

Nestlé Canada Marketing Communication to Children Policy (2018)

Background

Global and regional health authorities and governments are increasingly taking specific initiatives to curb obesity rates among children. Leading health organizations have called on the private sector to reduce the impact of the marketing of products high in salt, sugar and fat to children in light of the dramatic rise in childhood obesity over the past decades.

The environment is developing rapidly. As a company driven by our purpose to enhance the quality of life and ensure a healthier future, Nestlé remains first and foremost committed to meeting our consumers' needs and expectations. The following Policy on Marketing Communication to Children (the "**Policy**") reflects Nestlé's Global and Canadian Commitment to leadership in this area.

Global & Local Industry Initiatives

Nestlé Canada Inc. ("**Nestlé Canada**") is governed by the following 3 Policies:

1. Nestlé Global Marketing Communication to Children Policy (the "[Global Policy](#)") [hyperlink]
2. Advertising Standards Canada ("**ASC**") : The Canadian Children's Food and Beverage Advertising Initiative ("[Children's Advertising Initiative](#)" or "CAI") (**2015**)
3. Quebec *Consumer Protection Act and Regulation Respecting the Application of the Consumer Protection Act* (collectively, the "[Quebec CPA](#)")

Local Criteria take Precedence As stated in our Global Policy, in markets where local pledges and nutrition criteria exist; the local criteria (if stricter) take precedence. For Nestlé Canada, this means the criteria found within the [CAI pledge](#) is applicable. Nestlé Canada is pleased to be one of the founding participants of the CAI pledge.

The CAI pledge does not extend to marketing communications in the province of Quebec. The Quebec CPA prohibits advertising in that province to children under the age of 13. As a result, this Policy also acknowledges the requirements in Quebec. Where applicable, Quebec specific requirements have been clearly disclosed, to the extent they differ from the rest of Canada.

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Our Nestlé Canada Policy

1. Age and Product Requirements Canada, excluding Quebec

- We do not direct any marketing communications to children 0 to below 6 years of age under any circumstance.
- Any product marketed to children between the ages of 6 and 12 MUST meet the nutrition criteria set out in the CAI pledge. Excluded is the product, packaging and POS
- No marketing of confectionery ice cream and water-based products with added sugar products to children under the age of 12 regardless of if meet Nutrition Criteria

Age and Product Requirements –Quebec

- Nestlé Canada does not direct marketing communication to children below 13 years of age in Quebec. This is because the Quebec CPA prohibits commercial advertising directed at children in Quebec under the age of 13.
- There are certain exceptions to this general prohibition (e.g., packaging). Where the exception is applicable to a certain type of marketing platform, we have acknowledged the exceptions in this Policy. Consult with Legal if you are considering marketing to children due to an exception.

2. Definitions

The Canadian Children’s Food and Beverage Advertising Initiative (CAI) Nutrition Criteria:

- Refers to uniform, science-based criteria under which all CAI participants have agreed to be compliant to in order to market a product to children under the age of 12. There are 8 distinct food categories; each with a set of criteria for “nutrients to limit” and “nutrients to encourage”.

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 above 6 to below 12 years of age. As referenced above, marketing communication directed to children below 6 is strictly prohibited.

Children’s Audience Definition (excluding Quebec): ≥ 25% of the audience is under 12

- Marketing communications will be deemed directed to children in Canada (other than in Quebec) if 25% or more of the audience, regardless of media platform, is under 12 years of age.

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- For marketing platforms where adequate audience data are not available, we will take into account: i) channel of placement ii) content and iii) overall impression of the marketing communication.
- Assessment conducted on the basis of both placement and content – you need to ask yourself if you feel confident to publically defend that the material created does not appeal to children.

Children’s Audience Definition (Quebec): Overall Impression Criteria

- For marketing platforms in Quebec, the determination of whether a marketing communication is directed to children is slightly different from the rest of Canada.
- Marketing communications will be deemed directed to children in Quebec if the overall impression created by the advertisement makes the ad appealing to children.
- The Quebec CPA has three criteria to assist in determining whether it is commercial advertising aimed at children:
 - the more the goods or services might appeal to them;
 - the more childlike the advertisement’s design is; and
 - the more the place or means or broadcast or distribution is likely to increase the odds of reaching children.
- The Quebec CPA has guidelines to help determine whether the advertised goods or services are intended for children and the appeal that such goods and services have for them. The table below provides further clarity:

Products essentially intended for children and that therefore appeal to them (toys, certain ice cream products, etc.)	The ad must not: - be designed in a way that appeals to children; - be broadcast or distributed in a place where or at a time when children are normally reached
Products that greatly appeal to children without being exclusively intended for them (video games, amusement parks)	The ad is allowed if: - it is not designed to appeal to children - it is not broadcast or distributed in a place where or at a time when children are normally reached
Products that are not particularly appealing to children (water, coffee)	The ad is allowed (subject to CAI criteria). Attention must be paid to the ad’s design. The design should not be appealing to children if they essentially comprise the audience when and where the ad is broadcast or distributed.

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3. Scope of the Policy This Policy covers all marketing platforms, including but not limited to:

- Television
- Radio
- Print
- Cinema and DVDs
- Outdoor
- Digital/social media
- Mobile
- Games – video, computer (rated “Early Childhood” or “EC” that are inherently primarily directed to children under 12) and other
- Consumer relationship marketing
- Viral marketing
- Apps
- Email/SMS
- Nestlé owned websites
- Movie tie-ins
- Promotions
- Premiums
- Contests
- Product sponsorships
- Sampling
- POS
- All communication touch points, excluding the product and packaging

4. Principles Based on Marketing Platform

Product & Packaging

- Products that do not meet the CAI nutritional criteria may still have packaging that appeals to children from the ages of 6 to 12 as adults make the purchasing decisions in retail environments.
- 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). 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.

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- Any products can have on-pack or in-pack premiums that are oriented to gatekeepers who make household purchasing decisions.
- In Quebec, packaging can be aimed at children, despite the general prohibition against advertising to children. This is an exception under the CPA, provided it complies with certain other requirements (packaging cannot exaggerate the nature or performance of the goods; minimize the degree of skill, strength or dexterity necessary to use the goods; use a comparative; portray reprehensible social lifestyles; advertise a drug or vitamin; or incite a child to buy goods or encourage another person to buy goods).

Owned & Licensed Characters, Celebrity Endorsement and Premiums

- The treatment of owned and licenced characters differs under this Policy. Owned characters are characters developed by Nestlé (e.g. Quicky and Manny). Licensed characters are characters developed by a third party and licenced for use by Nestlé (e.g. SpongeBob and Disney characters).
- A core principle in the CAI pledge is that participating companies should reduce the use of third-party licenced characters (including puppets, persons and cartoon characters) directed primarily to children under 12, therefore we should not be introducing new uses of licenced characters.
- Per the CAI's Core Principles, the limitation on characters does not apply to company-owned characters. As such, owned characters appealing to children under the age of 12 years of age on-pack and point of sale is allowed for all products.
- Pre-existing licensed and owned character, celebrity endorsements and premiums (e.g. games, toys, books), must be used for marketing communications that support an active lifestyle and balanced diet. This includes healthy eating, active play and encouragement of physical activity.
- "Live characters" to animate events to children 6 to below 12 can only be allowed for CAI compliant products.

In-pack/On-Pack Premiums

- Products that are not compliant to the CAI criteria and those for children under the age of 6 cannot have premiums appealing to children below 12 years of age.
- All products can have premiums oriented to parents – meaning offers direct value to the parents or supports them as a responsible caregiver.
- This includes having a clear contribution to a child's healthy active lifestyle (e.g., active play, encouragement of physical activity or healthy eating)

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Marketing Communications and Sales in Primary Schools (students below 12 years of age)

- We do not direct marketing communications to children in primary/elementary schools (below 12 years of age).
- We can participate in health and wellness educational programs if they are unbranded and are specifically requested or agreed upon by the school administration.
- Products sold to children in primary schools (below 12 years of age) must meet the CAI nutrition criteria and the sale must have the consent in writing of the school administration, this includes food sold in vending equipment.

Event Sponsorship

- Sponsorship refers to events that take place outside of school premises (e.g., concerts, fairs, camps, festivals, amusement parks, community playgrounds).
- Marketing communications can only be directed towards children 6 to below 12 if they are a CAI compliant product; but must not be directed to kids under 6.
- A letter from event organizer must be provided specifying the age group to track compliance.
- There are stricter limitations on event sponsorship in Quebec. The sponsor of an event for children or families whose products are primary intended for children or appeal to them cannot, during the event, present the message in a childlike way or in a manner that would arouse the interest of children; or use a logo or mascot. However, the sponsor can discretely mention their name as sponsor of the event.
- NOTE: for confectionery products the event must not be solely targeted to children under 12. Please see Confectionery Specific Guidelines.

Sampling

- Products sampled to children between 6 to below 12 years of age must meet the nutritional criteria and MUST handed directly to the child's parent or caregiver; not to the child directly.
- Direct sampling in predominantly adult environments is permitted (e.g. supermarkets with the sample being given to the parent or caregiver and not the child).
- Indirect sampling through media channels must comply with the rule that no more than 25% of the audience is below 12.

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Digital Coupons

- Digital coupons and direct marketing must be targeted to parents only.

Promotions or Contests

- Marketing communications of promotions and competitions will be directed to gatekeepers
- Promotion themes, partners and prizes must offer direct value to the gatekeepers and support them in their role as a responsible caregiver. This includes the area of active play or be linked to seasonal themes such as Christmas, Easter, Halloween, etc.
- The promotion or competition entry mechanism must not encourage or condone excessive consumption
- Entry mechanism must require gatekeeper consent

TV & Radio–

- Do not place commercials for non-compliant in programming where 35% or more of the audience is under 12 years of age.
- Check with your media partner for audience composition and avoid below 1 gross rating point (“GRP”) programming as the audience data is often unreliable due to small sample size.
- Be cautious with music or sound effects that primarily appeal to kids

Outdoor

- Do not place outdoor advertising within 50 meters of primary schools, nurseries, kindergartens, playgrounds, etc.
- Marketing content should be targeted to adult/gatekeeper

Cinema

- Do not place marketing communications during movies primarily (no more than 35% of the audience is below 12) targeted to children under 12 – PG movies
- Only nutritionally CAI compliant products can be promoted to children in movie theaters

Print

- We do not place advertising in print media that is targeted at children under 12
- Print title readership should be used as a guide

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Digital Marketing

- Marketing communications made through websites, mobile applications and other digital products and services will be directed to parents and not targeted at children under 12 for non-compliant products.
- Assessment based on the website content to determine if targeting children under 12
- Social media often have legal age minimums to join, but this does not guarantee the absence of children on the platform and hence content must clearly be designed to appeal to the parent first and foremost.
- Any 3rd party content should not be “liked”, retweeted, reposted or endorsed if it is not aligned with our marketing to children principles.

Online Games and Third Party Apps

- Only for CAI compliant products can online games be directed to kids above the age of 6 and the purpose of these games is to promote a healthy, active lifestyle.
- Non-compliant products games need to be directed at parents and help them in their parenting role
- Games require parenting control to access them.

5. Additional Considerations

Children as Talent

- Nutritionally compliant brands that communicate directly to children between the ages of 6 and 12 must not feature actors/talent that are or seem younger than 6 years old. Nestlé must be provided with documentation of the age of the talent.
- Children must not be portrayed in a sedentary way, but should be shown being active in healthy lifestyle situations.
- Ads for products for children under 6 years of age can portray the children as talent, as long as they are placed in adult-audience media and the message is clearly directed to parents (e.g., Gerber).

Data Collection

- Nestlé does not collect personal data from children below the age of 12. We may collect personal data about children from the parent or custodian.