



**McDonald's Restaurants of Canada Limited
Canadian Children's Food and Beverage Advertising Initiative
Commitment**

Entity Covered by Initiative: McDonald's Restaurants of Canada Limited
("McDonald's")
1 McDonald's Place
Toronto, ON
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Name of Person(s) Responsible for Overall Implementation of the Initiative:
Hope Bagozzi – Director of National Marketing, Creative and Media

Brand/Product Line Covered by Initiative: McDonald's Food and Beverages

McDonald's believes that it can play a role in helping our customers achieve a balanced, active lifestyle. McDonald's is pleased to offer a variety of menu options for our customers. To that end, we continually evaluate our menu, looking for ways to serve the products that fit into our customers' lives. For example, our expanded menu choice means that we offer hamburgers, chicken, Apple Slices, Fruit and Yogurt Parfaits, and salads, as well as water, apple juice, milk, orange juice and iced tea.

We also provide information to help our customers achieve their well-being goals. Our website, tray liners, customer relations hotline, and much of our food packaging, including certain Happy Meal® packaging, contain nutrition information about our products. From time to time, our Happy Meal packaging also includes well-being messages and activities.

McDonald's is proud of our long heritage of responsible communication with our customers, especially children, and continues to play a leadership role in the development of standards that govern advertising for children and adults. McDonald's is an active member of Concerned Children's Advertisers, and an active participant in Advertising Standards Canada's ("ASC") self-regulatory program.

In May 2007, McDonald's announced its support of the Canadian Children's Food and Beverage Advertising Initiative ("CCFBAl") that was developed by an industry task force whose members included McDonald's and other food companies.

McDonald's is pleased to present our commitment to this initiative. Because McDonald's updates its business practices as appropriate, from time to time, we may amend our Commitment, in consultation with ASC, upon 30 days written notice to ASC.

McDonald's Commitment:

Advertising Messaging.

100% of McDonald's National Advertising¹ primarily directed to children under 12 years old² will further the goal of healthy dietary choices by advertising products that represent healthy dietary choices (better-for-you products). McDonald's will achieve this objective by only featuring in National Advertising³ primarily directed to children under 12 years old meals that meet the following nutritional criteria: any advertised meal must provide no more than 600 calories; and no more than 35% of calories from fat, 10% of calories from saturated fat, and no more than 25% total energy from added sugar ("Advertised Meals"). The Advertised Meal will be one of the following: the 4-piece Chicken McNuggets® Happy Meal® with 1% low-fat white milk, Sweet and Sour Sauce, and Apple Slices with low-fat Caramel Dip, the Hamburger Happy Meal® with 1% low-fat white milk, and Apple Slices with low-fat Caramel Dip, or the Grilled Chicken *Snack Wrap*® Happy Meal® with 1% low-fat white milk, and Apple Slices with low-fat Caramel Dip. Meals and nutritional information for these meals are set out in Appendix A.

In addition, McDonald's will distribute advertising that prominently includes "healthy lifestyle messaging" designed to appeal to children. Exhibit B sets forth examples of such advertising.

By type of media, McDonald's support of the CCFBAI will be as follows:

- Television. All McDonald's National Advertising on television primarily directed to children under 12 years old will feature Advertised Meals. In addition, some of McDonald's National Advertising will promote "healthy lifestyle messages".
- Radio. McDonald's generally does not utilize radio in its National Advertising primarily directed to children under 12 years old, but if so will feature Advertised Meals and/or promote "healthy lifestyle messaging".
- Print. McDonald's generally does not utilize print media in its National Advertising primarily directed to children under 12 years old, but if so will feature Advertised Meals and/or promote "healthy lifestyle messages".

¹ "National Advertising" shall include any commercial message paid for and approved by McDonald's Canada and its affiliates, in television, radio, print, internet, video and computer games, DVDs, cell phones, PDAs or word of mouth advertising that is disseminated to all or a substantial portion of Canada. National advertising does not include point of sale materials (i.e., menus, tray liners, kiosks, signs, food wraps, boxes, bags, packages).

² Advertising primarily directed to children under 12 years old means: 1) media purchased according to Nielsen standard demographics for audiences under 12. Advertising to children under 12 years old for Internet is based on comScore estimates for measured websites, or by site registration data; or 2) media purchased for any program or website where the audience generally consists of 35% or more of children under the age of 12 years.

³ Measured in gross rating points at the time the advertising is purchased, for successive one-year calendar periods beginning January 1, 2008.

Third-Party Internet. All food in McDonald's National Advertising on third party internet sites primarily directed to children under 12 years old will be the Advertised Meals or components of those meals.

Out-of-Home Advertising. McDonald's will only use licensed characters that appeal to children under 12 to promote the Advertised Meals or components of those meals.

McDonald's - Owned Websites. All food on pages of McDonald's-owned websites that are primarily directed to children under 12 years old will be the Advertised Meals or components of those meals. In addition, McDonald's will distribute materials on its websites that include "healthy lifestyle messages".

Video and Computer Games. All food in McDonald's National Advertising in video and computer games rated "Early Childhood" or "EC", or in video and computer games that are age graded on the label or packaging as being primarily directed to children under 12 years old, will be Advertised Meals or components of those meals.

DVDs. All food in McDonald's National Advertising in DVDs of G rated movies that are primarily directed to children under 12 years old, and other DVDs whose content is primarily directed to children under 12 years old, will be Advertised Meals or components of those meals.

Cell Phones and PDAs. All National Advertising on cell phones and personal digital assistant devices that is primarily directed to children under 12 years old, will include the Advertised Meals or components of those meals.

Word of Mouth Advertising. All word of mouth National Advertising that is primarily directed to children under 12 years old will include the Advertised Meals or components of those meals.

IMPLEMENTATION SCHEDULE: McDonald's Commitment with respect to Television, Radio, Print, Third-Party Internet and McDonald's – Owned Websites was effective starting January 1, 2008. McDonald's Commitment with respect to Video and Computer Games, DVDs, Cell Phones, PDAs and Word of Mouth Advertising was effective starting January 1, 2010. McDonald's Commitment with respect to Out-of-Home Advertising was effective starting January 1, 2011.

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Use of Licensed Characters. McDonald's will limit its use of third-party licensed characters in paid advertising primarily directed to children under 12 to the promotion of "healthy dietary choices (better-for-you products)." ⁴ McDonald's will limit its use of third-party licensed characters on McDonald's-owned websites primarily directed to children under 12 to the promotion of "healthy dietary choices (better-for-you products)" or "healthy lifestyle messages." McDonald's intends to accomplish this objective by utilizing licensed characters primarily in conjunction with Advertised Meals or components of those meals.

IMPLEMENTATION SCHEDULE: McDonald's Commitment is effective starting January 1, 2008.

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Product Placement. McDonald's will not pay for or actively seek to place its food or beverage products in the program/editorial content of any medium primarily directed to children under 12 years old for the purpose of promoting the sale of those products.

IMPLEMENTATION SCHEDULE: McDonald's Commitment is effective starting January 1, 2008.

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Use of Products in Interactive Games. In any interactive game primarily directed to children under 12 years old (in whatever format: online, disk or cartridge) where McDonald's food or beverage products are incorporated into the game, the interactive game will incorporate or be accompanied by products representing "healthy dietary choices (better-for-you products)" or "healthy lifestyle messaging" as defined by the CCFBAI.

IMPLEMENTATION SCHEDULE: McDonald's Commitment is effective starting January 1, 2008.

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Advertising in Schools. McDonald's will not advertise food or beverage products in elementary schools. However, McDonald's provides educators with curriculum materials and activities that address children's well-being. ⁵

IMPLEMENTATION SCHEDULE: McDonald's Commitment is effective starting January 1, 2008.

⁴ As stated in the CCFBAI, this does not apply to the use of licensed characters on packaging, provided the packaging does not appear in advertising directed to children under 12. This limitation does not apply to the use of company-created/owned characters.

⁵ As stated in the CCFBAI principles document, this limitation will not apply to displays of food and beverage products, charitable/not-for-profit activities, including fundraising, public service messaging, educational programs or items provided to school administrators.

Appendix A

Supporting Data For Healthy Dietary Choices (Better-For-You Products)

A. THE ADVERTISED MEALS

- 4-piece Chicken McNuggets Happy Meal, including Apple Slices, low-fat Caramel Dip, Sweet and Sour Sauce, and a jug of 1% low-fat white milk
- Hamburger Happy Meal, including Apple Slices, low-fat Caramel Dip, and a jug of 1% low-fat white milk
- Grilled Chicken *Snack Wrap* Happy Meal, including Apple Slices, low-fat Caramel Dip, and a jug of 1% low-fat white milk.

B. INGREDIENT LISTS

White Meat Chicken McNuggets®: Chicken meat, water, modified corn starch, salt, chicken broth powder (chicken broth, salt and natural chicken flavouring), seasoning [(vegetable oil (soybean and/or canola), extracts of rosemary, mono, di and triglycerides (from sunflower oil) and soy lecithin)]. Breaded with: water, wheat flour, yellow corn flour, modified corn starch, salt, baking powder, spices (white and black pepper, celery seed), wheat starch, whey powder, sodium aluminum phosphate, corn starch, partially hydrogenated soybean oil (manufacturing aid). Cooked in 100% vegetable oil (Canola oil, corn oil, soybean oil, hydrogenated soybean oil with THBQ, citric acid and dimethylpolysiloxane)

Apple Slices: Apples, calcium ascorbate (added to maintain colour).

Low-Fat Caramel Dip: Glucose-fructose, sweetened condensed whole milk (milk, sugar), water, butter, sugar, salt, disodium phosphate, pectin, colour, artificial flavour, potassium sorbate, sodium phosphate.

Sweet and Sour Sauce: Glucose-fructose, water, concentrated peach puree, vinegar, seasonings (contains wheat, soybeans, garlic powder, onion powder), salt, canola and/or soybean oil, modified corn starch, xanthan gum, spices, sodium benzoate, natural apricot flavour, colour.

1% Low-Fat White Milk: Partly skimmed milk, vitamin A palmitate, vitamin D3.

Hamburger:

Beef Patty: 100% pure beef. Prepared at the grill with seasoning (salt, black pepper).

Regular Bun: Enriched wheat flour, water, sugar and/or glucose-fructose, yeast, vegetable oil (soybean and/or canola), salt, calcium sulphate AND MAY CONTAIN ANY OR ALL OF THE FOLLOWING IN VARYING PROPORTIONS: diacetyl tartaric acid esters of mono and diglycerides, vegetable mono and diglycerides, calcium propionate, sodium stearoyl-2-lactylate, corn flour, calcium phosphate, soy flour, sunflower oil, wheat starch, ammonium phosphate, calcium peroxide, wheat gluten, ethanol, sorbitol, polysorbate 20, sodium propionate, enzymes, dextrin, corn starch, wheat starch, cellulose gum, ammonium sulfate, malt, calcium carbonate, sesame seeds

Ketchup: Tomato paste (made from fresh ripe tomatoes), liquid sugar, white vinegar, salt, onion powder, spices.

Mustard: Water, white vinegar, mustard seed, salt, turmeric, mustard bran, spices (paprika, clove).

Pickle Slices: Cucumbers, water, white vinegar, salt, calcium chloride, aluminum sulfate, spices, polysorbate 80, turmeric and sodium benzoate. May contain potassium sorbate.

Onions: Chopped onions.

Grilled Chicken *Snack Wrap*®:

Lettuce: Shredded Iceberg lettuce.

Shredded Monterey Jack & Light Cheddar Cheese Blend: Pasteurised milk, Modified milk ingredients, bacterial culture, salt, calcium chloride, microbial enzyme, colour, cellulose, natamycin.

Grilled Chicken: Boneless chicken breast meat, water, seasoning (salt, potassium chloride, trehalose, sugar, rice starch, hydrolyzed corn protein, flavour (autolyzed yeast extract, salt, disodium inosinate and disodium guanylate), spices, dextrose, garlic powder, autolyzed yeast extract, carrageenan, chicken fat, dehydrated cooked chicken powder, silicon dioxide, caramel, onion powder, corn maltodextrin), modified rice starch, sodium phosphates.

Premium Ranch Sauce: Water, vegetable oil (soybean and/or canola), glucose solids, buttermilk powder, vinegar, frozen yolk, sugar, salt, modified corn starch, garlic powder, chives, modified tapioca starch, flavour (contains milk), onion powder, parsley, lactic acid, sodium gluconate, xanthan gum, potassium chloride, potassium sorbate, sodium benzoate, propylene glycol alginate, concentrated lemon juice, calcium disodium EDTA.

Tortilla: Enriched Bleached Wheat Flour (Flour, Niacin, Reduced Iron, Thiamin Mononitrate, Riboflavin, Folic Acid), Water, Vegetable Shortening (Interesterified Soybean Oil, Fully Hydrogenated Soybean Oil), Contains 2% or less of the Following: Sugar, Potassium Chloride, Trehalose, Flavoring Preparation, Salt, Autolyzed Yeast Extract, Baking Powder, Sodium Bicarbonate, Corn Starch, Sodium Aluminum Sulfate, Calcium Sulfate, Monocalcium Phosphate), Vital Wheat Gluten, Monoglycerides, Dough Conditioner (Sodium Metabisulfite, Corn Starch, Microcrystalline Cellulose, Dicalcium Phosphate).

C. PRINCIPLES GOVERNING McDONALD'S PRODUCTS ADVERTISED TO CHILDREN UNDER 12 YEARS OF AGE

As part of its Commitment under the Canadian Children's Food and Beverage Advertising Initiative, McDonald's pledges that it will limit its National Advertising to children under 12 for McDonald's food to responsibly portioned meals limiting fat, saturated fat, and total sugars. That is, each of the Advertised Meals will provide:

- No more than 600 calories per meal;

- No more than 35 percent of calories from fat;
- No more than 10 percent of calories from saturated fat; and,
- No more than 25 percent total energy from added sugars.

1. McDonald's Principles Are Consistent With the Dietary Guidelines.

Health Canada promotes healthy eating and physical activity, and provides guidance and information on nutritional health and well-being. Our recommended Happy Meal values are based on Health Canada's Estimated Energy Requirements table and the 'Dietary Reference Intakes Reference Values for Macronutrients' tables located on the Health Canada website⁶.

For example, for boys and girls between 4 and 18 years of age, Health Canada recommends that total fat intake should be in the range of 25 – 35% of total energy. Health Canada also recommends that saturated fat be as low as possible while consuming a nutritionally adequate diet, and that added sugars not exceed more than 25% of total energy.

McDonald's principles for the Advertised Meals are in the range consistent with Health Canada's recommendations. Each of our Advertised Meals provides no more than 35% calories from fat, no more than 10% calories from saturated fat, and no more than 25% of total energy from added sugars.

2. McDonald's Principles Are Consistent With Portion Control.

The 600 calorie limitation imposed by the McDonald's principles ensures that each of the Advertised Meals do not contribute more than 1/3 of the average total daily calories children should consume.

The Advertised Meals constitute "portion control," because each of them provides the three elements of a meal in a constant format subject to an overall calorie limitation. By limiting the total calories of each of the Advertised Meals to 600 this ensures that each meal does not contribute more than 1/3 of the total calories children should consume in a day.

⁶ For details see Health Canada website: www.hc-sc.gc.ca, Estimated Energy Requirements and Dietary Reference Intake Values for Macronutrients

D. EACH ADVERTISED MEAL MEETS NUTRITIONAL CRITERIA AND THE PRINCIPLES.

Advertised Meals must provide no more than 600 calories, no more than 35% of calories from fat, 10% of calories from saturated fat, and no more than 25% total energy from added sugar

The following chart sets forth the nutritional values* of the **Chicken McNuggets** Advertised Meal:

FOOD ITEM	WEIGHT	CALORIES	FAT/FAT CALORIES	SAT FAT/ SAT FAT CALORIES	SUGAR	Added SUGAR
4-piece CHICKEN MCNUGGETS®	76g	210	14 g 126 cal	2g 18 cal	0g	0 g 0 cal
Sweet and Sour Sauce	30g	50	0g 0 cal	0g 0g	11g 44 cal	11g 44 cal
APPLE SLICES	68g	41	0g 0 cal	0g 0 cal	8g 32 cal	N/A
Low-Fat CARAMEL DIP	21g	65	0.8 8 cal	0g 0 cal	5.5g 22 cal	5.5 g 22 cal
1% Low-Fat WHITE MILK	250 ml	110	2.5g 22.5 cal	1.5g 13.5 cal	12g 48 cal	N/A
TOTAL	445g	476	17.3 g 156 cal	4.0 g 31.5 cal	37g 148 cal	16.5 g 66 cal

The Chicken McNuggets Advertised Meal meets the requirements of the nutritional principles outlined in McDonald’s Commitment. Specifically:

- Approximately 33 percent of the total calories are derived from fat;
- Approximately 7 percent of total calories are derived from saturated fat;
- Approximately 14 percent of the total energy of the product is derived from added sugars;

The total calories provided by the meal are 476.

Accordingly, the Chicken McNuggets Advertised Meal meets the “35-10-25” criteria and is well under 600 calories.

* Component values are not rounded. Only the total value of the meal is rounded according to the Health Canada rules of nutritional labeling

The following chart sets forth the nutritional values* of the **Hamburger Advertised Meal**:

FOOD ITEM	WEIGHT	CALORIES	FAT/FAT CALORIES	SAT FAT/ SAT FAT CALORIES	SUGAR	Added SUGAR
HAMBURGER	101g	250	8 g 72 cal	3 g 27 cal	7 g 28 cal	7 g 28 cal
APPLE SLICES	68g	41	0g 0 cal	0g 0 cal	8g 32 cal	N/A
Low-Fat CARAMEL DIP	21g	65	0.8 8 cal	0g 0 cal	5.5g 22 cal	5.5 g 22 cal
1% Low-Fat WHITE MILK	250 ml	110	2.5g 22.5 cal	1.5g 13.5 cal	12g 48 cal	N/A
TOTAL	440g	470	11 g 100 cal	4.5 g 40 cal	33 g 132 cal	12.5 g 50 cal

The Hamburger Advertised Meal meets the requirements of the nutritional principles outlined in McDonald's Commitment. Specifically:

- Approximately 22 percent of the total calories are derived from fat;
- Approximately 9 percent of total calories are derived from saturated fat;
- Approximately 11 percent of the total energy of the product is derived from added sugars;

The total calories provided by the meal are 470.

Accordingly, the Hamburger Advertised Meal meets the "35-10-25" criteria and is well under 600 calories.

* Component values are not rounded. Only the total value of the meal is rounded according to the Health Canada rules of nutritional labeling

The following chart sets forth the nutritional values* of the **Grilled Chicken *Snack Wrap*** Advertised Meal:

FOOD ITEM	WEIGHT	CALORIES	FAT/FAT CALORIES	SAT FAT/SAT FAT CALORIES	SUGAR	Added SUGAR
Grilled Chicken <i>Snack Wrap</i>®	113g	240	8 g 72 cal	3 g 27 cal	2 g 8 cal	2 g 8 cal
APPLE SLICES	68g	41	0g 0 cal	0g 0 cal	8g 32 cal	N/A
Low-Fat CARAMEL DIP	21g	65	0.8 8 cal	0g 0 cal	5.5g 22 cal	5.5 g 22 cal
1% Low-Fat WHITE MILK	250 ml	110	2.5g 22.5 cal	1.5g 13.5 cal	12g 48 cal	N/A
TOTAL	452g	450	11 g 100 cal	4.5 g 40 cal	27.5g 110 cal	7.5 g 30 cal

The Grilled Chicken *Snack Wrap* Advertised Meal meets the requirements of the nutritional principles outlined in McDonald’s Commitment. Specifically:

- Approximately 23 percent of the total calories are derived from fat;
- Approximately 9 percent of total calories are derived from saturated fat;
- Approximately 9.7 percent of the total energy of the product is derived from added sugars;

The total calories provided by the meal are 450.

Accordingly, the Grilled Chicken *Snack Wrap* Advertised Meal meets the “35-10-25” criteria and is well under 600 calories.

* Component values are not rounded. Only the total value of the meal is rounded according to the Health Canada rules of nutritional labeling.

Appendix B

Examples of Healthy Lifestyle Messaging

The following are current examples of McDonald's advertising that prominently includes "healthy lifestyle messaging" designed to appeal to children. Since McDonald's advertising changes over time, these messages will also change over time.

A. HEALTHY ACTIVE LIFESTYLE TELEVISION

McDonald's has developed eight 10 second Billboards that feature seasonal activities that children can do to stay active. All activities can be done around a child's neighbourhood without much cost for equipment (hopscotch, skating) so that the activities are accessible to all children. The billboards run throughout the entire year to promote a healthy active lifestyle all year long.