



THE RESPONSIBLE CHILDREN'S MARKETING INITIATIVE COMPANY ACTION PLAN

COMPANY NAME:

Kellogg (Aust.) Pty Ltd (Kellogg)

DESCRIPTION OF CORE BUSINESS:

Kellogg manufactures and markets breakfast cereals and snack foods under various brands

STATEMENT OF COMPANY COMMITMENT:

Kellogg has over a 100-year heritage of health, wellness and nutrition. We also have a longstanding, demonstrated commitment to responsible marketing to children as reflected in our own Worldwide Marketing & Communication Guidelines, as well as our ongoing active participation in numerous self-regulatory programs and other voluntary marketing initiatives around the world. We remain first and foremost committed to meeting our consumers' changing needs.

Kellogg complies, at a minimum, with the laws and decisions of regulatory authorities in each country where we conduct business. Our marketing practices further comply with any self-regulatory and/or Industry programs in which we participate.

Kellogg is pleased to be one of the founding participants in the Responsible Children's Marketing Initiative. We recognize that food companies can play an important role in shifting the mix of products advertised to children. We are dedicated to this important effort and to the goals and objectives of the Initiative. We are pleased to demonstrate that commitment as follows:

CORE PRINCIPLES:

We will meet each of the core principles outlined in the Responsible Children's Marketing Initiative:

Kellogg intends to comply with the Advertising Messaging principle (i.e., the mix of product advertising including healthy dietary choices and advertising including healthy lifestyles messages) as follows:

Advertising Messaging:

Kellogg will continue its practice of not advertising to preschool age children (i.e., on shows with audiences that are 50% or more children under 6 years old).



Kellogg will not advertise, on TV, print, radio and third-party internet media directed primarily to children under 12 years of age, foods that do not represent healthy dietary choices, consistent with established scientific standards or Australian Government standards and do not meet the Kellogg Global Nutrient Criteria (defined below).

AND

The advertising and or marketing communication activities reference, or are in the context of, a healthy lifestyle, designed to appeal to the intended audience through messaging that encourages:

- Good dietary habits, consistent with established scientific or government criteria and which help children achieve a healthy balanced diet, including clear limits to product size and ingredients such as sugar, salt and fat
- Physical activity.

Use of popular personalities and licensed characters

Kellogg will not use third-party licensed characters in advertisements on mass media, or on Kellogg websites, directed primarily to children under 12 in connection with foods that do not meet our Nutrient Criteria.

Product placement

Kellogg will implement the Product Placement principle by not paying for or seeking out promotional product placement (i.e., embedding our products within program/editorial content, as distinguished from sponsorship of programming) for our products in any medium directed primarily to children under 12. Kellogg does not currently engage in this type of marketing directed to children under 12.

Use of products in interactive games

Kellogg will implement the Interactive Games principle in two ways. First, we will take steps to limit access by children under 12 to Kellogg websites for brands that do not meet the Nutrient Criteria, using age screening and/or parental consent. Second, on all Kellogg websites or website pages that contain copy or content designed to appeal to, or which is targeted primarily to kids under 12 (e.g., interactive games and other interactive activities) we will (i) include an automatic use break feature that kicks in after 15 minutes of screen time; (ii) include healthy lifestyle messaging (i.e., energy balance, activity, nutrition); (iii) not place on these websites clips or downloads of commercials run in mass media that are not allowed to be directed in mass media to children under 12 under our commitments above; and (iv) where products (i.e., foods, brand logos, packaging) are themselves integrated into an online interactive activity (including downloads, wallpapers and games), we will only depict those products which meet the Nutrient Criteria in those types of activities. (This exception does not apply to depictions of Kellogg equity character that are themselves based on the food form).



Advertising in schools

Kellogg will implement the Advertising in Schools principle by continuing its practice of not advertising directly to children in elementary schools, subject to the exceptions identified in the Initiative's Core Principles.

Use of premium offers

Kellogg will not use any inserts targeted primarily to, or designed to appeal to, children under 12 in products that do not meet our Nutrient Criteria. We will also comply with local self-regulatory and regulatory requirements in this area.

SCIENTIFIC OR GOVERNMENT STANDARDS:

All products that are advertised to children under 12 must comply with Kellogg Global Nutrient Criteria outlined below:

- **Calories:** No more than 200 calories (836kj) per serving
- **Sat/Trans Fat:** No more than 2g saturated fat / 0g trans fat per serving
- **Sodium:** No more than 230 mg of sodium per serving
- **Sugars:** No more than 12g (label) of sugars per serving (excluding sugars from fruit and dairy)

The Nutrient Criteria are derived from both governmental U.S. FDA) and scientific (National Academy of Sciences Institute of Medicine ("IOM") standards. We started with macronutrient standards set by IOM as they apply to an overall, daily diet. Specifically, we derived total daily recommendations/Dietary Reference Intakes from various IOM reports for calories (2,000), saturated fats (20g based on 10% calories from saturated fat), sodium (2300mg based on the Upper Tolerable Level established for sodium) and sugar (125g based on IOM recommendations to limit added sugars due to concerns about nutrient dilution). For trans fat, we used the FDA "0" labelling standard of less than 0.5g per serving. To convert these daily intake levels to individual food values for calories, saturated fat, sodium and sugar, we looked to the FDA disqualifying nutrient criteria percentage (20%) and conservatively halved that to develop the 10% upper threshold levels of each nutrient as set forth above.

MEDIA

This initiative applies to television, radio, print, cinema and third-party internet sites where the audience is predominantly children and/or having regard to the theme, visuals, and language used are directed primarily to children.

For TV advertising, we will not advertise foods that do not meet our Nutrient Criteria on childrens' programming, as any show that has a projected audience at the time media is planned that is predominantly children and/or the programs after review of facts and circumstances surrounding the show, we determine are specifically targeted to or are designed specifically to appeal primarily to, children under 12.



Radio or non-Kellogg/third-party internet media will be considered “directed primarily to children under 12” if the projected audience at the time of media planning is 50% or more children under 12 years old.

For print media, we will not advertise products that do not meet our Nutrient Criteria in publications that are specifically designed to appeal to, or which are targeted primarily to, children under 12.

COMPLIANCE AND COMPLAINTS

Kellogg’s compliance with our Worldwide Marketing & Communication Guidelines and these Core Principles is at all levels within the organisation in Australia.

Kellogg agrees to abide by any decision or ruling made by the appointed arbiter in relation to the execution of this plan.

REPORTING

We will provide a report of our marketing activity against this plan on an annual basis, with the first plan due by 31 January 2010.