



## **AUSTRALIAN QUICK SERVICE RESTAURANT INDUSTRY INITIATIVE FOR RESPONSIBLE ADVERTISING AND MARKETING TO CHILDREN**

### **Individual Company Action Plan (updated 25 September 2012)**

#### **COMPANY NAME**

Yum! Restaurants Australia Pty Ltd ("Pizza Hut Australia") and Kentucky Fried Chicken Pty Ltd ("KFC Australia") (both subsidiaries of Yum Brands Inc and collectively referred to here as "Yum!")

#### **DESCRIPTION OF CORE BUSINESS**

KFC Australia is the franchisor of the KFC brand in Australia and Pizza Hut Australia is the franchisor of the Pizza Hut brand. Together with our franchisees, Yum! generates jobs for around 35,000 people and is a significant contributor to the Australian economy.

Yum! is a participant in the Australian Quick Service Industry Initiative for Responsible Advertising and Marketing to Children (the "Initiative").

#### **STATEMENT OF COMPANY COMMITMENT**

Yum! is committed to setting a high standard for responsible marketing to children. While participating in industry self-regulation is an important component of our commitment, Yum! has set and will measure itself against its own benchmarks, which will meet and in many respects, exceed these standards.

The central pillar of Yum!'s commitment was made in 2008, when Yum! announced it would not advertise directly to children or during children's programming. This decision, which came at significant cost to our business, represents a major step in our commitment to ensuring that we support customers to make responsible dietary decisions. Yum!'s focus in making such a decision is to support parental responsibility, which we consider to be the main determinant of children's dietary needs and nutritional intake.

Other key initiatives which have been implemented, consistent with Yum!'s commitment to support responsible dietary choices include:

- Website nutritional information for all KFC and Pizza Hut products
- In-store nutritional information for all KFC and Pizza Hut Products
- On-pack nutritional information on all KFC Products
- Kilojoule information on menu panels throughout Australia, not just mandated states.

The other key pillar of Yum!'s responsible branding commitments is the systematic improvement of the nutritional quality of our food, with our focus being on our core menu, which is the food most people eat. To this end we have undertaken the following activities in Australia since 2009:

#### **KFC**

- Introduced a grilled chicken range at KFC called Cayan Grill, at a cost of \$35 million in capital investment and marketing support



- Removed skin from all KFC Zinger fillets, thereby reducing total fat content by approximately one third
- Replaced sustainably sourced palm oil used to cook our products in store with a high oleic Canola oil in all stores across Australia in May 2012, thereby reducing saturated fat
- Reduced sodium in a number of products:
  - 2010 reduced sodium in chicken products by 10% approx. and seasoned chip salt by 17.5%.
  - 2011 – reduced sodium in burger buns by 22%, dinner rolls by 22% and tortillas (large) by 53%
  - 2012 – continued to work on reducing sodium in various core chicken products
- Updated in-store and on-line allergen brochures and nutrition information brochures 2012
- Made significant improvements in communicating nutrition information to consumers and staff, including through the conduct of information sessions with an external nutritionist in 2011
- Introduced a salad on the menu
- In 2012 started recommending PepsiMax as the default drink in-store.

## **Pizza Hut**

- Reduced sodium in a number of ingredients:
  - 2011 – pizza dough bases by 1%
  - 2011 – diced bacon topping by 40%
  - 2011 - stuffed crust cheese by 20%
  - 2012 – mozzarella cheese by 20%
- Introduced a gluten-free pizza base option
- Produced consumer information sheets for frequent enquiries about menu items
- Updated allergen brochure in-store and on-line.

In terms of future activities:

KFC has plans in 2013 to launch a new grilled chicken range, introduce a healthy children's meal and to continue to work with suppliers to reduce salt as well as sugar in a number of products.

Pizza Hut will continue to focus on reducing sodium in pizza and side menu items. New products are being developed with reduced sodium in various meat topping options and pizza dough bases. These reductions should see a further 10% reduction in sodium across the pizza range by the end of 2013. Pizza Hut is also working on developing a range of pizzas that will provide consumers with a tasty option having lower kilojoules, sodium and total fat.

These steps demonstrate Yum!'s determination to lead the way in being a responsible company which has a huge heart, and puts a "Yum!" on people's faces with great tasting, fresh food.

## **CORE PRINCIPLES:**

What follows is a statement of how Yum! will meet each of the Core Principles set out in section 4 of the Initiative. Capitalised terms used in this Action Plan have the meanings given to them in the Initiative, unless otherwise defined.



### **Advertising and Marketing Messaging**

Yum! does not and will not engage in Advertising or Marketing Communications to Children for food and/or beverages.

### **Popular Personalities and Licensed Characters**

Yum! does not and will not use Popular Personalities and Licensed Characters in Advertising and Marketing Communications to Children for food and/or beverage products.

### **Product Placement**

Yum! does not and will not pay for the placement of, or actively seek to place, food and/or beverage products in a program or editorial content of any Medium directed primarily to Children.

### **Use of Products in Interactive Games**

Yum! does not and will not incorporate food and/or beverage products sold at any of its stores or outlets in any interactive game that is primarily directed to Children.

### **Advertising in Schools**

Yum! does not and will not engage in any product-related communications in Australian schools, except where specifically requested by, or agreed with, the school administration, or related to healthy lifestyle activities under the supervision of the school administration or appropriate adults.

### **Use of Premium Offers**

Yum! does not and will not advertise Premium offers in any Medium directed primarily to Children.

### **On-Pack Nutrition Labelling**

KFC: all KFC packaging printed from April 2009 includes nutritional profile information wherever possible. All KFC Kids Meal packaging printed from April 2010 has included nutritional profile information.

Pizza Hut: this brand does not market any form of 'Kids Meal' equivalent. As different pizzas with different nutritional profiles are packed in the same box, it is not practical for pizza packaging to include nutritional profile information.

### **Availability of Nutritional Information**

Nutritional information in respect of KFC and Pizza Hut products is available in-store and at [www.kfc.com.au](http://www.kfc.com.au) and [www.pizzahut.com.au](http://www.pizzahut.com.au) respectively.



## **COMPLIANCE, COMPLAINTS AND MONITORING:**

Yum! is committed to all aspects of:

- Key Criteria for Meeting Core Principles;
- Compliance and Complaints;
- Monitoring Implementation of Initiative,

as set out in section 6 of the Initiative and will work with other Participants, nutritional experts, and the AANA to ensure effectiveness.