

# THE RESPONSIBLE CHILDREN'S MARKETING INITIATIVE COMPANY ACTION PLAN

**COMPANY NAME: Pepsico Australia** 

## **DESCRIPTION OF CORE BUSINESS:**

Snack foods and beverages.

Key brands in Australia: Smith's, Red Rock Deli, Doritos, Nobby's, Parker's, Twisties, Burger Rings, Toobs, Grain Waves, Sakata, Snakata, Coolpak, Pepsi, Pepsi Max, Gatorade, Propel, 7-Up, Mountain Dew.

## STATEMENT OF COMPANY COMMITMENT:

# **Advertising & Marketing to Children Policy**

PepsiCo believes that advertising & marketing is a critical driver of product innovation, including the development of healthier foods and beverages. Advertising and marketing also promotes healthy competition in the marketplace which can benefit consumers everywhere in terms of increased choice and competitive prices.

PepsiCo has long been a promoter of responsible advertising to all consumers, shown for example through our adherence to the <u>Consolidated ICC Code of Advertising and Marketing Communication Practice</u>.

We further acknowledge that children, as a potentially vulnerable group of consumers, deserve greater attention.

PepsiCo has therefore joined a group of top global food and beverage manufacturers <sup>1</sup>, in adopting a worldwide voluntary commitment <sup>2</sup> to restrict our advertising and marketing to children <sup>3</sup> only to those products which meet specific nutrition criteria <sup>4</sup> intended to encourage the consumption of healthier food and beverage products.

<sup>&</sup>lt;sup>1</sup> Including Coca-Cola, General Mills, Grupo Bimbo, Kellogg's, Kraft, Mars, Nestle and Unilever

<sup>&</sup>lt;sup>2</sup> This commitment establishes a minimum standard for all PepsiCo product and brand advertising and marketing around the world. It is not intended to replace existing commitments and/or regulatory obligations.

<sup>&</sup>lt;sup>3</sup> Any paid third-party advertising or marketing channels which may be widely assumed to have an audience (print, TV, cinema, internet site, etc) which is comprised of a majority of under 12s.

In Australia & New Zealand we adhere to voluntary industry wide marketing practices which include specific guidelines for advertising to children which are consistent with our overall global strategy. These practices include the <u>Australian Association of National Advertisers</u>—Food and Beverages Communications Code, <u>Australian Association of National Advertisers</u> Code for Advertising & Marketing Communications to Children, <u>Australian Food and Grocery Council</u>—The Responsible Children's Marketing Initiative and the <u>NZ Food & Beverage Classification System</u>

## **CORE PRINCIPLES:**

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

## Advertising Messaging .1

We do not advertise to children under 12 years and do not plan to do so. However if any advertising or marketing to children were to take place in the future, it will only be products which meet specific nutrition criteria intended to encourage the consumption of healthier food and beverage products (such as Government School Canteen criteria or published PepsiCodeveloped criteria that are based on established Government or scientific standards).

## Advertising Messaging .2

We do not advertise to children under 12 years and do not plan to do so. However, if any advertising or marketing to children were to take place in the future, it will be presented in the context of a healthy lifestyle.

## Use of popular personalities and characters

We do not advertise to children under 12 years and do not plan to do so. However, if any advertising or marketing to children were to take place in the future, we will not use popular personalities, program characters or licensed characters.

## Product placement

We do not, and do not intend to, pay for or actively seek placement of our products in the program/editorial content of any medium directed to children under 12.

## Use of products in interactive games

We do not, and do not intend to, incorporate our products in interactive games primarily directed to children under 12.

## Advertising in schools

We do not, and do not intend to, engage in product-related communications in primary schools.

## Use of premium offers

We do not, and do not intend to, advertise premium offers to children under 12.

<sup>&</sup>lt;sup>4</sup> Nutrition criteria will be based on recognized and accepted scientific and nutrition principles. The exact criteria will be subject to a further communication by PepsiCo in 2009 and may differ around the world to take into account different dietary habits and nutrition requirements.

## **SCIENTIFIC OR GOVERNMENT STANDARDS:**

In determining which of our products are considered acceptable for advertising to children under 12, we have used the following scientific or government standards to determine that those products represent a healthy dietary choice:

We do not advertise to children under 12 years and do not plan to do so. However if any advertising or marketing to children were to take place in the future, it will only be products which meet specific nutrition criteria intended to encourage the consumption of healthier food and beverage products (such as Government School Canteen criteria or published PepsiCo-developed criteria that are based on established Government or scientific standards).

## **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.

We make the following commitment:

• We will not place advertising in programs that specifically target children under 12 years (defined as either an ACMA-classified 'C program' or 'P program' or where >50% of the program's audience is under 12).

## COMPLIANCE AND COMPLAINTS

We agree 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; due by the end of February each year.