



# **GLOBAL WELLBEING**

# **ESG POSITIONS, METRICS AND REPORTING**

**2022**

# CONTENTS

<b>INTRODUCTION.....</b>	<b>3</b>
<b>A. ACCESS TO NOURISHING FOODS.....</b>	<b>5</b>
<i>Commitment</i>	5
<i>Wellbeing Strategy</i>	5
<i>Food Design</i>	6
<i>Kellogg Global Nutrition Criteria</i>	9
<b>B. CLOSING THE NUTRIENT GAPS.....</b>	<b>12</b>
<i>Micronutrients to address Hidden Hunger</i>	12
<i>More Fiber for Better Health</i>	13
<i>Sustainable Protein</i>	15
<i>Fruits, Vegetables, Nuts and Seeds</i>	17
<b>C. SMART CHOICES.....</b>	<b>18</b>
<i>Sodium</i>	18
<i>Sugar</i>	19
<i>Saturated Fat and Trans Fat</i>	20
<b>D. ENHANCED FOOD EXPERIENCE .....</b>	<b>21</b>
<i>Foods to delight</i>	21
<i>Foods to share</i>	22
<b>E. HEALTHIER LIFESTYLES.....</b>	<b>23</b>
<i>Employee Wellbeing</i>	23
<i>Smart Snacking</i>	24
<i>Food Labelling</i>	25
<i>Responsible Marketing</i>	27
<i>Physical Activity and Wellbeing Programs</i>	28
<b>F. ANNEX:.....</b>	<b>29</b>
<i>KGNC</i>	29
<i>Goals</i>	30
<i>Reporting</i>	32

# INTRODUCTION

Our founder, W.K. Kellogg, believed that a critical part of running a good business was also doing good for society. Our [Kellogg's Better Days™](#) Environment Social and Governance (ESG) approach is a critical element for business growth. It defines our approach to ensuring sustainable and equitable access to food for all.

In 2020, Kellogg refreshed its vision, striving for *a good and just world, where people are not just fed but fulfilled. Our purpose – creating better days and a place at the table for everyone, through our trusted food and brands – drives who we are and how we behave.*

We are committed to creating better days for three billion people by the end of 2030, through our Better Days Promise including:

- Nourishing 1 billion people with our foods;<sup>1</sup>
- Feeding 375 million people in need with food donations and child feeding programs;
- Nurturing people and our planet by supporting 1 million farmers and workers and conserving natural resources across our value chain; and,
- Living our founder's values by engaging 1.5 billion people to help address the important issue of global food security by advocating on behalf of hungry children everywhere, ensuring an ethical supply chain and supporting diversity & inclusion.

As one of the most reputable global food brands<sup>2</sup>, we understand our role in leading the change in the worldwide food system towards more sustainable and equitable access to food for all. We support the World Health Organization (WHO) definition that healthy and sustainable diets are “dietary patterns that promote all dimensions of individuals’ health and wellbeing; have low environmental pressure and impact; are accessible, affordable, safe and equitable; and are culturally acceptable.”<sup>3</sup>

Our wellbeing work is driven by the belief that, compared to separately identified foods or nutrients, dietary patterns are a better reflection of what people actually eat, and therefore, the dietary and planet impact. We believe that shifting emphasis to a consideration of dietary patterns can be transformational in enabling people to make healthier and more sustainable long-term choices.

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<sup>1</sup> Baseline year: 2015

<sup>2</sup> <https://www.reptrak.com/rankings/>

<sup>3</sup> <https://www.who.int/publications/i/item/9789241516648>

This report outlines our policies, positions and progress reporting on Wellbeing.

## **A. ACCESS TO NOURISHING FOODS**

### **Commitment**

We are committed to nourishing 1 billion people by the end of 2030 from a 2015 baseline. This commitment ensures that people consuming our foods frequently<sup>4</sup> are getting both meaningful positive nutrition<sup>5</sup> while not exceeding nutrition criteria as outlined in our Kellogg Global Nutrition Criteria for calories, sodium, saturated fat and sugar.

### **Wellbeing Strategy**

Every food choice is a combination of multiple dimensions – health, access, sustainability, enjoyment and relevance. In order to promote better habits, we must continue to build our knowledge of the barriers to healthy and sustainable eating patterns as well as understanding what actions we can take to help people make positive food choices.

Our approach is based in food systems thinking and brought to life through our Wellbeing strategy. We have recognized that food goes beyond nutrition, but also includes the psychological impact it has on the people who enjoy eating it, as well as the impact it has on those who grow it and the communities they live in. The food we choose also has an impact on the health of the planet. We defined these three dimensions as physical, societal and emotional wellbeing, the core pillars of our wellbeing framework.

We recognise that encouraging and enabling people to move towards a more grain and other plant-rich, high-fibre diet, including vegetables, fruits, nuts and seeds, offers combined health and environmental benefits<sup>1</sup>. However, a healthy and sustainable diet is impossible without access to, and education about, nourishing foods.

The societal problem to solve is significant and getting worse. Today only one in three people are appropriately fed and nourished, one third of food wasted, one third of carbon emissions from the agri-food industry, and less than a third of people who can afford a healthy and sustainable diet. In addition, we have a growing global population – to over 9 billion people in 2050 – most of whom will

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<sup>4</sup> 4 times per week

<sup>5</sup> fiber, wholegrain, protein or micronutrients

live in cities. To feed them we will need to produce about 50% more calories than we do today and achieve that without further negatively impacting the planet.

We must also understand the inequities in our society. The burden of malnutrition and health outcomes associated not felt equally by everyone across society. There are clear differences by geographic location, age, gender, ethnicity, education and wealth. These inequities in access to food have long existed and have been further exacerbated by the COVID-19 pandemic

Solutions lie in working collectively and transparently, based in science and informed by actual consumer behaviour. At Kellogg, we've never been afraid to take pioneering action. Kellogg was the first in the food industry to hire a registered dietician, Mary Barber, to run the Kellogg's home economics department and provide nutrition education to families; the first company to print nutrition messages and food information on cereal boxes so that we all could make more informed decisions about the foods we eat. And Kellogg was the first to fortify its cereals so that more of us could enjoy a more healthful start to the morning.

It's why we are working towards our company's vision, striving for a good and just world, where people are not just fed but fulfilled and to live our purpose – creating better days and a place at the table for everyone, through our trusted food brands.

## **Food Design**

### **Taking an Eating Patterns approach**

Foods are rarely eaten alone and assessing foods individually can lead to incongruous outcomes. As we encourage people towards more healthy and sustainable choices, Kellogg is committed to putting accessible sustainable eating patterns at the heart of our thinking. We believe that shifting emphasis to patterns, over individual foods or nutrients, can be transformational in enabling people to make better long-term choices.

For Kellogg, nourishing foods are about the occasion, how much and how often you eat them as well as the foods you eat them with as much as how they deliver delight and enjoyment. We believe the food experience must also encompass their convenience and affordability compared to other foods eaten at the same occasion.

We believe that healthy eating patterns should not come at the expense of a healthy planet. Our growing population, towards 10 billion by 2050, will put pressure on our planet and it is clear that animal-based foods have higher impacts on the environment including carbon, land and water use. We must encourage

dietary shifts towards grains and other plant-based foods to feed the world in a more sustainable and healthful manner.

### **Never compromise on the safety of our food**

It's estimated that 1 in 10 people fall ill when eating unsafe food every year.<sup>2</sup> When it comes to food, nothing is more important to us than quality and safety. Our Kellogg Food Safety System directs our global, comprehensive approach to uniform food safety standards. In addition, the Global Food Safety Initiative (GFSI) certifies all manufacturing facilities, as well as ingredient suppliers, and we continue to invest to continuously improve our food safety systems and processes.

Our commitment also includes a companywide food quality and safety training initiative that is mandatory for every employee and all new hires, whilst employees in our manufacturing facilities also undergo food quality and safety training annually. We know that people expect our foods to deliver consistent high-quality experiences and these processes ensure that our high food safety standards are met.

### **Design foods which invite everyone to the table**

We are committed to making healthy and sustainable diets safer, more accessible, relevant and equitable. We understand that many people don't have year-round access to safe, affordable, healthy and sustainable diets needed to promote wellbeing in all its forms.

It has been estimated that more than 2.5 billion people suffer from at least one form of malnutrition, yet at least 1.5 billion people (almost 80% of whom are in middle income countries) may not be able to afford the foods which support recommended dietary advice.<sup>3</sup> This is a gap we are passionate about closing.

Furthermore, despite an estimated 300% increase in global food production since the 1960s<sup>4</sup>, there are clear and growing inequities in the dietary patterns, and subsequently the health outcomes, of people of different genders, ethnic backgrounds and socioeconomic status, as well as in different geographies.

- 1 in 4 people – 1.9 billion – are moderately or severely food insecure,
- 1 in 5 kids suffer from hidden hunger which impacts their physical growth and development, as well as their performance in daily activities<sup>5</sup>.
- 2 in 5 people are either overweight or obese.

We are committed to developing foods that invite everyone to the table. Whether that's through dietary requirements or preferences such as allergen free, halal, kosher, vegan or vegetarian or using relevant ingredients and flavors that engage

and delight. Furthermore, we aim to understand the dietary patterns our foods drive and the frequency and amount in which they are consumed.

### **Explore Culturally Relevant Foods and Flavours**

Food cultures eat grains and other plant foods in different ways across the globe. We are passionate about understanding that food relevancy and are acutely aware of our responsibility to deliver nourishing foods that are relevant and enjoyable for everyone. The myriad of ways in which they are consumed across different cultures – our local food languages – is an inspiration to us.

Over the years at Kellogg, we've learned so much about how foods nourish, to delight and engage people. Kellogg is committed to seeking out foods that provide unique flavors, textures, colors, and nutrition to create a variety of delicious and nourishing foods which are relevant and appropriate.

### **Drive demand for everyone**

At Kellogg we are committed to equity, diversity and inclusion and want our great tasting foods to be accessible to everyone. We define inclusive marketing as creating content that truly reflects the diverse communities that our companies serve. It means that we are elevating diverse voices and role models, decreasing cultural bias, and leading positive social change through thoughtful and respectful content.

We believe that our responsibility is to relay our brands' messaging in a way that resonates with people from all backgrounds, regardless of race, ethnicity, gender identity, age, religion, ability, sexual orientation, or otherwise. We remain committed to developing inclusive marketing and the tools and processes to further embed it in our organization.

### **Nutrient density**

To enable our approach to better health and nutrition, we use a nutrient density approach to design our foods based on local consumer and public health contexts, as well as our Kellogg Global Nutrition Criteria food profile model. These criteria were recently enhanced based on external benchmarks, including the International Food and Beverage Alliance (IFBA).

Our foods design strategy is aligned to national and global dietary guidelines recommendation. We know that breakfast and meat alternatives enable a higher intake of other key food groups in addition to the positive nutrients the foods themselves provide. For example, breakfast cereals tend to be a significant dietary source of iron, B vitamins (about 20%), Vitamin D, and 10% of fiber. In combination



with milk and fruit, fiber, calcium and protein are boosted. In the U.S., breakfast cereal is the number one food category to which fruit is added.

### **Partner for action**

We recognise that Kellogg is unable to change the food system alone. However, we realise that we have an important voice and are determined to use it to drive more accessible, enjoyable, healthy and sustainable eating patterns for everyone. We are committed to engaging with a broad array of stakeholders, including governments, retailer, NGO's and suppliers to work towards a better food system.

## **Kellogg Global Nutrition Criteria**

Kellogg has developed nutrition criteria based on nutrition science and public health dietary recommendations to assess the role of our foods in eating patterns as part of a healthy diet. We consider four principles when designing our foods: the amount of food consumed, the frequency at which it is eaten, the foods it is eaten with, and the alternatives consumers may choose at that eating occasion.

### **Principles**

Kellogg operates in this area through 4 key guiding principles:

- We will act on science, adhering to the prevailing science and regulatory frameworks in which we operate.
- We are committed to working in partnerships. We believe a better food system will result from partnerships that drive behavior change.
- We offer choices across our portfolio, ensuring that consumers have options available to suit their dietary requirements.
- We are committed to transparency, about the ingredients, sustainability and nutrition content of our foods and the role they play in the diet so that consumers can make an informed choice.

### **Kellogg Global Nutrition Criteria Development**

The Kellogg Global Nutrition Criteria (KGNC) was first developed in 2007 as part of our Worldwide Marketing Communication Guidelines. In 2021, we updated our KGNC to apply to our practices beyond Marketing to Children.

As part of the review, we revisited the nutrition criteria given the latest science and dietary guidelines. We paid close attention to ensuring KGNC is within 10% tolerance of international benchmarks such as CFBAI<sup>6</sup> and IFBA.

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<sup>6</sup> <https://bbbprograms.org/programs/all-programs/cfbai/cfbainutritioncriteria>

Kellogg Global Nutrition Criteria now:

- Applies to all our global categories
- Includes components to encourage, as well as those nutrients to be limited
- Lowers our previous nutrition criteria on nutrients to limit

Category	% Reduction compared to the previous version of KGNC		
	Sugar	Sodium	Saturated Fat
<b>RTEC (Ready-To-Eat Cereal)</b>	12.5%	15%	24%
<b>Cereal Bars</b>	12.5%	28%	N/A

Kellogg Global Nutrition Criteria apply from January 1, 2022 and will be further reviewed by January 2024. The detailed criteria are outlined in Annex 1.

We recognize that nutrient criteria are just one element of understanding the role of foods in the diet. We are committed to going beyond nutrient criteria, focussing on the dietary patterns our foods drive and the frequency and amount in which they are consumed. Further, we are passionate about understanding consumer behaviour, the alternatives people are consuming and why they are making those choices. Consumer behaviour and habits are the key to unlocking positive dietary changes.

### **Kellogg Global Dietary Guidelines**

Based on recommendations for dietary intakes issued by authorities such as the World Health Organization, the dietary reference intakes published by the U.S. Institute of Medicine and the European Food Safety Authority, Kellogg has agreed on standardized global dietary guidelines.

Energy (kcal)	Total Sugar	Added Sugar	Total Fat	Saturated Fat	Sodium	Fiber	Protein
2000	90g	50g	67g	22g	2000mg	25g	50g

## **Categorization**

KGNC establishes a specific set of assessment criteria for each food category. This recognizes the roles different categories typically play in the overall diet.

<b>Occasion</b>	<b>% Contribution toward the daily nutrient intake</b>
Breakfast	20% - 25%
Lunch	25% -30%
Dinner	30%
Snacking Occasions (2)	10% each

## **B. CLOSING THE NUTRIENT GAPS**

### **Micronutrients to address Hidden Hunger**

Hidden hunger, also known as micronutrient deficiencies, afflicts more than 2 billion individuals, or one in three people, globally (FAO 2013). Micronutrients are vitamins and minerals needed by the body in very small amounts. However, their impact on a body's health is critical, and deficiency in any of them can cause severe and even life-threatening conditions<sup>1</sup>.

The World Health Organization recognizes micronutrient addition as a cost-effective strategy to reduce micronutrient inadequacy. We understand that the best way of preventing micronutrient malnutrition is to ensure consumption of a balanced diet that is adequate in essential nutrients. In practice, this is far from being achievable everywhere since it requires universal access to adequate food and appropriate dietary habits.

Kellogg recognises that micronutrient addition plays a vital role in achieving optimal health for all the family and has been voluntarily adding vitamins and minerals to our grain-based foods for over 80 years. We support the FAO Guidelines on food fortification with micronutrients (2006)<sup>2</sup>. Staple grain foods that are shelf stable, consumed in small amounts on a regular basis, such as cereals, are a proven excellent vehicle for delivery of micronutrients.

In 1938, Kellogg's launched 'Pep', the first cereal to be fortified with B vitamins and vitamin D. Studies around the globe from the UK, France, Spain, Greece and Australia consistently demonstrate the micronutrient contribution of cereal and milk to the diet.

For example, in the United States, fortifying cereal helps 6 million more children, and 16 million more adults meet vitamin A recommendations; 3 million more children and 13 million more adults meet folic acid recommendations; and 2 million more children meet zinc recommendations compared to non-cereal consumers.

Breakfast cereals have become the principal source of iron for young children in the United Kingdom whilst breakfast cereals were the number one source vitamin D in the diets of Irish children. In the UK, a recent study in adolescent girls, showed that 12 weeks of consuming fortified cereal vs unfortified cereal resulted in improved intakes of thiamine, riboflavin, B6, B12, folate, and iron.

In Mexico, breakfast cereals make important contributions to vitamin A, thiamine, riboflavin, niacin, vitamin C, folates, phosphorous, zinc and iron.<sup>3</sup>

Our approach to micronutrient addition is built on several principles:

### **Safe food and clear communication**

Micronutrient addition must be in line with the principles of producing safe foods and should be clearly communicated to consumers through labelling and other means of communication as appropriate.

### **Micronutrient addition as part of a healthy diet**

When considering foods for micronutrient addition, they should be consumed regularly, and in sufficient quantities. Grain based foods are an excellent option since that can offer consumer choice due to the range and scope of breakfast cereals available whilst at the same time are shelf stable and low moisture ensuring that vitamins and minerals remain available.

### **Micronutrient addition must be scientifically substantiated**

Through assessment of the food type, target consumer, the nutrition intakes of the population groups and the risk of deficiencies identified. Our micronutrients must be relevant and appropriate for the intended audience.

### **Valuable micronutrients can be added through intelligent food design**

Combining simple grains with fruit, nuts, seeds and other inclusions can result in impactful levels of inherent micronutrients.

## **More Fiber for Better Health**

Diets low in dietary fiber may underlie diseases such as bowel cancer and heart disease. Yet almost everyone – an estimated 90% of people – don't eat enough of this incredibly important nutrient.

At Kellogg, we're committed to exploiting the benefits of fiber for better health. We're on a mission to help people consume more fiber. If only half of the adult USA population increased fiber intake by just 3 g/d, annual potential health care cost savings of \$2 billion could be realized.

Some of the well-known health benefits associated with fiber include:

- Improves regularity: Wheat bran fiber is the most studied, dating back almost 100 years. Bulking and transit time are tangible consumer experiences associated with digestive comfort.

- Protective for risk of chronic diseases: The WHO states that the strength of evidence is convincing for obesity and probable for Type 2 diabetes and CVD.
- A key factor in determining the gut microbiome as bacteria are highly specialized in their ability to directly utilize or indirectly cross-feed on non-digested dietary carbohydrates.
- Kellogg sponsored health economic modelling predicted that up to \$12.7 billion dollars in USA healthcare savings for constipation alone could be realized if adults increased their fiber intake by 9 grams per day (i.e., up to dietary recommendations)
- Furthermore, each of us has trillions of active, mostly friendly, microorganisms – the gut microbiome – in our bodies. These good bacteria help balance the bad bacteria in the gut and help support digestive wellness. Eating a diverse range of plant-based foods, particularly fiber-containing grains, can help support a healthy microbiome.

### **Starting with plants**

The best place to get fiber into the diet is through plants. Plant fiber is an excellent fuel for good bacteria in the gut and can be delivered through a range of diverse grains.

There is strong evidence of the benefits of a plant forward diet are for reducing the risk of incidence and mortality from heart disease with studies consistently show benefit over animal-based diets for blood lipids, such as LDL-cholesterol, and triglycerides. Studies also show vegetarian diets to be associated with lower blood pressure and an inverse relationship between vegetarian diets and type 2 diabetes incidence.

Kellogg's legacy in delivering consumer relevant and accessible fiber solutions can be traced all the way to our founder, W.K. Kellogg, who realised the potential impact of fiber-rich grain foods as a better for you alternative to the breakfast options in that day. We have built a strong technical capability to deliver better health through diverse blends of fiber.

### **The future of fiber**

We are excited at the emerging research on plant-based eating and the microbiome. Generally, vegetarians have a more diverse and rich bacterial community than omnivores and we are committed to understanding the potential health benefits of a diverse gut microbiome.

We are creating the future of fiber through the microbiome. The science on fiber is exploding, not simply on digestive transit and regularity, but towards the exciting new world of the gut microbiome.

Kellogg believes that nourishing the gut microbiome can have a transformational effect on how and what we eat. We are committed to invest in this space, building the partnerships that will unlock the benefits of the gut microbiome for everyone through our food.

## **Sustainable Protein**

By 2050, the global population is expected to increase to approximately 10 billion people by 2050. The food supply will need to almost double to support this and this must be done in a sustainable manner which doesn't cost the planet. An animal first food system simply can't meet this challenge.

At Kellogg, we know that we must encourage people towards more plant foods and understand that we have a significant role to play as a developer and advocate for plant-based diets by making adoption of this way of eating easier, tastier and more healthful.

Food is the single strongest lever to both optimize personal wellbeing and environmental sustainability. Simply put, we believe that a plant-based diet is good for people, the planet and communities.

The challenges of feeding our growing population sustainably must really focus on how the world eats protein. Studies show that cereal grains are a much more efficient source of protein when it comes to energy use and GHGE compared to animal sources. We understand the central role that sustainable protein will play in this transition and are focussed on delivering the right sources, quality and frequency to people across the day.

### **Every plant choice is a better choice for people and planet**

Plant-based diets are growing in popularity, but not everyone knows how to plan such a diet. We want people to understand that making a better choice for themselves and the planet doesn't have to mean transitioning entirely to an entirely vegan or vegetarian lifestyle or sacrificing on taste and enjoyment.

We believe that every meal with more plants is a positive choice. We're committed to ensuring that families are encouraged towards more plant-based choices while still obtaining the nutrients they need ensuring the presence of important nutrients such as iron, zinc, Vitamin D, and Vitamin B12 in our foods.

## **Protein source**

Plant-based foods are more efficient for land and water usage with significantly lower energy use and greenhouse gas emissions. As a result, plant-based diet provides the best option for a more sustainable planet. They require less land and water to produce and have a lower environmental impact than other food choices.

In fact, plant-based sources had significantly lower energy consumption and GHGE on a unit mass basis compared to all meat sources. Cereal grains yield nineteen times more protein per unit of GHGE than beef.

A Kellogg conducted a life-cycle assessment on the environmental benefits of plant-based dietary choices showed that when an adult chooses a meatless meal, it reduces carbon footprint, water use & other environmental factors by ~40%.

## **Protein frequency**

Protein is not stored by the body, and for that reason, people need convenient solutions consistently throughout the day to continue fueling and performing at their best. This is especially important at breakfast, where most don't get the protein they need.

As the science on protein continues to develop, it's becoming increasingly clear that people are not consuming enough protein and that there is an imbalance in intake across the day. Experts are calling for more protein and the science is suggesting that regular intake of protein throughout the day can help with weight management, increase in energy expenditure, regulate appetite and impact daily caloric intake. However, the quality and quantity of the protein are critical in determining the benefit.

To help deliver this essential nutrient in a more accessible way, we're committed to researching and investing to create great tasting sustainable protein foods for occasions across the day.

## **Explore the diversity of plants**

It's estimated that there are 30,000 edible plants, yet we only eat 150 of them. And just three main plants – corn, rice and wheat – account for more than 50% of the calories people consume globally.<sup>1</sup> We believe that the current food system approach of growing the same crop on the same land, year-over-year, depletes important soil nutrients that reduce the amount of food we can grow on each acre of land. We recognize the challenge this presents.

Kellogg's is committed to work towards a greater diversity of plant ingredients into our foods. In addition to the health, nutrition, and planetary impacts, we're excited



by the opportunity of diverse plant ingredients to bring exciting culinary experiences to our consumers.

### **Growing Plant-Based Protein**

With *MorningStar Farms*<sup>®</sup>, Kellogg has one of the largest plant-based protein brands in the U.S., and it is focused on growth in this business. We believe enabling consumers to switch towards diets that are richer in plants will have beneficial impacts on the health of both people and planet.

### **Fruits, Vegetables, Nuts and Seeds**

We're aware of the importance of supporting a diet that includes more fruits, vegetables, nuts, seeds, beans and legumes. Our foods can not only provide more of these important ingredients directly, but they also can be meal-building foods that play a key role in enabling food patterns, driving more fruit and vegetable consumption. Additionally, in October 2017, Kellogg acquired RXBar<sup>®7</sup>, then the fastest-growing nutrition bar brand.

### **Inherent Ingredients**

Many of our most popular and highest selling cereal foods and are great options to increase fruit intakes, for example, *Kellogg's Raisin Bran*<sup>®</sup>, *Special K*<sup>®</sup> *Red Berries*, *Special K*<sup>®</sup> *Blueberry* and *Mini-Wheats*<sup>®</sup> *Bite Size Strawberry*

### **Dietary Patterns**

In addition, cereals are also the number one food category to which fruit is added according to the 2021 Produce for Better Health State of the Plate report.<sup>8</sup> Our waffles and plant-based protein offerings also can be drivers of additional fruit or vegetables.

### **Encouraging behavior**

We recognize that our foods have the potential to drive increased fruit intakes for kids. For example, in the U.S. we recently increased marketing *Kellogg's*<sup>®</sup> *Rice Krispies*<sup>®</sup> cereal as we identified this as a key cereal to which children add fruit. We often portray our foods in advertising which encourages positive addition of fruits, nuts, seeds.

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<sup>7</sup> <https://newsroom.kelloggcompany.com/2017-10-06-Kellogg-adds-RXBAR-fastest-growing-U-S-nutrition-bar-brand-to-wholesome-snacks-portfolio>

<sup>8</sup> <https://fruitsandveggies.org/state-of-the-plate/>

## C. SMART CHOICES

We are committed to delivering smart choices across our portfolio, including options with less sugar, sodium and saturated fat by the end of 2030, building on our achievements to date.

### Sodium

Everybody needs a small amount of sodium, but diets higher in sodium are associated with an increased risk of developing high blood pressure, which is a major cause of stroke and heart disease. In the U.S., sodium intake of less than 2,300 mg per day for adults helps to reduce blood pressure and risk of cardiovascular disease, stroke and coronary heart attack. Frequency and amount of consumption are key—the foods we consume often generally contribute the most to sodium intake.

In prepared foods, generally half of our sodium intake comes from two food groups: breads and meats. The contribution of breakfast cereals to daily intake is low—approximately 2% of adults and 3-4% of children intakes. Similarly, potato crisps provide about 2% of dietary sodium.

### Our approach

Kellogg has a strong history of action in this space. Our sodium reduction program commenced in 1998 and continues to this day. Since 2007, we have lowered the average sodium content of our breakfast cereals significantly and we continue to work towards the targets agreed by the International Food and Beverage Alliance, as well as the new Food & Drug Administration (FDA) voluntary sodium targets.

Due to our continued focus on sodium, 80% of the U.S. portfolio currently falls below upper bound levels of the FDA's new voluntary sodium targets. Additionally, only one of our cereals "Most Visible to Kids" exceeds the FDA upper bound level. Finally, several of our foods served in school have experienced reductions by more than 35%.

As a result of our sodium reduction work, we have further lowered the sodium criteria as part of our Kellogg Global Nutrition Criteria by 15% in breakfast cereals and 28% in wholesome cereal snacks. These reductions were influenced by

external benchmarks including IFBA sodium targets. We have further agreed to work towards IFBA sodium reduction targets for 2025 and 2030<sup>9</sup>.

## Sugar

We recognize the World Health Organization guideline on sugar intakes for adults and children.<sup>10</sup> Further, we acknowledge that intake of free sugars—particularly in the form of sugar-sweetened beverages—increases overall energy intake. This intake of free sugars may also reduce the intake of foods containing more nutritionally adequate calories, leading to an unhealthy diet, weight gain and increased risk of non-communicable diseases including obesity and tooth decay.

### Our approach

We understand that people’s sugar intake primarily comes from the key categories of sugar-sweetened beverages, desserts and sweet snacks and candy. Breakfast cereals are relatively minor contributors to sugar intake, at less than 7% of dietary intake.<sup>11</sup>

Importantly, unlike these discretionary sources of sugar, breakfast cereals are intended to be consumed with milk as a part of a main meal. Breakfast cereals are a minor contributor to daily calorie intake. Unlike with other food categories, such as sugar-sweetened beverages, removing sugar from breakfast cereals results in calorie content remaining relatively consistent.

Despite this, we recognize that we must play our part in addressing dietary overconsumption of sugar and have committed to take several steps:

- We design our foods with awareness of public health priorities. Since 2011, we’ve lowered our Kellogg Global Nutrition Criteria for sugar by 12.5%.
- We regularly review the levels of sugar in our foods to ensure we are delivering on consumer expectations.
- We have steadily reduced sugar in our breakfast cereals and increased choice over time.
- In addition to our food renovation efforts, we have increased marketing efforts around our foods that already have lower sugar content

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<sup>9</sup> <https://ifballiance.org/news/international-food-beverage-companies-commit-to-reduce-sodium-globally-in-manufactured-foods/>

<sup>10</sup> <https://www.who.int/publications/i/item/9789241549028>

<sup>11</sup> [https://www.dietaryguidelines.gov/sites/default/files/2021-03/Dietary\\_Guidelines\\_for\\_Americans-2020-2025.pdf#page=56](https://www.dietaryguidelines.gov/sites/default/files/2021-03/Dietary_Guidelines_for_Americans-2020-2025.pdf#page=56)

We remain committed to continually scouting and validating new tools and technologies to improve taste, texture and functionality while supporting our efforts on optimizing sweetness. Finally, we have committed to ensuring cereals marketed to children have 11 grams or less of sugar per serving by 2025.

## **Saturated Fat and Trans Fat**

Excessive fat intake has been linked to obesity and can contribute to non-communicable diseases such as heart disease. The WHO recommends that 30% of daily calories come from total fat, with 10% of daily calories coming from saturated fat. In the U.S., the Daily Value for saturated fat is less than 20 grams per day. This is based on a 2,000-calorie daily diet.

### **Our approach**

Grains and other plant-based foods, such as breakfast cereals and meat alternatives, are typically low in saturated fat and minimal contributors to saturated fat in the diet.

For our savory snacking foods, we use various tools, including baking and optimizing our blends of plant-based oils, to ensure saturated fats levels are managed appropriately.

Kellogg has adopted the IFBA commitment of not using any partially hydrogenated oil as an ingredient in its recipes and applying a maximum of industrial trans-fatty acids in the final products of 2 milligrams/100 grams oil. We have delivered against this commitment, removing industrial trans-fat from the very few recipes in which they existed.

## **D. ENHANCED FOOD EXPERIENCE**

Wellbeing is no longer simply about the absence of sickness or disease but about complete physical and emotional wellbeing. At Kellogg, we put the food experience at the center of our wellbeing approach and believe in the power of food to deliver a place at the table for everyone.

We are committed to bringing people together through relevant and delicious food experiences. We believe in the power of food to bring people together and contribute to emotional wellbeing. Whether it's families eating plant-based meals together, the enjoyment of snacking in a social environment, or being inspired by diverse ingredients, we're dedicated to creating memorable and enjoyable foods.

Food is at the heart of all that we do. We understand that people are seeking more nutritious, affordable and sustainable food options, but are less likely to compromise on taste, enjoyment and cultural relevance. We know the power of tasty, relevant, convenient and accessible foods to create positive shifts in modern diets.

### **Foods to delight**

We are dedicated to developing food experiences that enrich and delight. In today's culinary world, people have a wide range of tastes and enjoy food-centric experiences. At Kellogg, our R&D, innovation and culinary teams continually challenge boundaries to deliver superior experiences that delight.

More and more families are beginning to discover how grains and other plant foods provide a versatile array of tastes, convenience and enjoyment. We are committed to investing in enhancing people's food experience through culinary creativity, sensory science and innovation expertise while continuing to explore new tastes and flavors through innovation and partnerships.

Our commitment to great food has seen the continued evolution of the W.K. Kellogg Institute for Food Nutrition and Research. We've opened the \$2.2 million Culinary Center to develop new foods in collaboration with our sensory and design teams. The new facilities include a research and development kitchen, a consumer kitchen, sensory labs, and a packaging and design studio. These facilities are spurring culinary innovations to help Kellogg launch the next generation of food, allowing us to immerse in culinary approaches from different cultures and bring a food-centric perspective to home kitchens around the world.

## **Foods to share**

Food is an experience to be shared and enjoyed. We believe in the power of food to bring people together and contribute to overall emotional wellbeing. Whether that's the wellbeing brought about by families eating grain-based foods together, the enjoyment of snacking, or being inspired by diverse ingredients, we're dedicated to creating memorable occasions.

Bringing people and families together around a shared meal has shown to have a positive impact on overall wellbeing. The American College of Pediatrics reports that "When families regularly share meals together, everyone benefits – the children, parents and even the community.

These behaviours shape our approach to emotional wellbeing and inform our approach to eating occasions across the world: demographic realities and the ongoing evolution of food shape our strategies and thinking.

## E. HEALTHIER LIFESTYLES

The World Health Organization defines health as a “a state of complete physical, mental and social wellbeing and not merely the absence of disease or infirmity”. It’s clear that healthy lifestyles require a balance of smart choices involving positive dietary patterns, a reduction in sedentary behavior and promoting emotional and societal wellbeing.

At Kellogg, we know that one of the most impactful actions we can take is to encourage people towards better lifestyle habits. We’re passionate about the role our foods and brands can play in nourishing healthier lifestyles. We believe our brands and equities can make positive contributions towards improving all aspects of wellbeing and we are committed to take positive action.

We are committed to supporting positive actions on dietary patterns, nutrition education, and active lifestyle programs for people, their families, and communities.

### Employee Wellbeing

#### **Start with the Kellogg family - Total Health<sup>12</sup>**

We understand that the workplace is an excellent point of intervention to contribute to improved health outcomes for people. According to the WHO, 58% of the global population will spend at least one-third of their adult lives at work. Yet only a small percentage of the global workforce who work in corporate offices in high-income countries have access to healthy food options at work.

We understand that better employee wellbeing includes beneficial expected outcomes - reduced absenteeism, enhanced productivity, increase job satisfaction and lower rates of accidents and mistakes at work. Well-executed workplace nutrition and health programs support SDG2 (Sustainable Development Goal 2) (Zero Hunger), SDG3 (Good Health and Wellbeing), and SDG8 (Decent Work and Economic Growth).

My Total Health<sup>13</sup>, our global employee wellbeing framework, launched in 2019. It addresses physical, financial, social and emotional wellbeing to support our employee’s personal goals including healthy foods at work and nutrition

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<sup>12</sup> [https://s1.q4cdn.com/243145854/files/doc\\_downloads/2020/K\\_FY2020\\_Annual-Report.pdf](https://s1.q4cdn.com/243145854/files/doc_downloads/2020/K_FY2020_Annual-Report.pdf)

<sup>13</sup> <https://www.kelloggtotalhealth.com/public/welcome>

education.<sup>14</sup> Our company locations now use the My Total Health framework to guide how they communicate and engage with employees in support of their wellbeing. Our commitment is to support our employees to become financially sound, emotionally secure, physically well and socially connected.

## **Supporting Parents**

Globally, we are committed to the wellbeing of our working parents. We offer competitive parental leaves across the world, have reserved locations<sup>15</sup> for mothers to breastfeed upon returning to work and allow allocated breaks for this purpose.

We are always open to working with our employees to agree to flexible working arrangements to meet the needs of their lives and families, such as taking children to appointments, school drop-off and pick-up and more. Additionally, we have introduced unique initiatives to support the needs of our diverse locations, including a dedicated parental coaching platform, employee resource groups for working parents to establish community, programs to help find childcare in many countries, milk delivery service for mothers traveling on business to ensure they can ship their breast milk back home safely<sup>16</sup>, and business travel policies that enable parents to take a family member and baby under two on a business trip to ensure childcare.

## **Best practice through partnerships**

At Kellogg, we leverage our corporate partnerships with global leaders like the Consumer Goods Forum (CGF) and the Global Alliance for Improved Nutrition (GAIN) to help realize our ambition to support employees and adopt workforce nutrition programs.

Kellogg is a member of the Workforce Nutrition Alliance (WNA). As part of its membership and participation in this initiative, we will expand our workforce nutrition programs as part of this initiative by 2025. Through our membership, we will also support a collaborative effort to build a food system that promotes healthy diets and supports the nutrition pillar.

## **Smart Snacking**

In almost all food cultures, people eat foods outside of traditional meals such as breakfast, lunch and dinner, examples include the “goûter” (after school snack in

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<sup>14</sup> <https://kelloggsblog.com/2022/02/kelloggs-expanded-mental-health-benefits-proves-people-are-its-heart-soul/>

<sup>15</sup> All rooms have refrigerators, sanitation supplies and locking doors

<sup>16</sup> [www.milkstork.com](http://www.milkstork.com)



France) or the “almuerzo” (mid-morning occasion in Mexico). At Kellogg, we recognise that people have different motivations for snacking and the spectrum of what constitutes a snack, when, where, how, why, by and with whom snacking takes place, is exceptionally diverse.

We believe that snacking can play a variety of roles in the diet, providing nourishment through a nutrient boost or access to a culturally relevant food format. Equally, snacking can play an important role in emotional wellbeing, bringing people together over food or enjoyed individually in a moment of happiness.

## **Transparency**

We are committed to transparency on the role of our snack foods across the day by providing portion size offerings and clear calorie content information to consumers so that they can make informed choices.

Our intent at all times is to build trust through clear fact-based information. We are committed to provide nutrition information in line with national regulations and guidance. For snacking, we understand the importance of clear portion size information and are committed to including it on packaging.

## **Portion Sizes**

We are committed to offering portion-controlled options. This can help to make our quality and great tasting foods more affordable and accessible while also helping people to manage their calories. We offer many options in single-serve packs, allowing for portion control.

We are aware that we must balance our growth in portion control foods with our commitment to reducing waste and plastic packaging. We continue to invest in optimizing and reducing packaging.

## **Innovation**

We are inspired by grain and plant-based snacking and are committed to explore new ways to deliver grains in tasty, nourishing and relevant ways to people. We see the potential of snacking to play a role in closing the gap between advised and actual nutrient intakes by boosting nutrients in convenient, accessible and locally relevant ways.

## **Food Labelling**

Our commitment is to be clear on the nutrition our foods provide and the role they play in healthy and sustainable dietary patterns.

We understand that people want clear and concise information about the foods they are eating so they can make the best choice for themselves and their family.

We believe that nutrition labeling can enable people to make healthier and more sustainable choices. We are committed to transparency, through clear, science-based nutrition and ingredient information.

Kellogg was one of the first companies to place nutrition information on our foods in the early 1900s. We further pioneered Guideline Daily Amounts in the early 2000s to ensure that people would have information on calories, sugar, sodium and other nutrients in our foods in an accessible form. We believe that providing people with clear information and guidance can help them make more informed choices. We design our food labels to provide all information in accordance with local laws and regulations and comply with the Codex Alimentarius principles of labeling.

### **Front of Pack**

Kellogg has shown its commitment to meaningful Front of Pack labels through our use of the Facts Up Front program in the U.S., Traffic Lights labels in the UK, Health Star Rating in Australia and NutriScore in France. Kellogg is committed to Front of Pack labeling and currently, over 90% of our foods carry front of pack labels.

### **Labelling Ingredients**

We operate to internal standards for labelling ingredients such as whole grain, fruits and vegetables. These standards are based on guidance from the FDA and aligned to Dietary Guidelines of America (DGA) as it relates to food categories. Foods that meet these standards are considered eligible for communication to consumers, such as an on-pack claim.

### **Online information**

As online shopping continues to grow, we are committed to providing information on our Kellogg websites and through the various online locations, people can purchase Kellogg foods. We currently utilize a variety of tools to fuel our digital platforms and are committed to providing full nutrition information for all our foods. This program helps create consistency for our consumers.

### **Meaningful Claims**

Kellogg supports and abides by all regulatory frameworks relating to nutrition and health claims. We support the Codex Alimentarius Guidelines on the Use of Nutrition Claims (CAC/GL 23-1997) and work to ensure that all claims are transparent, truthful, not misleading and meaningful to help people make informed choices.

Where no legislation exists or is under development, we support the use of the Codex Guidelines and commit that all nutrition and health claims made on our foods will be in full compliance with the guidelines.

Kellogg is committed to fortification as a proven and practical means of closing the gaps on shortfall micronutrients. We consider our fortification practices carefully and only communicate claims on foods in categories which are staples of a healthy diet, in line with the WHO/FAO Guidelines on Food Fortification with micronutrients.

### **Better Planet**

We are aware that food labels can help people make a better food choice for the planet as well as themselves and their families. We're committed to exploring labelling communications which encourage positive recycling behaviors as well as enabling food choices which support categories with low impact on the planet.

### **Responsible Marketing**

W.K. Kellogg set the tone for our continued commitment to protecting and promoting people's trust when he put his name on every food as a personal assurance of quality. Today, Kellogg is committed to marketing and communicating the quality of our foods and brands in responsible ways.

We are committed to supporting positive lifestyle behaviors such as maintaining a healthy body weight. We present our foods in the context of a balanced diet, which supports the company's approach to wellbeing.

Kellogg adheres to the International Chamber of Commerce (ICC) Advertising and Marketing Communications Code.<sup>17</sup> We are a signatory to multiple global, regional and country-specific marketing pledges.

Furthermore, we augment these principles with Kellogg-specific codes including the Kellogg Advertising Brand Safety Guidelines and our Worldwide Marketing Communication Guidelines.<sup>18</sup> In the 2021 update of the latter, we strengthened our commitment to responsible advertising to all audiences, including children.

Kellogg's Internal Audit team makes a priority of auditing our media agencies regularly and queries the methods and processes that the agencies use to traffic and place advertising to children as well as those advertisements for our foods that do not meet our KGNC standards.

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<sup>17</sup> <https://iccwbo.org/publication/icc-advertising-and-marketing-communications-code>

<sup>18</sup> <https://crreport.kelloggcompany.com/download/WWMCGs+Refresh+2021+final.pdf>

## **Physical Activity and Wellbeing Programs**

Kellogg believe in the power of collective action and science-based interventions to have an impact on the health and sustainability challenges facing us. We support healthy eating, nutrition education, and active lifestyle programs for people and communities that have a real and measurable impact on their health and wellbeing.

We are committed to continuing to develop, participate in and financially support a wide variety of physical activity and wellbeing programs leveraging the power of our brands and equities.

We will do so by partnering with a variety of agencies, sports bodies, culinary experts to develop programs as a means of encouraging people to lead healthier lifestyles. We will ensure that the programs we support include dietary advice in line with national dietary guidelines.

## F. ANNEX:

### KGNC

Category	Calories (kcal/serv.)	Total Sugar (per 100g)	Sodium (per 100g)	Sat. Fat (per 100g)	Mandatory Requirements
Ready to Eat Breakfast Cereal	≤220	≤35 g	≤650 mg	≤5 g	provides in an essential nutrient OR ≥½ serving or first ingredient WG
Cereal Bars and snacks	≤200	≤35 g	≤550 mg	≤6 g	provides in an essential nutrient OR ≥½ serving or first ingredient F/V/D/M/WG
Waffles and Pancakes	≤300	≤25 g	≤600 mg	≤5 g	provides in an essential nutrient OR ≥½ serving or first ingredient WG
Noodles* (as consumed)	≤360	≤5 g	≤500 mg	≤5 g	
Plant-Based Meat Alternatives	≤250	≤10 g	≤800 mg	≤6 g	provides an essential nutrient OR Protein ≥5g/100g
Savory Snacks	≤180	≤10g	≤860 mg	≤9g	No fortification on savory snacks which do not meet KGNC and local regulatory requirements

#### Definitions

- \*Thresholds apply to food as reconstituted, ready for consumption following manufacturer's instructions.
- "Cereal bars and snacks" is defined as all portable wholesome snacks, sweet snacks, toastable pastries and cookies; "Savory snacks" defined as all potato and other grain-based snacks and crackers; "Essential nutrient" is any micronutrient, fiber or protein; "F/V/D/M/WG" is any combination of fruits, vegetables, non/low-fat dairy, meat or meat alternate, and/or whole grains.

## Goals

Goals		Status
<b>Nourish with our foods</b>	<b>Nourish 1 billion people with our foods by 2030</b>	838m
<b>Smart Choices</b>	<b>Develop smart choices including options with less sugar, sodium and saturated fat</b>	
Sodium	IFBA sodium reduction targets for sodium from a 2020 baseline to 2025& 2030 <sup>19</sup>	In Progress
Saturated Fat	IFBA saturated fat and trans-fat reduction targets from a 2015 baseline <sup>20</sup>	On track
Trans Fat	Remove industrial trans fats from our foods in line with the IFBA commitment <sup>21</sup>	Delivered
Sugar	IFBA ensure 90% cereals have 10g or less per 30g serving from a 2015 baseline	Delivered
<b>Access</b>	<b>Enable access to nourishing foods with fiber, protein and micronutrients</b>	
Fiber	Nourish over 800 million people with fiber foods by 2030 from a 2020 baseline <sup>22</sup>	On track
Protein	Nourish over 50 million people with protein food by 2030 from a 2020 baseline	On track
Micronutrients	Nourish over 900 million people with foods containing a micronutrient by 2030 from a 2020 baseline	On track
<b>Smart Snacking</b>	<b>Encourage mindful snacking while promoting more portion packs</b>	On track
<b>Emotional Wellbeing</b>	<b>Nourish emotional wellbeing being part of 2 billion wellbeing occasions every year<sup>23</sup></b>	On track

<sup>19</sup> <https://ifballiance.org/publications/ifba-global-sodium-reduction-commitment/>

<sup>20</sup> <https://ifballiance.org/commitments/product-formulation/reducing-saturated-fats-eliminating-trans-fats/>

<sup>21</sup> <https://ifballiance.org/commitments/product-formulation/reducing-saturated-fats-eliminating-trans-fats/>

<sup>22</sup> Food meetings claimable source in country, eaten 4 times per week and meeting KGNC

<sup>23</sup> Wellbeing Occasions using Landmark data = consumed with others AND meet social emotional needs (to celebrate a special occasion with friends, family or a loved one OR to enhance time with friends, family or a loved one OR to demonstrate to my family/friends that I care for them)

Goals		Status
<b>Transparent Information</b>		
Front of Pack labelling	Provide nutrition information on the Front of Pack	More than 90%
Online Information	Provide nutrition information online for all our foods	100%
<b>Engagement Programs</b>	<b>Enable Healthier Choices through education and engagement</b>	
Employees	Support our employees to healthier lives through our Total Health programme	In Progress
Consumers	TBC (number of people engaged) in line with brand programs	TBC
<b>Childhood Wellbeing Promise</b>		
Improve access to nourishing, affordable, sustainable foods <sup>24</sup>		800k children reached through Women Infants and Children Program (WIC) and annual innovation
Ensure that more than 50% of our “most visible to children” portfolio meets our KGNC by end 2022 from 2020 baseline		On track
Motivate kids to embrace wellbeing and physical activity		2.6M children directly impacted
<b>Kellogg Global Nutrition Criteria Review</b>		
Further review our Kellogg Global Nutrition Criteria by 2024		N/A

<sup>24</sup> Includes both our foods and our marketing efforts

## Reporting

Kellogg Global Nutrition Criteria	Category				
	Breakfast Cereal	Savory Snacks	Bars and biscuits	Plant Based Meat Alternatives	Frozen Breakfast
<b>% Foods meeting KGNC</b>					
% Foods free from industrial trans fat	100	100	100	100	100
% Foods meeting KGNC for sugar	89	95	75	98	98
% Foods meeting KGNC for saturated fat	94	53	69	100	95
% Foods meeting KGNC for sodium	99	80	95	98	96
<b>% Foods containing fiber</b>	80	42	54	86	27
<b>% Foods containing protein</b>	25	N/A	19	80	15
<b>% Foods containing at least one micronutrient</b>	66	33	61	-	80
<b>Breakfast Cereal Micronutrients</b>					
<i>Vitamin D</i>	41	N/A	N/A	N/A	N/A
<i>Iron</i>	78	N/A	N/A	N/A	N/A
<i>Folic Acid</i>	59	N/A	N/A	N/A	N/A