



Select Committee into the Obesity Epidemic in Australia

**Submission from Nestlé Australia Ltd
July 2018**

A. INTRODUCTION

Nestlé welcomes the opportunity to provide comment to the Select Committee into the Obesity Epidemic in Australia. Our comments are limited to those areas of the terms of reference where we have direct experience.

The majority of our focus is on term of reference g) - the role of the food industry in contributing to poor diets and childhood obesity in Australia.

Today, about 1.5 billion people are overweight, of whom 500 million are obese, and these numbers are increasing. By contrast, micronutrient deficiencies remain a major public health concern, with almost 155 million children worldwide stunted due to under-nutrition. These statistics underscore the double burden of nutrition, and call for action. We are of the view that we have a tremendous opportunity, and responsibility, to support the health and nutrition of individuals, families and communities.

Public health authorities at the World Health Organization and United Nations have rightly called for action to address malnutrition in all its forms. These experts have reinforced that addressing these challenges requires a multi-stakeholder approach.

Nestlé shares a common interest in addressing these challenges, and as public health authorities continue to issue a strong call-to-action for stakeholders, across all sectors, to partner with others to address malnutrition in all its forms. We are motivated to work in dialogue with nutrition and public health experts to promote good nutrition, appropriate choices and healthy lifestyles. This includes addressing undernutrition and nutrient deficiencies. We believe in the power of multi-stakeholder actions to deliver better nutrition, encourage healthier diets and physical activity, and to promote health and wellness initiatives. From our experience, multi-stakeholder actions contribute to better public health outcomes, by combining diverse expertise that focus on shared interests.

As the world's largest private nutrition research organisation with a 150-year long global nutrition heritage, we would like to offer our expertise and resources. Through these resources, we seek to advance our collective knowledge, improve our food offerings, and push our company to help address nutrition challenges.

Nestlé has made numerous public commitments that both uphold public health objectives and influence our business strategy. These commitments aim to make healthy nutrition and lifestyle

easier across the life course through the products we make, to build and share our collective nutrition knowledge, and to promote good nutrition and healthy lifestyles.

Our commitments to 2020, against which we report globally each year are:

Offering tastier and healthier choices ([more](#))

- Launch more foods and beverages that are nutritious, especially for mothers-to-be, new mothers and infants and children
- Further decrease sugars, sodium and saturated fat
- Increase vegetables, fibre-rich grains, pulses, nuts and seeds in our foods and beverages
- Simplify our ingredients list and remove artificial colours
- Address under-nutrition through micronutrient fortification

Inspiring people to lead healthier lives ([more](#))

- Apply and explain nutrition information on packs, at point of sale and online
- Offer guidance on portions for our products
- Market to children only choices that help them achieve a nutritious diet
- Empower parents, caregivers and teachers to foster healthy behaviours in children
- Leverage our marketing efforts to promote healthy cooking, eating and lifestyles
- Support breastfeeding and protect it by continuing to implement an industry-leading policy to market breast-milk substitutes responsibly
- Inspire people to choose water to lead healthier lives
- Partner for promoting healthy food environments

Building, sharing and applying nutrition knowledge ([more](#))

- Build and share nutrition knowledge from the first 1000 days through to healthy ageing
- Build biomedical science leading to health-promoting products, personalised nutrition and digital solutions

Our purpose in preparing this submission is to outline the steps that Nestlé Australia has taken over the last ten years, and the framework that sits behind them. We appreciate that many of the actions we have taken are not publicly visible, and that the commitment, nutrition science focus, technical innovation, complexity, and consumer responses are little known. We trust that this submission provides useful insight.

B. INFLUENCERS SHAPING OUR APPROACH

Our activities are informed and guided by a wide range of internal and external inputs. These include:

1. Government authorities

- **Government dietary guidelines**
Government dietary guidelines shape our products, as well as recommendations for how they are prepared and consumed.
- **Government policy and regulation**
Australian government policy and regulation has supported change to our products and practices. This includes
 - Labelling initiatives such as Health Star Rating
 - Government programs such as Food and Health Dialogue/Healthy Food Partnership
 - FSANZ – notably the Food Standards Code and Health Claims regulation

2. Stakeholder engagement and input

We actively seek advice from external experts to provide specialist advice that shapes our products and services and provide alternative viewpoints and perspectives.

3. Nestlé Nutrition Network, with over 200 nutritionists worldwide, including in Australia. Here, nutritionists operate within our food and beverage business units to help shape our local products, advising on product formulation and reformulation, packaging, on-pack communication and other key activities. They also provide support on nutrition education, internally and externally, workplace wellness programs, and other activities. They are globally connected to ensure that they remain up to date with both Nestle activities in other geographies and external research and priorities in nutrition.

4. Nestlé Nutrition Institute

The Nestle Nutrition Institute shares science-based information and education with healthcare professionals, scientists and nutrition communities and stakeholders, to share knowledge and further global understanding of the impact of nutrition at every stage of life. It is one of the world's largest private publishers of nutritional information. The Nestlé Nutrition Institute has a particular focus on the area of maternal and child health and nutrition.

5. Nestlé Research

a. Global nutrition research at Nestlé

Nestlé has the world's largest private food and nutrition research organisation, involving about 5000 people and investing about AU\$2.3 bn in 2017.

This organisation has three major research institutes: Health Sciences, Material Sciences and Food Safety & Analytical Sciences. Nestlé Research combines fundamental science at the highest level, high-end analytical platforms leveraged by all research teams, and strong prototyping capabilities to accelerate the translation of science into innovation.

Many of the advances of our research delivers stem from collaborations with public health or academic groups and studies that are independently assessed or delivered.

The scientific findings of Nestlé Research are translated by Nestlé's category-specific Product and Technology Centres into innovations which support business growth, and address nutrition issues –

for example, Health Science products can help healthcare professionals address malnutrition (*Sustagen/Resource*) or obesity (*Optifast*) in a clinical setting.

An example of innovation is the chocolate bar *Milkybar Wowsomes*, recently launched in the UK. It contains Nestlé's new structured sugar which allows us to reduce the sugar content in the chocolate by 30% while using only natural ingredients and no sweeteners. This breakthrough innovation was based on the work of Nestlé's research teams in Switzerland.

b. Australian nutrition research at Nestlé

Nestlé has invested in research to understand the evolving nutrition landscape in Australia better and to build, share and apply this knowledge. Through our findings, we can make a positive contribution to society and help address current key public health and nutrition challenges. This includes:

- A deep understanding of dietary intakes and related lifestyle habits is key. Nestle has committed to the global Feeding Infants and Toddlers Study (FITS) and the Kids Nutrition and Health Study (KNHS). These studies, currently running in six countries including Australia, capture information about dietary and meal patterns, nutrient intakes, lifestyle behaviour, demographics and healthy growth indicators of kids around the world.
- Since 2009, we have been conducting nutrition research studies in Australia in both adults and children. This has included a number of sub-analyses of the most recent National Nutrition and Physical Activity Survey¹, looking at milk consumption, vegetable intake, trends in snacking, discretionary food consumption, and eating occasions. These studies help us understand the nutritional gaps and opportunities.
- We work in close collaboration with independent external research experts for each nutrition project. These projects are published in peer-reviewed journals.

c. Australian research learnings and actions

- Key findings from our research show that Australian children (2-18 years) are lacking in important micronutrients like calcium and not meeting dietary guideline recommendations, particularly for dairy products and vegetables. Adolescents, 14-18 years, were identified as the most nutritionally at-risk age group, with most skipping breakfast and consuming poor quality lunches.
- This indicated a need to focus on increasing dairy intake and promoting a wider variety of vegetable consumption across the day, along with the need to be mindful of portion sizes and the greatest contributors of discretionary energy intake.
- We have presented our research findings at major nutrition conferences and held external stakeholder engagement activities to communicate to the wider nutrition community, including health care professionals, academics and nutrition experts. We have also developed education resources for health care professionals and published peer-reviewed manuscripts of the various studies.
- The research findings have informed our own efforts to develop and reformulate products, and build tools and services that meet the recognised nutritional needs of the community.

RECOMMENDATION

The National Nutrition and Physical Activity Survey¹ (NNPAS) is crucial to staying abreast of the evolving nutrition landscape in Australia.

It was last conducted in 2011-12, and is the most representative and comprehensive data we have on the health and dietary intakes of the population. It is frequently cited by government, non-government and nutrition researchers, and provides a platform to conduct evidence-based sub-analysis research. This data helps to influence policy and is critical to expanding our nutrition knowledge about dietary intakes and lifestyle behaviours, in order to help improve the health of Australians.

We recommend that updating the NNPAS is a government priority, providing ongoing monitoring of what Australians are consuming.

1. Australian Bureau of Statistics (ABS), *Australian Health Survey: Consumption of Food Groups from the Australian Dietary Guidelines, 2011-12, 4364.0.55.011*. 2016: Canberra.

C. NUTRITION AND OUR PRODUCTS

Providing tastier and healthier choices requires a delicate balance. Nestlé has a longstanding program of continuous improvement in the nutritional profile of our food and beverage products, taking public health sensitive nutrients and positive nutrition into account.

1. The role of taste

It is critical to note that while good nutrition in a product is important, products do not succeed commercially if they do not also taste good compared with competitor products. This can create the perverse outcome where consumers choose less healthy products over the nutritionally improved product.

Put simply, for nutritionally improved products to make an impact, they must be eaten – to be eaten, they must taste good.

Consumers have made this very clear, both in consumer research and at the checkout.

- We have seen consumers reject products where they feel taste has been compromised for health.
- Consumer research (see below) consistently indicates a reluctance to compromise on taste. Interestingly, comparison with consumer research from 2006 shows very significant declines in both consumers who always/usually select food for health reasons, and those willing to give up taste for health.



Our goal of creating “tastier and healthier choices” speaks to the need to uphold both.

To do this, we review products against both nutrition and taste criteria. In doing this, we use taste testing panels that they are preferred by at least 60% of consumers.

A gradual approach to reducing salt, sugar and fat helps consumers adapt their taste preference, making them more likely to adopt a healthier diet in the long term. This also prevents situations arising where consumers compensate for taste changes by adding their own other ingredients, such as sugar or salt.

2. Nestlé Nutritional Profiling System

Nutrient profiling is designed to impact dietary intakes positively, through assessing and guiding product nutritional content, through providing frameworks to inform positive choices, or to inform policies and approaches that curb consumption of foods and beverages higher in kilojoules, saturated fat, sugar, and salt, and increase consumption of foods and beverages with positive nutritional attributes.

At the core of Nestlé's work is the Nestlé Nutritional Profiling System (NNPS), which we have used since 2005 to help us offer healthier choices that meet growing demand for more wholesome and nutritious foods and beverages while still prioritising consumers' taste.

The NNPS is a science-based nutrient profiling system used for evaluating and improving the nutritional value of our products. It is derived from global nutrition recommendations, consumer science, and technical feasibility, turning these nutrition recommendations into nutrient targets to guide the development of more nutritious foods that support public health.

The system has been essential in improving our portfolio by reducing public health sensitive nutrients and/or by increasing positive nutrition in our foods and beverages.

The system considers:

- The product category and its role in the diet
- Which nutrients to limit or encourage
- Who the product is for
- How much a serving is

We use the system to

- Guide the creation of new products
- Renovate/reformulate existing products.

Assessing a product through the NNPS allows us to understand nutritional adequacy and nutritional opportunities – to reduce public health sensitive nutrients and/or increase positive nutrition.

Renovation and innovation guided by the NNPS has been demonstrated to be an effective, science-based means of improving dietary intake.

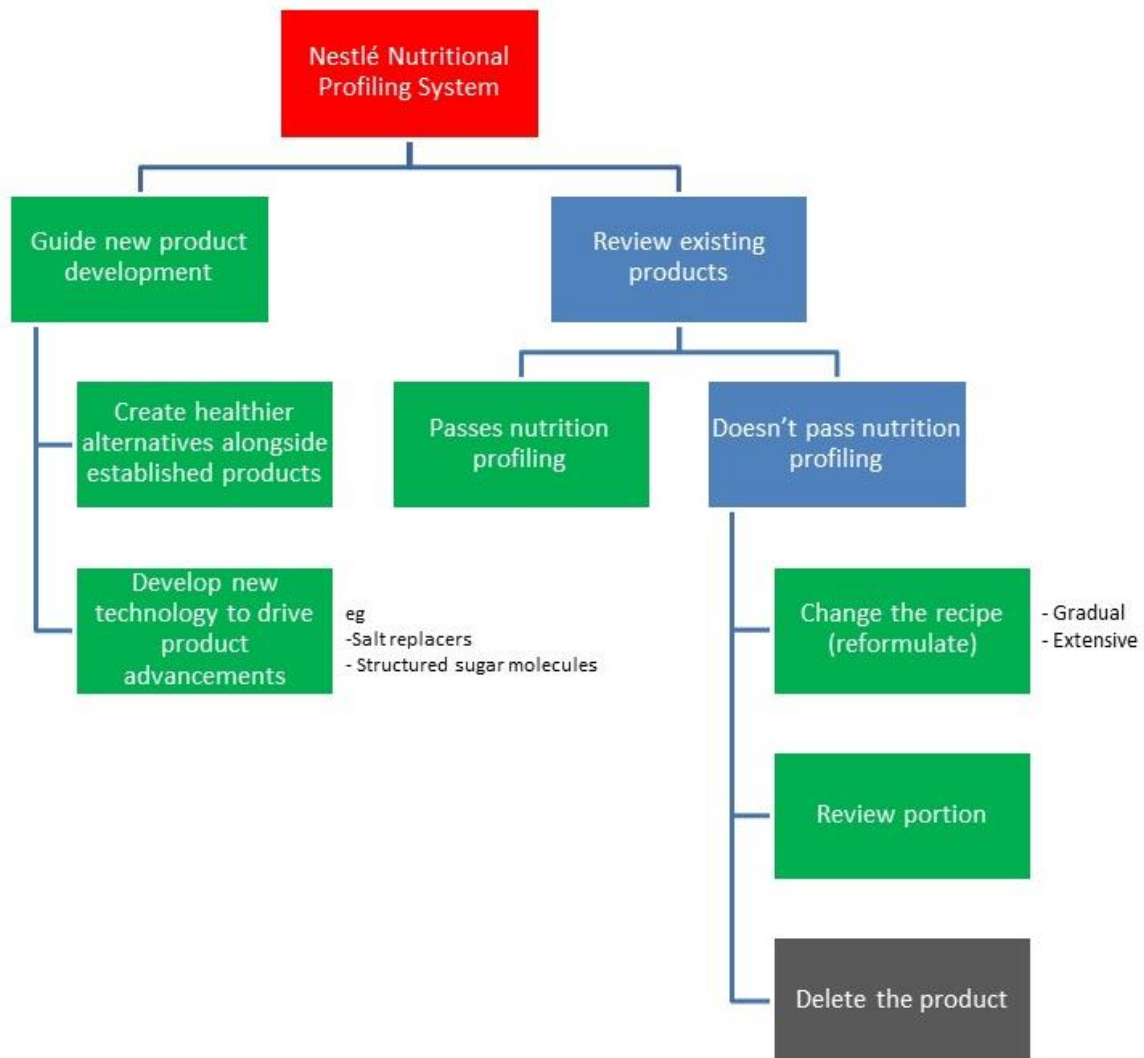
This has been validated by publications in scientific journals regarding the NNPS. Specifically, the publications focused on the scientific rationale behind the system, how its application has resulted in the reduction of public health sensitive nutrients across various product categories, and the potential dietary impact.

These publications are:

- Combet E, *et al.* (2017), "Testing the Capacity of a Multi-Nutrient Profiling System to Guide Food and Beverage Reformulation: Results from Five National Food Composition Databases." *Nutrients* 9(4):406.

- Gressier, M., et. al. (2017). "Modeled Dietary Impact of Industry-wide Food and Beverage Reformulations in the United States and France." *Am J Clin Nutr* (106) 225-232.
- Lehmann U, et al. (2017), "Nutrient profiling for product reformulation: public health impact and benefits for the consumer." *Proceedings of the Nutrition Society* (76):255-264.
- Masset G, et al. (2016), "Modeled dietary impact of pizza reformulations in US children and adolescents." *PLOS One* 11(10):e0164197.
- Vlassopoulos A, et al. (2016), "A nutrient profiling system for the (re)formulation of a global food and beverage portfolio." *Eur J Nutr* (6):1105–1122.

Overall, the results from the publications suggest that the NNPS is effective in reducing nutrients consumed in excess, making it a relevant system to guide product reformulation. This, along with industry wide reformulation of the food supply, can help consumers comply with dietary recommendations.



Above: Summary of the role of nutrition profiling in product innovation and renovation.

a. NNPS and new products

The most efficient and effective time to improve the nutritional profile of the range of products we offer is at the point of new product development so that new products meet the scientifically-based nutrition targets of the NNPS.

In many instances Nestlé has introduced healthier alternatives to existing products. This gives consumers the choice between an existing product and a healthier alternative that sit alongside each other on shelf. Examples include:

- *Maggi 2 Minute Noodles Whole Grain* – developed as a healthier alternative to *Maggi 2 Minute Noodles* these are 99% fat free and contain whole grain. Nestlé initially developed a 99% fat free variant as a healthier alternative to the core product, later developing this product further as a whole grain product.

Note that this does not prevent us from reformulating the original product; the core *Maggi 2 Minute Noodles* have been reformulated a number of times.

Recognising the need to reduce sugar consumption and address consumers' desire for less sugar, we have developed products with reduced sugar. However, these have generally not been successful commercially. For example:

- *Nesquik Plus* (2007) – 25% less total sugars than standard *Nesquik* powder
- *Milo B-Smart* (2008) – with 25% reduced fat and 25% reduced sugar and added iron and iodine.
- *Allens Lollies* (2008) – a range of lollies with 25% less sugar
- *Cheerios Low Sugar* (2015) – a cereal with 1.5% sugar, compared to 14.7% in the main *Cheerios* product (which, in parallel, has had sugar reduced from 20%)
- *Uncle Toby's Nature's Mix* (2017) – Two quick oats sachet variants, with no added sugar, delivering 15% total sugar compared to 23% in our best-selling quick oats variant.

b. NNPS and existing products

Reformulation of older products to improve their nutrition and meet the requirements of the NNPS can be complex. Consumers can resist change to favourite products, and maintaining taste through the reformulation is paramount.

In some instances, reformulation is done in small, incremental steps over time (eg *Cheerios* and *Maggi Noodles*) to allow consumer preferences to adjust with each step. Such changes will be shown on the Nutrition Information Panel but cannot be called out on the pack, as regulations require a 25% change before any on-pack claim can be made.

In other instances, the change will be more significant (eg *Allen's Killer Pythons* and *Uncle Toby's Muesli Bars*).

Examples include:

- *Le Snak* – reduced sodium by 30% and saturated fat by 13%
- *Allen's Killer Pythons* – in 2014 Nestlé reduced the size of the *Killer Python* from 47g (630kj) to 24g (335kj) to reshape the portion size. As anticipated, this has led to a significant reduction in sales of the *Killer Python*, upholding our view that consumers would eat just one *Killer Python* regardless of the size, and that reducing the size is an effective portion control tool.
- *Uncle Tobys Cheerios* – we reduced the sugar in *Cheerios* by 26.5% to under 1 teaspoon per serve, while lowering sodium and boosting fibre and whole grain, through a series of five recipe changes since 2008.

- *Uncle Toby's Muesli Bars* – in 2015 we overhauled the entire *Uncle Tobys* Muesli Bar range, upping the whole grain and increasing fibre by at least 40%. We went even further with our yoghurt top bars, halving saturated fat and reducing sugar by around 40%. This required a significant investment in our factory. The change was not initially a commercial success, with consumers rejecting the product leading to an increase in complaints and a drop in sales. Subsequent changes to the bars retained the nutrition but improved the consumer taste and texture preference.
- *Maggi noodles* – we've cut the sodium in our most popular *Maggi* 2 Minute Noodles by up to 55% since 2005 through a series of gradual steps.
- *Products for children*: Since 2014, all our products designed for children meet our nutrition criteria. To reach this, some were reformulated to meet this criteria, while others were deleted if the targets were not achievable.
- *Trans Fat* – The fats and oil we use in our foods and beverages in Australia do not contain trans fats originating from partially hydrogenated vegetable oils.

CASE STUDY: Renovations and innovations in our breakfast cereals 2008-2017

A set of 'nutrition guardrails' was put in place for all the *Uncle Tobys* and *Nestlé* breakfast cereal, with the goal of all cereals falling within the guardrails – whether through ensuring new products meet this standard, or through reformulating older products to meet the standard.

The guardrails for *Uncle Tobys* and *Nestlé* cereals are:

- Deliver a Health Star Rating of 4 or more (only two *Nestlé* cereals are 3.5)
- Deliver a minimum level of fibre of 2g per serve
- Deliver a source of whole grain (8g per serve). Many are a good source of whole grain (16g per serve) or an excellent source (24g per serve)
- Meet the former Food and Health Dialogue's target for sodium (400mg/100g or less)
- Meet the nutrition requirements of the Health Claims Standard designed to ensure that health claims only appear on healthy foods. The entire range met this standard from January 2013.
- Deliver 'No artificial colours and flavours' (some have no preservatives)

These guardrails have been adapted over time to reflect changing external standards – for example, the Health Star Rating and the Health Claims standard were added, while the Heart Foundation Tick has been removed.

Noting that the breakfast cereal ranges already included choices with no added sugar, no added sodium and/or low sugar, some cereals already met the guardrails; others needed to be changed. Additional reformulation has continued in some products since meeting the guardrails in order to deliver ongoing improvements.

***Milo* cereal**

Chocolate-flavoured cereals illustrate the challenge of reformulating for nutrition in an environment where taste is important. People choose chocolate-flavoured cereals for taste, and there comes a point where it is not possible to reduce sugar without significantly affecting the flavour, texture and 'bowl life'. Our approach is not just focussed on limiting one nutrient in isolation, rather, we focus on making the overall cereal healthier while keeping the taste people like. These cereals are now significantly improved compared to both nutritional guidelines, and competitor products.

For example, since 2006 we have made ongoing improvements to *Milo* cereal:

- Doubled whole grain and fibre
- Halved saturated fat
- Reduced sugar by 12 %



	2006	2007	2008	2010	2011	2014	2017
	Per 100g	Per 100g	Per 100g	Per 100g	Per 100g	Per 100g	Per 100g
Energy kJ	1685	1658	1660	1630	1620	1620	1610
Protein g	10.3	10.3	10.5	10.5	10.4	10.4	9.0
Total fat g	5.8	5.8	4.8	4.7	4.4	4.4	4.8
Saturated fat g	2.9	2.9	2.3	2.3	1.4	1.4	1.3
Carbohydrate g	76.1	74.5	74	72.4	72.9	72.9	71.5
Sugars g	31.3	30.7	29.5	27.7	27.5	27.5	26.9
Fibre g	2.9	4.2	5.3	7	7.8	7.8	7.9
Whole grain	0	20	32.5	41.5	53	53	50
Sodium mg	194	137	125	125	120	120	110
Vitamin D mcg	0	0	0	0	0	0	8.3

Today, *Milo* cereal:

- Provides a good source of Vitamin D - 2.5 mcg per serve (25% RDI)
- Is a source of whole grain - Provides more than 30% of your daily whole grain target in a 30g serve
- Is a source of fibre

Recent efforts to reformulate this product have focused on sugar reduction: however despite trying a range of options, further sugar reduction in this product have resulted in a cereal so dramatically inferior in taste that it cannot be brought to market.

D. LABELLING AND PACKAGING

We recognise the importance of ensuring consumers can make informed choices about the food they consume. Through a variety of on-pack labelling initiatives we are helping to educate consumers on how to incorporate foods into a healthy balanced diet, in the right portions.

1. Health Star Rating

- Nestlé was an early adopter of the Health Star Rating. Our commitment to the Health Star Rating has included:
- Creating supporting tools and educational materials for health care professionals to use with their clients.
- Rolling out our own program of consumer education on the Health Star Rating system through a range of channels.
- Reformulating products to improve the Health Star Rating, as illustrated above.

The Health Star Rating is currently on 328 Nestlé and CPW products.

RECOMMENDATIONS:

1. There is an important role for government to provide better education around the role of the Health Star Rating, and to help consumers understand how the Australian Dietary Guidelines and Health Star Rating can be used as complementary sources of information. While companies have been strong advocates for the scheme, government is much better placed to adopt an educational role of the HSR and the ADG to the broader Australian community.

2. Shoppers' confidence in the Health Star Rating and their ability to use the Health Star Rating in line with its intended purpose – that is, to help them make informed choices between packaged products within the same category – has been eroded by use of the Health Star Rating on foods for which it was not developed (such as core foods like fruits and vegetables), as well as by criticism of the system for its failing to do those things for which it was not intended (such as comparisons across categories and comparisons with core food).

It is important that this is addressed publicly and visibly by government, such as through more robust, extensive public education, and comment in media, as well as addressing inappropriate use of the system at the source.

2. Portion Communication Research has shown that controlling portion size can be an effective way to help people maintain a balanced diet. Consumers' perceptions of appropriate portion sizes for food have slowly increased, and as a result, many people are eating more and more. Nestlé Portion Guidance communication includes:

- *Pictorial portion guidance:* To help consumers understand food portions, in 2014 we launched a simple, easy-to-understand Portion Guidance icon on pack to help guide consumers towards recognising and choosing appropriate portion sizes. Initially launched on confectionery, pictorial portion guidance is now on a growing number of our products.



In some instances a more flexible approach is taken to portion guidance because of the nature of the product. For example, the portion icon on *Maggi* recipe bases is designed to promote vegetable consumption and encourage a balanced plate. This also supports our commitment to increase vegetables.



In our breakfast cereal category, we have added 'balanced breakfast' information to our packs.



- *Packaging to support portion choices:* Where possible we have focused on delivering focused guidance in the form of packaging - for example, *Smarties* packs containing just one child-sized portion – or product form – for example, easily breakable/defined chocolate pieces aligned to appropriate portion size.
- *Resealable packs:* For multi-serve chocolate blocks, Nestlé has created resealable packaging to enable consumption in line with recommended portions.

As well, recognising that consumers have multiple cues that tell them what an appropriate portion size is, we have reshaped our chocolate blocks so that one row – the amount typically eaten by a consumer in one sitting – is an appropriate portion size.

3. Encouragement of core foods

Some of our products are designed to support the consumption of core foods. This has been strengthened on pack through:

- *Recipe guidance:* On pack recipes for *Maggi* recipe bases have been redesigned to ensure we recommend a balanced meal of protein, vegetables and carbohydrate, using healthier choices where possible. Consumer research shows cooks follow these recipes closely.
- *Sodium guidance:* Labelling on *Maggi* recipe bases reminds consumers that adding table salt is not needed.
- *Support of lower fat dairy:* We recommend low fat dairy options for people over the age of two, in line with Australian Dietary Guidelines. This includes recommendations for breakfast cereal preparation as well as preparation of products such as *Milo*.

4. Product specific nutritional information

- Nestlé uses the on-pack Nestlé Nutrition Compass to answer commonly asked questions.
- As Nestlé supports Daily Intake Guidance information globally, this appears as part of the Nutrition Information Panel.
- Nestlé also uses extended labelling to provide nutritional and other information to consumers when making purchase decisions.
- We also provide detailed allergen information on our online Allergen Centre at nestle.com.au.

5. Be Treatwise

Nestlé supports the confectionery industry's *Be treatwise* program. *Be treatwise* was launched in 2006 to help consumers recognise the role of confectionery to a treat within a consumer's diet. We place the *Be treatwise* icon (right) on our confectionery to help explain the place that confectionery has as a treat food, as part of a healthy balanced diet and active lifestyle.



Independent research has shown that confirmed that 79% of the Australian population aged 18 years and over interpret/understand the *Be treatwise* message as “a food that can be eaten occasionally” or “a food that can be eaten rarely”.

The *Be treatwise* logo and tagline accompanies the Nestlé portion guidance icon and the Health Star Rating system's energy icon on most Nestlé confectionery packs.

E. MARKETING TO CHILDREN

Nestlé introduced the Nestlé Marketing to Children Policy in 2008, covering paid and unpaid marketing communication developed directly by or on behalf of Nestlé. This policy has been strengthened a number of times since, most recently in January 2018. In addition, we are a signatory to the voluntary Responsible Children's Marketing Initiative.

This policy includes:

- Nestlé does not market foods or beverages to children under the age of six.
- Nestlé does not market foods and beverages to children under 12 on television, print or online, except for those that fulfil the nutrition criteria of the European Union Pledge.
- Nestlé does not advertise confectionery to children under 12, regardless of nutrition criteria.
- Nestlé does not advertise in any channel where children aged under 12 make up more than 25% of the audience.

The full policy is publicly available [here](#).

The policy specifically covers 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. It also considers activities in primary schools.

Our advertising and media buying agencies are expected to abide by our policy, and compliance is incorporated into our contracts with them. In addition, we regularly train agency staff.

In practice, children in Australia see less advertising than this policy might suggest:

- We do not buy television advertising for any demographic focused on children or teens: the youngest demographic we buy for starts at age 25.
- A review of our actual television advertising audience shows that approximately 7% of the audience is children between 6 and 12 – well below the 25% limit in the policy.
- This reflects not just our advertising buying choices, but also changing audience behaviour. An analysis of the average audience projections and audience potential data indicates that less children are watching television than in the past. Furthermore, behaviour changes again when children reach the age of 12, as data shows even smaller numbers of 12, 13 and 14 year olds watching television than younger children.
- Most social media platforms allow very precise targeting of advertising. Our advertising spend on social media platforms which allow age targeting is primarily directed to people over the age of 25.
- Our advertising content is developed with the shopper – an adult – in mind.

Advertising content

- We do not create advertising where children are the audience: the style and content of our advertising is designed to target the shopper.

F. BOOSTING UNDERSTANDING ABOUT NUTRITION

Our work to increase understanding about nutrition falls into a number of areas:

1. Nutrition information and resources for health care professionals

Nestlé provides practical resources and educational tools for healthcare professionals, developed with the clinical environment in mind. These tools aim to complement or support healthy eating advice they may give their clients.

Examples include

- Portion plates, booklets and posters, visual guides and mindful eating portion cards
- Lunchbox flip charts
- Health Star Rating education cards
- Research booklets

As well, Nestlé ensures relevant research information is available to healthcare professionals through a number of channels.

2. Community education: dietary guidelines and portion

Nestlé has developed and distributed a number of simple tools that consumers can use to guide their portion size choices and balance their meals in line with the Australian Dietary Guidelines. These tools include:

- 350,000 kids and adults portion plates
- 210,000 lunchbox toolkits and lunchbox stickers
- 520,000 nutrition and physical activity booklets – teachers and families
- 200,000 portion posters
- 200,000 AIS and survival cook books



Above: Reusable plastic plates illustrate the portions of food groups that constitute a balanced meal.

3. Nutrition and physical activity programs to educate children and teens

Nestlé for Healthier Kids is a global initiative which brings together all our efforts to support parents and caregivers to raise healthy children. We do this through providing research and product formulation and innovation nutrition solutions and through education in nutrition and physical activity.

One component of this is the Nestlé Healthy Kids program which is conducted in 81 countries to raise awareness of the benefits of a healthy lifestyle amongst children through nutrition education and promotion of regular physical activity, in the hope that this will give them a chance to develop positive attitudes and behaviours towards food choices and physical activity into adulthood. The program is delivered through multi-stakeholder partnerships, working with more than 300 partners including national and local governments, NGOs, nutrition and health institutes and sport federations reaching eight million school aged children. *It is important to note that this program does not have product or brand involvement.*

a. In Australia – Nestlé Healthy Active Kids

In Australia, Nestlé has partnered with the the Australian Institute of Sport (AIS) since 2001 on the Healthy Active Kids program.

Healthy Active Kids takes a holistic approach with the aim of helping children to develop attitudes, knowledge, beliefs and behaviours that will inform better nutrition choices, good hydration and healthy activity. The website www.healthyactivekids.com.au is the core platform for delivering many elements of the Program.

The program includes:

- Online teaching resources on healthy diet and lifestyle
- Grants for schools to support in-school activities which align with the goals of the Healthy Active Kids Program
- Materials for families and children

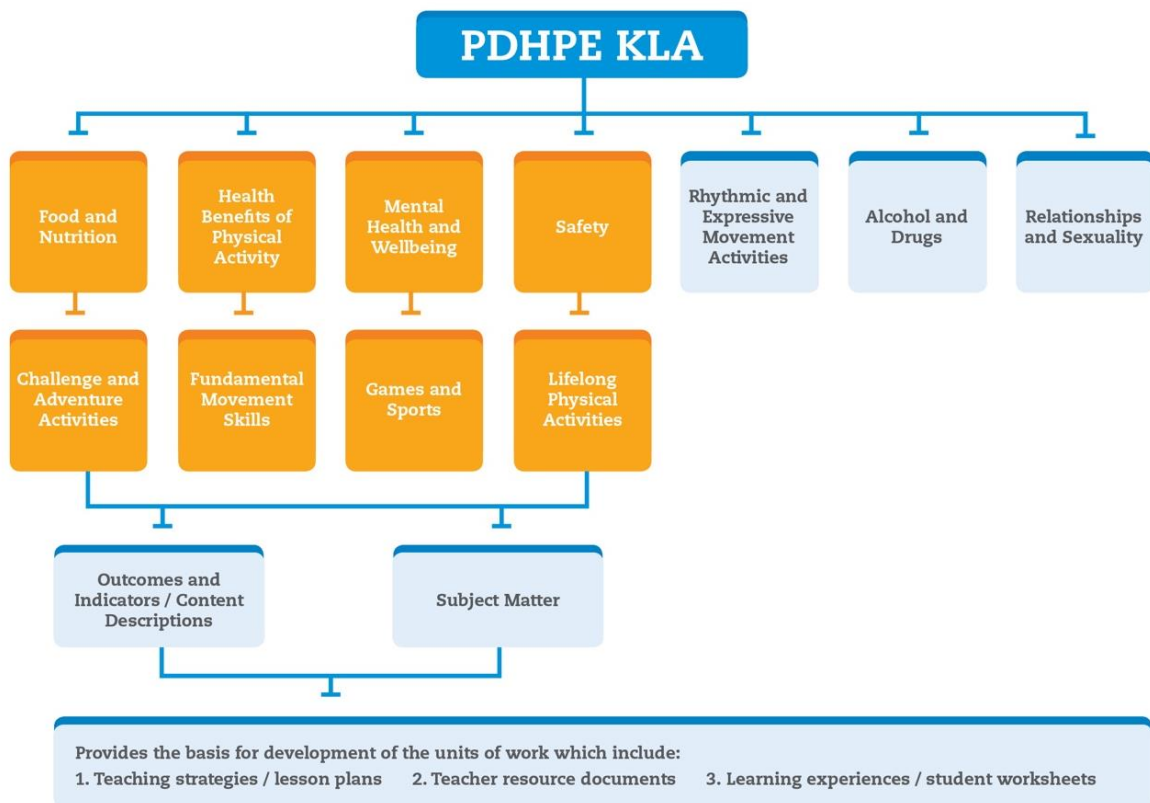
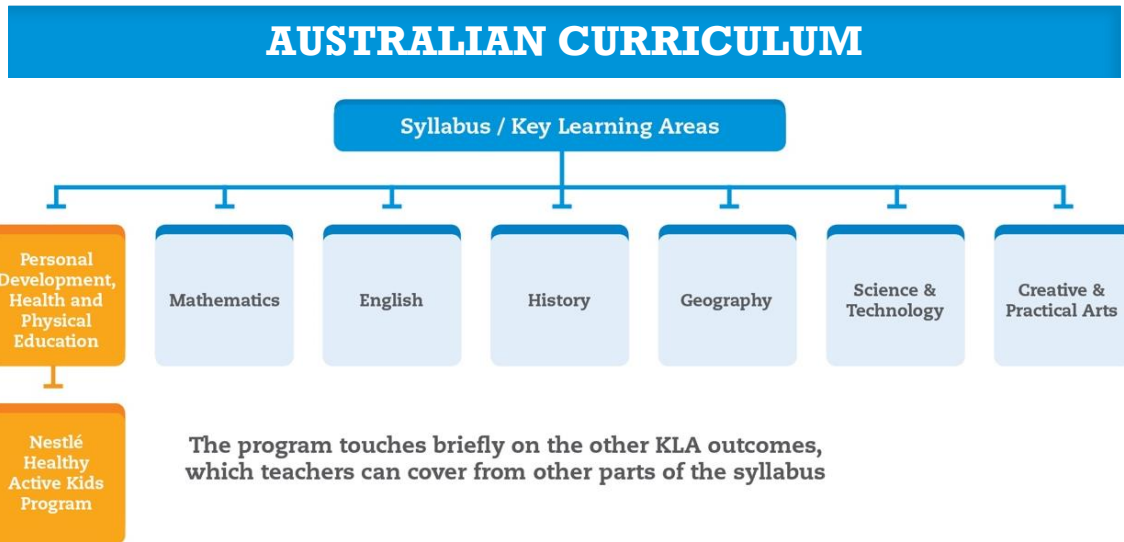
i. Online teaching resources

The teachers' program has been designed for teachers, by teachers. Teaching resources cover eight of the 11 Key Learning Areas of the Australian PDHPE/HPE curriculum. These include curriculum-aligned lessons plans, videos, worksheets, handouts, online games and quizzes, all provided at no charge through the Healthy Active Kids website.

We have sought the input and feedback of Education departments at state and federal levels, independent and Catholic education sectors, and various education associations at state and federal levels to help us refine and improve the program over time.

This outreach has ensured the resources are aligned to the curriculum of each State and Territory including NSW.

The diagram on the following page indicates where the program aligns with the Australian Curriculum.



ii. Grants for schools to support the goals of the Healthy Active Kids program

We have provided support via grants and resources to individual schools for:

- Purposes aligned to Healthy Active Kids, including purchasing indoor sports equipment, creating vegetable gardens, and upgrading Home Economics facilities
- Interactive Smart Boards
- Kitchen Karts: portable teaching kitchens designed with the needs of classrooms and school children in mind.

iii. Materials for families and children

The program provides direct support to families, recognising their primary responsibility for educating children on healthy, active lifestyles. The website has a range of engaging resources for families and children to explore at home. It includes interactive online games for students, recipes to get kids cooking at home, and videos and games on topical nutrition matters.

A range of additional resources within the teachers' program are also available to children to take home and discuss with carers and parents, such as a Healthy Eating Plate to communicate healthy portion sizes and balanced meals, and chapters on hydration.

As well we have developed a 32-page booklet for families with information on nutrition and sports, of which we have distributed over 500,000 copies.

iv. Evaluating Healthy Active Kids

An estimated 25,000 teachers and 490,000 kids have accessed Healthy Active Kids resources either online, or through activities at the Sydney Royal Easter Show or Westfield shopping centres.

The most recent survey of participating teachers (2018) found the Health Active Kids program:

- Increases teachers' tested health knowledge by 41% after two units
- Increases teachers' confidence in teaching health topics by 37% after two units
- Increases children's knowledge of the five food groups by 41% after two units
- Showed slight improvement in teacher behaviour, with teachers' healthy eating behaviours increasing by 10% and their physical activity levels increasing by 6%
- While already at high baseline levels, teacher attitude toward the importance of instructing on 'Health and Nutrition' improved by 6%.

The program was also reviewed in 2014 by Professor Jenny O'Dea, Honorary Professor in Health and Education and Nutrition Education at the University of Sydney.

b. Supporting Aboriginal girls and women in nutrition education

Nestlé has supported the flagship initiative for *Role Models and Leaders Australia (RMLA)*, *The Girls Academy* for the past eight years.

The Girls Academy program works within schools to drive community-led solutions aimed at reducing the barriers that prevent Aboriginal girls from completing their education, equipping them with the tools required to engage in their education, achieve their goals and change their communities. The program aims to increase school attendance, improve academic performance, year 12 graduation rates and post-school transition planning.

Within those objectives, Nestlé has worked with the Academy to provide them with education and support within the areas of nutrition, health and wellness. In 2017 that included:

- Roll out of Nutrition Corners in all 39 Academies – a dedicated space within the Girls Academy room where girls can learn about health and nutrition. We have issued Nutrition Corner Toolkits to each Academy, including posters, booklets and worksheets with clear, simple messages. 3D food models, portion plates and lunchbox flipbooks offer interactive ways for the girls to explore and learn about nutrition.
- Eight week structured nutrition lesson plans implemented in all Academies, emphasising the importance of nutrition and physical activity. The interactive lesson plans include chapters on food groups, mindful eating, hydration and exercise.

- Nestlé Mother Daughter Cooking Program operating in all Academies. The Mother Daughter Cooking program provides an opportunity for girls to learn the skills of budgeting, shopping for and cooking simple meal alternatives to takeaway food, supported by their mothers. The program also provides an important bonding experience for the girls and their mothers. This program was developed and initially run by Nestlé employees – nutritionists and a chef – and is now run through the program managers to ensure scalability.
- Launching the inaugural Nestlé \$20,000 Scholarship, aimed to support girls pursuing tertiary education in health and wellbeing with the daily expenses of studying.
- Training Academy Program Managers and Development Officers in nutrition and leadership
- Leadership training for 30 girls at our ‘Future Leaders’ event

In 2017, these programs reached more than 2,500 girls at 38 academies, involving 52 schools and 90 staff.

G. NESTLÉ IN AUSTRALIA

Nestlé Australia is a subsidiary of Nestlé SA.

As one of Australia's largest food manufacturers, we employ around 4400 people at 40 sites in Australia, including eight factories.

Our business spans a diverse range of products and some of Australia's best known brands, including:

- Instant noodles (*Maggi*)
- Sauces and recipe mixes (eg *Maggi*)
- Beverages containing cocoa (eg *Milo*, *Nesquik*), both powdered and ready-mixed
- Condensed milk, baking milks (eg *Carnation*)
- Breakfast cereals (eg *Uncle Tobys*) through Cereal Partners Worldwide, a joint venture with General Mills
- Confectionery: Chocolate bars and blocks, medicated confectionery (eg *Soothers*), sugar confectionery (eg *Allen's lollies*)
- Snacks (eg *Uncle Tobys* muesli bars, nut bars)
- Baking Chocolates (eg *Plaistowe*)
- Coffee (eg *Nescafé*, *Nespresso*)
- Bottled water and carbonated drinks (eg *San Pellegrino*)
- Infant formula, infant food (eg *Nan*, *Cerelac*)
- Toddler formula (*Nan*)
- Medical nutrition products (eg for use in hospital and aged care settings)
- A wide range of food products for use in professional food service, including recipe bases, soup mixes, beverage products etc
- Pet food and accessories (*Purina*)
- Skin care products

Most of the products we sell in Australia are manufactured locally. We source ingredients locally where practicable, but we also purchase internationally, including through regional and global sourcing teams.