meal Box with Qualifying Panel | Netherlands

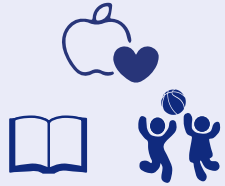


*"Eat fruit and vegetables every day!"*

# COMMITMENT 4 RESULTS



Dedicate one panel of Happy Meal boxes or bags to communicate a fun nutrition or children's well-being message four times annually.



117

different Happy Meal box designs with a qualifying message were distributed in 2018 across the 20 participating markets



94%

of surveyors received a Happy Meal box that corroborated the promotional schedule or a generic box.

Happy Meal Boxes with Qualifying Messages

Happy Meal Purchases

To verify the Happy Meal designs and distribution schedule provided by McDonald's, Keybridge asked surveyors to purchase a Happy Meal and take photos of the Happy Meal box they received.

**EXAMPLE: Happy Meal Box Received with Purchase | Argentina**



Purchased on April 11, 2018

*"Eating fruits will keep you healthy and strong!  
We all have a favorite sport. Discover yours and practice it!"*



Indicates footnote, which are available in Appendix B, pages 16-18



# COMMITMENT 5 RESULTS



Include a fun nutrition or children's well-being message in 100% of external ads directed to children. <sup>Q7</sup>



**100%**

of television ads designed for media directed to children included a qualifying fun nutrition or children's well-being message across the 20 markets.



**94%**

of digital ads designed for media directed to children included a qualifying fun nutrition or children's well-being message across the 20 markets.



**98%**

of external television ads shown during programs directed to children were children ads.



**100%**

of external digital ads shown on websites and apps directed to children were children's ads.

## Television Advertisements

## Digital Advertisements

In order to fulfill Commitment 5, all television ads designed for media directed to children must include a fun nutrition or children's well-being message.

### EXAMPLE: Television Ad with Qualifying Message | United Kingdom



*"Some people say that pineapples, when upside down, can taste sweeter. But that doesn't mean you have to eat them upside down! Pineapple sticks are back at McDonald's. Some fun, some food, it's all inside this Happy Meal."*



Indicates footnote, which are available in Appendix B, pages 16-18

# COMMITMENT 5 RESULTS



Include a fun nutrition or children's well-being message in 100% of external ads directed to children. <sup>Q7</sup>



**100%**

of television ads designed for media directed to children included a qualifying fun nutrition or children's well-being message across the 20 markets.



**94%**

of digital ads designed for media directed to children included a qualifying fun nutrition or children's well-being message across the 20 markets.



**98%**

of external television ads shown during programs directed to children were children ads.



**100%**

of external digital ads shown on websites and apps directed to children were children's ads.

Television Advertisements

Digital Advertisements

To fulfill Commitment 5, all digital ads designed for media directed to children must include a fun nutrition or children's well-being message.

**EXAMPLE: Digital Ad with Qualifying Message | Russia**



*"Don't forget to eat fruits and vegetables every day!"*



Indicates footnote, which are available in Appendix B, pages 16-18

# APPENDIX A: DATA TABLES

<b>COMMITMENT 1 METRICS</b>	ARG	AUS	AUT	BRA	CAN	CN <sup>13</sup>	FRA	DEU	HKG	ITA	JPN <sup>16</sup>	NLD	POL	RUS <sup>20</sup>	ESP	SWE	SUI	TWN <sup>22</sup>	UK	USA	Data Sources	
Percent of Happy Meal Menu Boards in Restaurants that Feature Only Water, Milk, or Juice <sup>1</sup>	100%	100%	100%	97%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	- <sup>23</sup>	100%	A
Percent of Happy Meal Menu Boards in Drive Thrus that Feature Only Water, Milk, or Juice <sup>1</sup>	100%	100%	100%	100%	- <sup>11</sup>	- <sup>14</sup>	100%	100%	- <sup>15</sup>	100%	83% <sup>17</sup>	100%	100%	100%	100%	100%	100%	100%	100%	- <sup>23</sup>	100%	A
Percent of Happy Meal Beverage Selection Screens on Self-Ordering Kiosks that Feature Only Milk, Water, or Juice <sup>2</sup>	100%	0% <sup>10</sup>	100%	100%	100%	100%	96%	100%	100%	100%	- <sup>18</sup>	100%	100%	100%	100%	100%	100%	100%	100%	100%	98%	A
Percent of Restaurants with Toy Merchandisers and/or Happy Meal Posters that Do Not Feature Soda <sup>3</sup>	100%	100%	100%	100%	100%	100%	100%	93%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	A
Percent of Television Ads Designed for Media Directed to Children that Do Not Feature Sodas	100%	No Ads	100%	100%	100%	No Ads	100%	100%	100%	100%	100%	100%	100%	100%	100%	No Ads	100%	100%	100%	100%	100%	B
Percent of Digital Ads Designed for Media Directed to Children that Do Not Feature Sodas	100%	No Ads	No Ads	No Ads	100%	No Ads	100%	100%	100%	No Ads	No Ads	100%	100%	100%	100%	No Ads	100%	No Ads	100%	100%	100%	B
Percent of Television Ads Shown on Programs Directed to Children which Were Children's Ads <sup>4</sup>	- <sup>9</sup>	No Ads	97%	100%	- <sup>12</sup>	No Ads	100%	100%	99%	100%	82% <sup>19</sup>	99%	98%	83% <sup>21</sup>	100%	No Ads	95%	96%	100%	100%	100%	C
Percent of Digital Ads Shown on Websites and Apps Directed to Children which Were Children's Ads <sup>5</sup>	100%	No Ads	No Ads	No Ads	100%	No Ads	100%	100%	100%	No Ads	No Ads	100%	100%	100%	100%	No Ads	100%	No Ads	100%	100%	100%	C

# APPENDIX A: DATA TABLES

<b>COMMITMENT 2 METRICS</b>	ARG	AUS	AUT	BRA	CAN <sup>25</sup>	CN	FRA	DEU	HKG <sup>28</sup>	ITA <sup>30</sup>	JPN	NLD	POL	RUS <sup>32</sup>	ESP	SWE	SUI	TWN	UK	USA	Data Sources	
Percent of Value Meal Menu Boards in Restaurants that List or Picture a Salad, Fruit, or Vegetable Option as a Substitute for French Fries	100%	83% <sup>24</sup>	100%	100%	100%	97%	100%	100%	100%	100%	100%	100%	100%	0% <sup>33</sup>	100%	97%	100%	100%	100%	100%	100%	A
Percent of Value Meal Menu Boards in Drive Thrus that List or Picture a Salad, Fruit, or Vegetable Option as a Substitute for French Fries	100%	93%	90%	100%	80% <sup>26</sup>	- <sup>27</sup>	100%	100%	- <sup>29</sup>	100%	100%	100%	100%	0% <sup>33</sup>	100%	90%	100%	100%	100%	100%	100%	A
Percent of Value Meal Side Selection Pages on Self-Ordering Kiosks that Feature a Salad, Fruit, or Vegetable Option	100%	97%	100%	100%	100%	100%	93%	100%	100%	100%	- <sup>31</sup>	100%	100%	100%	100%	100%	97%	100%	100%	95%	100%	A
Percent of Value Meal Menu Boards that Picture the Salad, Fruit, or Vegetable Option When French Fries Are Pictured	100%	93%	96%	100%	100%	97%	100%	100%	100%	100%	100%	100%	100%	0% <sup>33</sup>	100%	98%	100%	100%	100%	100%	100%	A

# APPENDIX A: DATA TABLES

<b>COMMITMENT 3 METRICS</b>	ARG	AUS	AUT	BRA	CAN	CN	FRA	DEU	HKG	ITA	JPN	NLD	POL	RUS	ESP	SWE	SUI	TWN	UK	USA	Data Sources
Number of Qualifying New Happy Meal Offerings, Packaging Innovations, and/or Sampling Programs Available in 2018 <sup>6</sup>	1	2	3	3	2	2	6	3	2	4	1	1	1	1	3	1	5	1	4	3	D
Percent of Restaurants Where the Qualifying Action Was Available for Purchase with a Happy Meal <sup>6, 7</sup>	100%	97%	93%	100%	97%	8% <sup>34</sup>	100%	100%	97%	97%	97%	97%	100%	79% <sup>35</sup>	100%	97%	100%	90%	97%	99%	A

<b>COMMITMENT 4 METRICS</b>	ARG	AUS	AUT	BRA	CAN	CN	FRA	DEU	HKG	ITA	JPN	NLD	POL	RUS	ESP	SWE	SUI	TWN	UK	USA	Data Sources
Number of Happy Meal Boxes with a Panel Dedicated to a Qualifying Message (4 Total Required Annually)	7	2 <sup>36</sup>	6	5	7	8	9	5	4	5	3 <sup>38</sup>	6	5	5	5	5	5	4	9	10	E
- Fun Nutriton Messages	5	1	6	5	1	7	4	2	2	4	0	5	5	3	3	4	4	2	0	8	E
- Children's Well-Being Messages	2	1	0	2	6	1	5	3	2	1	3	1	0	2	2	1	1	2	9	2	E
Percent of Surveyors Who Received the Promotional or Generic Happy Meal Box or Bag Expected for That Period	100%	100%	87%	90%	100%	83%	100%	97%	77% <sup>37</sup>	100%	91% <sup>39</sup>	100%	84%	94%	100%	100%	90%	73% <sup>40</sup>	100%	99%	A, E
- Promotional Box or Bag	59%	90%	63%	53%	77%	69%	100%	63%	0%	90%	0% <sup>39</sup>	93%	77%	77%	90%	33%	77%	0%	100%	78%	A, E
- Generic Box or Bag <sup>8</sup>	41%	10%	23%	37%	23%	14%	0%	33%	77%	10%	91% <sup>39</sup>	7%	7%	17%	10%	67%	13%	73%	0%	20%	A, E
Percent of Surveyors Who Received a Promotional Box or Bag from Another Period or No Box	0%	0%	13%	10%	0%	17%	0%	3%	23% <sup>37</sup>	0%	9% <sup>39</sup>	0%	17%	7%	0%	0%	10%	27% <sup>40</sup>	0%	1%	A, E

# APPENDIX A: DATA TABLES

<b>COMMITMENT 5 METRICS</b>	ARG	AUS	AUT	BRA	CAN	CN	FRA	DEU <sup>44</sup>	HKG	ITA	JPN	NLD	POL	RUS	ESP	SWE	SUI	TWN	UK	USA	Data Sources
Percent of Television Ads Designed for Media Directed to Children with Qualifying Messages	100%	No Ads	100%	100%	100%	No Ads	100%	100%	100%	100%	100%	100%	100%	100%	100%	No Ads	100%	100%	100%	100%	B
Percent of Digital Ads Designed for Media Directed to Children with Qualifying Messages	50% <sup>41</sup>	No Ads	No Ads	No Ads	100%	No Ads	100%	100%	100%	No Ads	No Ads	100%	100%	100%	0% <sup>47</sup>	No Ads	100%	No Ads	100%	100%	B
Percent of Television Ads Shown on Programs Directed to Children which Were Children's Ads <sup>4</sup>	- <sup>42</sup>	No Ads	97%	100%	- <sup>43</sup>	No Ads	100%	100%	99%	100%	82% <sup>45</sup>	99%	98%	83% <sup>46</sup>	100%	No Ads	95%	96%	100%	100%	C
Percent of Digital Ads Shown on Websites and Apps Directed to Children which Were Children's Ads <sup>5</sup>	100%	No Ads	No Ads	No Ads	100%	No Ads	100%	100%	100%	No Ads	No Ads	100%	100%	100%	100%	No Ads	100%	No Ads	100%	100%	C

# APPENDIX B: FOOTNOTES & DATA SOURCES

## REPORT FOOTNOTES

1. The 210 images of all Happy Meal boxes and bags provided by McDonald's represent all that were distributed in participating markets in 2018. The 279 external advertisements provided by McDonald's include all that were used in the participating markets between January – June 2018. Ads from the second half of 2018 were not included because the ad placement data used to verify those ads were not available at the time the analysis was conducted.
2. China, Japan, Russia, and Sweden were unable to provide complete sales data for the full 2013-2018 period. Three of those markets – China, Japan, and Russia – were unable to identify the number of fruit, vegetable, water, and low-fat dairy items that were served as part of the Happy Meal in earlier years. Those items were therefore not included in the sales totals shown in this report. All four markets were unable to provide Happy Meal beverage sales data for 2013. The data from those markets were therefore excluded from the measures of take rate changes since 2013. Further explanations about data availability in particular markets are included in footnotes to the Markets-at-a-Glance section of this report.
3. The following results regarding external advertisements are reflective of data collected for January – June 2018. Data for the remainder of 2018 were not available at the time the analysis was conducted.
4. Healthier Generation and McDonald's Corporate agree that the commitment requires markets to feature only milk, water, and juice, but it does not require them to feature all three.
5. McDonald's Russia introduced a value meal for the first time in August 2018. Due to the late introduction relative to when surveys were conducted, Russia's results are excluded from the following metrics. Further details are available in the Markets at-a-Glance page for Russia and in the Data Table Footnotes for Commitment 2.
6. Commitment 4 specifies that markets must distribute a qualifying Happy Meal box or bag four times annually. A typical market will change Happy Meal box or bag designs for each promotion, which last about 4 weeks on average. Some markets, however, change Happy Meal box designs much less frequently. To provide those markets with a target that is comparable to the four times annually target, an alternative approach of using a qualifying box for at least 16 weeks of the year was agreed to by McDonald's and the Alliance for a Healthier Generation. The 16-week threshold is similar to having 4 separate qualifying boxes for 4 weeks each.
7. The following results regarding external advertisements are reflective of data collected for January – June 2018. Data for the remainder of 2018 were not available at the time the analysis was conducted.

## DATA TABLE FOOTNOTES

1. Restaurants that do not have a Happy Meal menu board or do not feature any beverages on the Happy Meal menu board fulfill the commitment.
2. For beverage selection screens to qualify, the first page must only feature milk, water, or juice options with no listings, images, or logos of other beverages. Other beverages may be available for selection on a second page, but the page cannot include images or logos.
3. Restaurants that do not feature any beverages on the toy merchandiser and/or posters directed to children fulfill the commitment.
4. Includes ads with an audience composition of over 35% children under age 12 (30% in the U.S. and 20% in the UK), between 6 a.m. and 9 p.m., with over 1 GRP. Audience

composition measures are considered to be less reliable for programs with a GRP measurement below 1, which is why they are excluded from this analysis.

5. Demographic data on audience composition were unavailable for digital ads. Therefore, agencies reported all McDonald's ad purchases for websites and apps that are directed to children (e.g., nick.com) and for ad purchases made through media companies that target digital ads to children (e.g., Youthology).
6. Markets need to implement one qualifying action to fulfill Commitment 3. Some markets implemented more than one action, but only one action was verified independently.
7. At some restaurants, the qualifying items were not available for purchase. Surveyors who were unable to purchase the item were asked to confirm with a comment that the item was not available. Surveys in which a surveyor neither confirmed the availability of the item nor left a comment indicating that the item was not available were counted as errors.
8. Generic boxes or bags are used when supplies of promotional boxes or bags have been exhausted.

## Commitment 1

9. ARG: McDonald's ad agency of record changed during 2018 and McDonald's Argentina's ad data was provided by two different agencies. Due to differences in the two data sources, calculating a single percentage was not possible. However, the agencies were able to share enough data to confirm that adult-targeted ads were generally not shown during programs directed to an audience composed of 35% or more children.
10. AUS: Due to technical challenges associated with a nationwide roll-out of new software, the Happy Meal beverage selection pages for self-ordering kiosks were not compliant during the time of the survey. While Australia fulfilled Commitment 1 in all aspects outside of self-ordering kiosks, the market has committed to taking additional steps to reach full compliance on their kiosk screens in 2019. Additional surveys will take place in Australia in 2019 to verify that these steps are taken, and the results of those surveys will be published in an addendum to this report.
11. CAN: No Happy Meal menu boards were observed in drive thrus during the time of the survey.
12. CAN: Calculating this percentage for television ads was not possible due to the nature of the data provided by McDonald's Canada's ad agency of record. However, the data provided confirmed that adult-targeted ads were not shown during television programs directed to an audience composed of 35% or more children.
13. CN: In China, whole milk is included on Happy Meal menus rather than low-fat milk. According to the market team, whole milk is a more culturally appropriate dairy beverage option for children in China than low-fat milk. Additionally, whole milk meets local standards and is the primary milk beverage served in primary and secondary schools in China. Therefore, an exception was made to consider this beverage as appropriate for inclusion on Happy Meal menus and communications.
14. CN: No restaurants with drive thrus were observed during the time of the survey.
15. HKG: No restaurants with drive thrus were observed during the time of the survey.
16. JPN: In Japan, whole milk is included on Happy Meal menus rather than low-fat milk. According to the market team, whole milk is a more culturally appropriate dairy beverage option for children in Japan than low-fat milk. Additionally, whole milk meets local standards and is the primary milk beverage served in primary and secondary schools in Japan. Therefore, an exception was made to consider this beverage as appropriate for inclusion on Happy Meal menus and communications.

# APPENDIX B: FOOTNOTES & DATA SOURCES

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## FOOTNOTES, CONTINUED

### Commitment 1, continued

17. JPN: At the time when surveys were conducted, 3 out of 15 surveyed restaurants with drive thrus were still using older versions of Happy Meal menu boards that listed soda in the drive thrus. McDonald's Japan has committed to taking additional steps to encourage all restaurants to update Happy Meal menu boards in drive thrus. Additional surveys will take place in Japan in 2019 to verify that these steps are taken, and the results of those surveys will be published in an addendum to this report.
18. JPN: No self-ordering kiosks were present inside restaurants in Japan during the time of the survey.
19. JPN: Some non-Happy Meal ads that were intended to reach adults were shown to an audience of 35% or more children. The ads were shown during breaks between child-directed programming and adult-directed programming, which resulted in them being shown to audiences that qualified as directed to children. After the problem was identified, the McDonald's Japan marketing staff directed its ad agency of record to ensure that adult ads are no longer aired during program breaks immediately before or after children's programming. Ad placement data will be reviewed again in 2019 to ensure that these changes have been made and the results will be published in an addendum to this report.
20. RUS: In Russia, whole milk is included on Happy Meal menus rather than low-fat milk. According to the market team, whole milk is a more culturally appropriate dairy beverage option for children in Russia than low-fat milk. Additionally, whole milk meets local standards and is the primary milk beverage served in primary and secondary schools in Russia. Therefore, an exception was made to consider this beverage as appropriate for inclusion on Happy Meal menus and communications.
21. RUS: Between January - June 2018, McDonald's Russia aired a Happy Meal television ad designed to be shown to parents during programs that were directed to children. Nevertheless, the ad did not feature any soda.
22. TWN: In Taiwan, whole milk is included on Happy Meal menus rather than low-fat milk. An exception was made for this beverage because the entire Happy Meal bundle is strictly regulated for nutritional content (including limits on fat content) by Taiwan's Food and Drug Administration, and whole milk is the acceptable milk under those standards.
23. UK: While Happy Meals are offered at McDonald's restaurants in the UK, they were not featured on menu boards in 2018. As a result, no Happy Meal menu boards were observed in restaurants or drive thrus during the time of the survey.

### Commitment 2

24. AUS: At the time when surveys were conducted, 5 out of 30 surveyed restaurants had digital value meal menu boards where the listing for side salad was cut off or replaced with a different graphic. McDonald's Australia has committed to taking additional steps to encourage all restaurants to update value meal menu boards inside restaurants so that they feature the salad option.
25. CAN: Due to limited refrigeration space availability, restaurants located inside shopping centers or retail stores were excluded from the requirement to have side salads available for purchase. When conducting independent surveys in Canada, this set of restaurants (which represent 22 percent of all restaurants in Canada) was excluded from the sample.

26. CAN: At the time when surveys were conducted, 5 out of 25 surveyed restaurants with drive thrus were still using older versions of value meal menu boards that did not list the salad option in the drive thrus. McDonald's Canada has committed to taking additional steps to encourage all restaurants to update value meal menu boards in drive thrus.
27. CN: No restaurants with drive thrus were observed during the time of the survey.
28. HKG: In Hong Kong, medium and large value meals are offered. There is only one size of corn cup and, due to technical imitations in the point of sale system, it is only offered in the medium meal. While the commitment is to offer a salad, vegetable, or fruit alternative to french fries in all value meals, McDonald's Hong Kong was exempted from the requirement to offer corn cups in large value meals.
29. HKG: No restaurants with drive thrus were observed during the time of the survey.
30. ITA: In Italy, medium and large value meals are offered. There is only one size of side salad and, due to technical imitations in the point of sale system, it is only offered in the medium meal. While the commitment is to offer a salad, vegetable, or fruit alternative to french fries in all value meals, McDonald's Italy was exempted from this requirement to offer side salad in large value meals.
31. JPN: No self-ordering kiosks were present inside restaurants in Japan during the time of the survey.
32. RUS: In Russia, medium and large value meals are offered. There is only one size bag of carrots and, due to technical imitations in the point of sale system, it is only offered in the medium meal. While the commitment is to offer a salad, vegetable, or fruit alternative to french fries in all value meals, McDonald's Russia was exempted from this requirement to offer carrots in large value meals.
33. RUS: McDonald's Russia introduced a value meal for the first time in August 2018. Due to the late introduction relative to when surveys were conducted, there were implementation issues observed with value meal menu boards. Russia plans to make changes to menu boards to clearly communicate that carrots are a side option in value meals. These changes will be audited in 2019 and the results will be published in an addendum to this report.

### Commitment 3

34. CN: In 2018, McDonald's China offered two Happy Meal menu items that were introduced after September 2013: apple slices and 100% apple juice. Due to sourcing limitations, these items were only available in select restaurants. Since the time of the survey, McDonald's China has been able to introduce apple slices to restaurants nationwide. They also plan to introduce a new apple juice box option at restaurants nationwide in late 2019. Additional surveys will take place in China in 2019 to verify that Commitment 3 is fulfilled, and the results of those surveys will be published in an addendum to this report.



# APPENDIX B: FOOTNOTES & DATA SOURCES

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## FOOTNOTES, CONTINUED

### Commitment 3, continued

35. RUS: On Tuesdays in September 2018, restaurants in Russia gave out free bags of apple slices or carrots to Happy Meal customers as part of a promotion to generate excitement for these items. Surveyors were instructed to visit restaurants on Tuesdays in September, purchase a Happy Meal, and take a photo of the contents including any free sides they received. 79% percent of surveyors submitted a photo of their purchase that included the free apple or carrot bag. Because this was a new promotion and only offered on specific days of the week, some staff may not have been aware of the promotion. Going forward, this should not be an issue as McDonald's Russia plans to fulfill this commitment in 2019 through a more permanent offering – the introduction of a reduced-fat yogurt in Happy Meals. Additional surveys will take place in Russia in 2019 to verify that Commitment 3 is fulfilled, and the results of those surveys will be published in an addendum to this report.

### Commitment 4

36. AUS: In Australia, generic boxes with panels dedicated to a qualifying message were used for 39 weeks of the year, the equivalent of more than 9 promotional boxes.
37. HKG: At the time of the survey, a generic Happy Meal box was scheduled for distribution in Hong Kong. In several restaurants visited, the supply of the generic box had been exhausted and thus no Happy Meal box was received with surveyor purchases.
38. JPN: In Japan, generic boxes with panels dedicated to a qualifying message were used for 30 weeks of the year, the equivalent of more than 7 promotional boxes.
39. JPN: Due to an error in the survey instructions, many of the results of this survey question were excluded. The metric included here is reflective of all surveyors who successfully captured a photo of the box or bag in which the Happy Meal was served.
40. TWN: At the time of the survey, a generic Happy Meal box was scheduled for distribution in Taiwan. In several restaurants visited, the supply of the generic box had been exhausted and thus no Happy Meal box was received with surveyor purchases.

### Commitment 5

41. ARG: 1 out of 2 digital ads that were shown on child-directed websites in January – June 2018 did not include a qualifying message. The non-compliant ad was a banner ad that linked to a video ad that included a qualifying message. After discussion with the McDonald's corporate and Healthier Generation teams, it was agreed that to ensure effectiveness of this message, linking to a qualifying message will not be sufficient to meet this commitment in the future. With this clarification made, McDonald's Argentina has committed to ensuring that all future digital ads directed to children include a qualifying message directly.
42. ARG: McDonald's ad agency of record changed during 2018 and McDonald's Argentina's ad data was provided by two different agencies. Due to differences in the two data sources, calculating a single percentage was not possible. However, the agencies were able to share enough data to confirm that adult-targeted ads were generally not shown during programs directed to an audience composed of 35% or more children.

43. CAN: Calculating this percentage for television ads was not possible due to the nature of the data provided by McDonald's Canada's ad agency of record. However, the data provided confirmed that adult-targeted ads were not shown during television programs directed to an audience composed of 35% or more children.
44. DEU: In 2018, McDonald's Germany used a Happy Meal television ad promoting Mc-Freezy, a frozen fruit dessert item available in Happy Meals, that did not include a qualifying message when it first aired. The market team was made aware of this issue, edited the ad to include a qualifying message, and aired the new, compliant version of the ad for the remainder of the promotional period. This action was deemed to be sufficient to count as compliant with Commitment 5.
45. JPN: Some non-Happy Meal ads that were intended to reach adults were shown to an audience of 35% or more children. The ads were shown during breaks between child-directed programming and adult-directed programming, which resulted in them being shown to audiences that qualified as directed to children. After the problem was identified, the McDonald's Japan marketing staff directed its ad agency of record to ensure that adult ads are no longer aired during program breaks immediately before or after children's programming. Ad placement data will be reviewed again in 2019 to ensure that these changes have been made and the results will be published in an addendum to this report.
46. RUS: Between January - June 2018, McDonald's Russia aired a Happy Meal television ad that did not include a fun nutrition message during programs that were directed to children. The ad was designed to be shown to parents and, unlike the other Happy Meal ads, it was primarily shown during adult programming with low child viewership. However, the ad also appeared frequently during children's programming. McDonald's Russia and its ad agency are aware of this issue and will avoid showing ads that do not include a qualifying message during children's programming in the future. Ad placement data will be reviewed again in 2019 to ensure that these changes have been made and the results will be published in an addendum to this report.
47. ESP: All 5 digital ads that were shown on child-directed websites in January - June 2018 did not include a qualifying message. McDonald's Spain has committed to taking additional steps to ensure that all digital ads include a qualifying message in the future. Spain's ads will be reviewed again in 2019 to ensure that these changes have been made and the results will be published in an addendum to this report.

## DATA SOURCES

- A. Independent restaurant surveys administered by Keybridge.
- B. McDonald's-reported video and images of television and digital ads designed for children.
- C. Ad placement data collected from OMD, a leading global media communications agency.
- D. McDonald's-reported sales data.
- E. McDonald's-reported creative files of Happy Meal boxes.