



Children's Food and Beverage Advertising Initiative:
Kellogg Company Pledge

Kellogg Company ("Kellogg") has 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 Guidelines, our 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 is pleased to be one of the founding participants in the Children's Food and Beverage Advertising Initiative. We recognize that food companies can play an important role in shifting the mix of products advertised to children to reflect the healthiest choices. 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:

A. Identifying Information

The corporate name and address of the Participant: Kellogg North America Company, One Kellogg Square, Battle Creek, Michigan 49017.

The name and contact information of an individual(s) responsible for overall implementation of the Pledge: Mark Baynes, Chief Marketing Officer, Kellogg North America and Global Coordinator, Kellogg Company, One Kellogg Square, Battle Creek, MI 49017; Telephone: 269-961-6385; Tamara Meyer, Sr. Dir., Global Regulatory & Public Affairs, Kellogg Company, One Kellogg Square, Battle Creek, MI 49017; Telephone: 269-961-2093.

The name of the specific entity or entities covered by the Pledge: Kellogg North America Co.

The name of each brand and/or product line that is covered by the Pledge: Ready-to-eat cereals, cereal bars, Pop-Tarts™, snack lines (including fruit snacks, cookies and crackers) and Eggo™ frozen breakfast products.

B. Core Principles

1. **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:**

- Kellogg will continue its practice of not advertising on shows with audiences that are 50% or more pre-school age children (i.e., under 6 years old)
- Kellogg will not advertise foods that do not meet our Nutrient Criteria (as defined below) on TV, print, radio and third-party internet media directed primarily to children under 12 years of age.

- For TV advertising, we will not advertise foods that do not meet our Nutrient Criteria on childrens’ programming, defined as any show that has a projected audience at the time media is planned of 50% or more children under 12 years old during any airing of that show. In addition, on shows that have a projected audience at the time the media is planned of 35%-49% children under 12, we will not advertise foods that do not meet our Nutrient Criteria on shows which, 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 (e.g., National Geographic Kids, Sesame Street Magazine, Sports Illustrated Kids, Nickelodeon, American Girl, Boys Life).
- We plan to have our TV, radio, third-party internet and print media commitments fully operational by no later than December 31, 2008, subject to contractual obligations as noted below. In the interim, we will advise CBBB of developments with respect to timelines and/or media plans with respect to these commitments as they become available and finalized.

2. Description of how the Participant intends to comply with the percentage requirement of the Advertising Message principle:

- a. Subject to the above definitions of advertising to children under 12, Kellogg will not advertise products that do not comply with our Nutrient Criteria in TV, print, radio or third-party internet media directed primarily to children under 12 as specified above.
- b. **Compliance Data.** For television advertising, we will demonstrate compliance with our commitment by providing CBBB reliable third-party impressions data relative to the programs in which we advertise. We will also provide reliable third-party impressions data relative to third-party internet and radio advertising. To the best of our knowledge, the two sources identified in the Pledge document do not allow for discerning impressions relative to children under 12 in print materials. We propose instead to identify for CBBB the specific publications, to be updated for any additions or changes, in which we commit to not place ads for products that do not meet our Nutrient Criteria.
- c. **Nutrient Criteria.** Our Nutrient Criteria are as follows:
 - **Calories:** No more than 200 calories 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 serving¹
- **Sugars:** No more than 12g (label) of sugars per serving (excluding sugars from fruit² and dairy)

d. **Basis for Criteria.** 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” labeling 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.

3. **Licensed Characters.** Kellogg will implement the Licensed Character principle as follows: We will honor our ongoing obligations in this area through contract termination dates.³ With respect to new obligations, 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.⁴
4. **Product Placement.** Kellogg will implement the Product Placement principle by not paying for or seeking out promotional product placement (i.e., embedding our products

¹ For our Eggo™ frozen waffle/products, the maximum allowable level of sodium for these products marketed to children was increased from 10% DV (230mg) to 20% DV (460mg). These products are typically served as entrees. The average level of sodium across all current Eggo™ skus (approximately 400mg) is still below the 480 mg FDA sodium criteria for “healthy” classification, and well below the CSPI recommended limits of 600mg for main dishes and 770mg for meals. In addition, approximately 50% of the sodium is attributed to the leavening agent which is necessary to the functionality and form of the food.

² For these purposes, “fruit” does not include so-called “stripped juices” which are juices stripped of their nutritional content.

³ Most of our current obligations end during 2008, with all terminating by the end of 2009.

⁴ Per the Initiative terms, this limitation does not apply to the use of company-owned characters. Also per the Initiative terms, licensed character use on packaging is beyond the scope of this Initiative. Nonetheless, Kellogg has made additional marketing commitments outside of the Initiative regarding, among other things, limitations on the use of licensed characters on products that do not meet the Nutrient Criteria, with respect to both food forms and use in child-directed marketing on the front-panels of our packaging. Our additional commitments in this area, and in other areas of child-directed marketing also beyond the scope of the Initiative terms, were announced on June 14, 2007.

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.

5. **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 screentime; (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.⁵ We will begin implementation of the content changes as soon as possible, but by no later than December 31, 2007. The age-screening and/or consent mechanisms described above are under development but will be in place by no later than December 31, 2008.
4. **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.

C. Supporting Data

1. **Products Impacted.** The intent of our Nutrition Criteria is not only to determine what we can or cannot market to children, but to challenge our innovation efforts to provide even more nutritious choices for our consumers. Under current formulations, however, products currently advertised to children 6-11 years old which do not meet the Nutrition Criteria and which would be impacted by the above commitments are: pre-sweetened cereal brands Apple Jacks™, Froot Loops™, Cocoa Krispies™; Pop-Tarts™ toaster pastries (42 varieties); and fruit snack product YoGos™ (5 varieties). Products currently advertised to children 6-11 years old that do meet the Nutrient Criteria are: Frosted Flakes™ cereal, Eggo™ frozen breakfast products, and YoGos™ Rollers (3 varieties). Product labels/nutrition facts will be provided.

2. We will provide CBBB more detail on proposed healthy lifestyle messaging as it applies to our websites when we have developed those proposed messages.

Again, Kellogg is proud to be part of this important Initiative and are committed to both its success and its contributions.

⁵ This exception does not apply to depictions of Kellogg equity character that are themselves based on the food form.