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Nestlé Marketing Communication to Children Policy



Policy Mandatory January 2018



Issuing Function

Marketing and Sales, Corporate Communications, Strategic Business Units

Target audience

Marketing and Sales globally Corporate Communications / Public Affairs globally Regulatory and Scientific Affairs, NHW Managers, Nutritionists

Approver

Nestlé Executive Board

Repository

All Nestlé Principles and Policies, Standards and Guidelines can be found in NestleDocs, on the Nest

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Background

Childhood obesity

In just over two decades, childhood obesity rates have increased by almost 25 percent. As a result, the 2011 UN Summit on non-communicable diseases called on the private sector to reduce the impact of marketing of products high in salt, sugar and fat to children. Global and regional health authorities and governments are increasingly taking specific initiatives to curb obesity rates amongst children.

Global marketing recommendations

The World Health Organization (WHO)
Recommendations on Marketing of Foods and
Beverages to Children was approved by Member
States in May 2010. In 2016, the Commission
on Ending Childhood Obesity presented its final
report to the WHO Director-General and proposed
to governments a range of recommendations.
One of the key recommendations is to implement
the Set of Recommendations on the Marketing of
Foods and Non-alcoholic Beverages to Children.

Nestlé and Industry initiatives

As the world's largest food and beverage, nutrition, health and wellness company, Nestlé is working together with stakeholders, customers and retailers to create a healthier environment for individuals and families. Nestlé's updated Policy on Marketing Communication to Children reflects this commitment.

Nestlé participates in industry activities aimed at furthering responsible advertising to consumers such as those carried out by International Chamber of Commerce (ICC), the International Food and Beverage Alliance (IFBA) and the Consumer Goods Forum (CGF). This includes initiatives focussing on the voluntary restriction of advertising to children covering more than 50 countries. These industry "pledges" are subject to third party compliance monitoring.

Nestlé reports transparently on its commitments on Marketing Communications to Children through the Nestlé in Society report and is regularly assessed by independent third parties such as the Access to Nutrition Index (ATNI).

Links to related industry documents

International Chamber of Commerce (ICC)
International Food and Beverages Alliance (IFBA)
Consumer Goods Forum commitments on
Marketing Communications to Children (CGF)

Our Policy (1)

Age and product requirements

- We do not direct any marketing communication to children 0 to below 6 years of age.
- When directing marketing communication to children 6 to below 12 years of age, this can only be permitted with products that achieve the Nestlé Policy Nutrition Criteria (see "definitions").
- We do not direct any marketing communication for sweet and savory biscuits, sugar confectionery, chocolate confectionery, water-based beverage products with added sugars and ice-cream products to children below 12 years of age, irrespective of the Nestlé Policy Nutrition Criteria being met. Consistent with this, extension of any biscuit, sugar or chocolate confectionery, water-based beverage products with added sugars and icecream brands to other product categories falls under the same rule.

Scope and Communication Measurement

- The Nestlé Marketing Communication to Children Policy applies to paid and unpaid marketing communication developed directly by or on behalf of Nestlé, with the intention of promoting our products directly to children below 12 years of age.
- It specifically includes such marketing communication using television, radio, print, cinema, outdoor/places where children gather, digital media (digisphere), mobile, games, consumer relationship marketing, viral marketing, apps, e-mail/SMS, Nestléowned websites, movie tie-ins, promotions, premiums, contests, product sponsorships, sampling, and point of sale.
- Marketing communication will be deemed directed to children below 12 years of age if 25% or more of the media channel's audience is of that age group. In addition, in developing any marketing communication in compliance with the above age requirements, we will take into account i) channels of placement, ii) content and iii) overall impression of the marketing communication.

(1) It applies to all products of the Nestlé Group. We will work with our joint-venture partners to ensure compliance with the principles of this Policy.

Characters, Celebrity Endorsement and Premiums

- Licensed characters, endorsements of celebrities and premiums primarily appealing to children 6 to below 12 years of age, can only be used for marketing communication of products that meet the Nestlé Policy Nutrition Criteria. They cannot be used for sweet and savory biscuits, sugar confectionery, chocolate confectionery, water-based beverage products with added sugars and icecream products.
- Owned or licensed characters, and premiums primarily appealing to children 6 to below 12 years of age (e.g. toys, games or books) must be used to promote healthy, active lifestyles. This includes healthy eating, active play and encouragement of physical activity, and support of educational development.

Packaging

- The role of packaging is to inform consumers at point of sale about the product composition, role in a balanced diet and portion guidance.
- To ensure we support parents' choice, restrictions placed on licensed characters, celebrity endorsement and premiums primarily appealing to children 6 to 12 apply to packaging. We will however continue to link our products to seasonal themes traditional in chocolate confectionery, which are relevant to children in a gifting context by adults (e.g. Easter, Christmas, Chinese New Year, etc and duty free). This exception is limited to the packaging/product itself.
- Characters that are intellectual property of the Nestlé Group are excluded from the scope of the restrictions.
- Any products can have on-pack or in-pack premiums that are oriented to gatekeepers who make household purchasing decisions.

Marketing Communication and Sales in Primary Schools

- We do not direct marketing communications to children in primary schools (i.e. with children below 12 years of age).
- We can participate in health and wellness educational programmes provided that they are specifically requested by, or agreed with, the school administration and endorsed by relevant national authorities. We will only participate in such activities with products that meet the Nestlé Policy Nutrition Criteria.
- Products sold to primary schools under Nestlé's direct control and supervision must achieve the Nestlé Policy Nutrition Criteria, and

- the sale must have the consent in writing of the school administration.
- Nestlé's vending equipment in primary schools under Nestlé's direct control and supervision must contain only products that meet the Nestlé Policy Nutrition Criteria.

Compliance with laws

We are committed to complying with all applicable laws governing marketing communication to children and related data collection. If applicable laws set stricter requirements than this Policy, they must be followed.

Related Group Principles / Policies, Standards or Guidelines

The Nestlé Corporate Business Principles
The Nestlé Consumer Communication Principles
The Nestlé Policy and Instructions for the
Implementation of the WHO Code of Marketing of
Breast-Milk Substitutes
The Nestlé Privacy Policy

Definitions

Marketing Communication directed to Children

 Refers to paid and unpaid marketing communication developed directly by, or on behalf of, Nestlé with the intention of promoting our products directly to children 6 to below 12 years of age. It specifically includes such marketing communication using television, radio, print, cinema, outdoor/ places where children gather, digital media (digisphere), mobile, games, consumer relationship marketing, viral marketing, apps, e-mail/SMS, Nestlé-owned websites, movie tie-ins, promotions, premiums, contests, product sponsorships, sampling and point of sale.

EU pledge Nutrition Criteria

- For Brands permitted to communicate to children, EU Pledge Criteria must be met.
- Common criteria have been established for all EU Pledge industry members by category.
 For the majority of categories, a product must meet thresholds for:
 - a. nutrients to limit (e.g., total sugars, sodium, saturated fats and energy); and
 - high value food groups/ingredients (e.g., fruit, vegetable and whole grain) or an essential nutrient (e.g., calcium and polyunsaturated fatty acids).

Nestlé Policy Nutrition Criteria

 Refers to the <u>EU Pledge Nutrition Criteria</u>, other regionally or nationally agreed pledges or the <u>Nestlé Nutritional Foundation</u> (NF), whichever is stricter.

Compliance and Monitoring

- Detailed Implementation Guidelines, as well as guidance on roles and responsibilities at local and global level have been developed to ensure consistent and effective implementation.
- Based on internal auditing as well as external monitoring surveys, a Global Compliance Report will continue to be published on a yearly basis by a Committee with representatives of Public Affairs, Marketing & Consumer Communication and Compliance.
- As before, the Marketing Communication to Children Compliance Rate will be published in the Nestlé in Society Annual Report.
- Compliance with Industry Pledges (e.g. IFBA) will continue to be monitored by a third party.
- Marketers training: On an annual basis, all Nestlé marketers are required to take an assessment of their understanding of the Marketing Communication to Children Policy. Results will be tracked and reported.

