Children's Food and Beverage Advertising Initiative: Lindt Pledge

January 2023

Lindt & Sprüngli ("Lindt") is proud to be a participant in the Children's Food and Beverage Advertising Initiative ("CFBAI"), a self-regulation program with the goal of improving the landscape of food and beverage advertising directed to children in the United States. Lindt is pleased to submit this pledge, which reflects CFBAI's Core Principles, 6th ed. (2022).

This pledge applies to all brands and products of Lindt & Sprüngli U.S. subsidiary companies, including Lindt & Sprüngli USA Inc., Ghirardelli Chocolate Company, and Russell Stover Chocolates, LLC.

- 1) Lindt will not engage, in the United States, in advertising primarily directed to children under 13 in Covered Media.
- 2) Covered Media shall include:
 - a. Television
 - b. Radio
 - c. Print
 - d. Internet/Digital media, including but not necessarily limited to:
 - I. Company-owned websites
 - II. Third-party websites, including display, banner, pop-up, audio, or video advertising¹
 - III. Mobile apps or mobile media, including advertising on phones, laptops, tablets, other personal digital devices, in whatever form, including email, text, IM or SMS messaging
 - e. Platforms (e.g., YouTube) that may have content or channels that are primarily directed to children under age 13²
 - f. Video and computer games that are primarily directed to children under age 13
 - g. DVDs or movies that are rated "G" whose content is primarily directed to children under age 13, and other DVDs whose content is primarily directed to children under age 13
 - h. Word of mouth.³

If Lindt were to decide at some future time to advertise products that meet the CFBAI nutrition criteria to children under 13, Lindt would notify CFBAI and submit a revised pledge to CFBAI for review.

3) Product Placements: Lindt commits to not paying for or actively seeking to place

¹ As provided in CFBAI's Core Principles, content generated by a user who has no material connection to the product, service, character, or brand mentioned or depicted in the content is not advertising.

² As provided in CFBAI's Core Principles, advertising on a platform that uses valid age verification to restrict access presumptively is not primarily directed to children under age 13.

³ Word of mouth advertising refers to advertising primarily directed to children where a participant provides incentives (financial or otherwise), product samples or other support to individuals or groups who are not employees to encourage such individuals or groups to discuss the company's branded foods or beverages.

its products in third-party program/editorial content of any medium primarily directed to children under the age of 13 for the purpose of promoting the sale of those products.

- 4) *Product Integrations:* Lindt will not pay for or actively seek integration of its products in any medium primarily directed to children under 13.
- 5) *Influencers:* Lindt will not use influencers to promote its products in communications primarily directed to children under 13.
- 6) Licensed Characters, Celebrities and Movie Tie-Ins: Lindt will not use third party licensed characters, celebrities, and movie tie-ins in advertising primarily directed to children under 13.
- 7) Elementary Schools: Lindt will not advertise its products to children in elementary schools (pre-K through 6th grade) and will not license its brands for use on educational materials or materials intended for use by children primarily in elementary schools. The foregoing commitment does not apply to displays of foods and beverages, including materials that identify the products that are being offered for sale, charitable fundraising activities, public service messaging, items provided to school administrators for their personal use, and charitable donations to schools.
- 8) Advertising to Children Under Age Six: Lindt will not engage in advertising primarily directed to children under age six.
- 9) Definition of Advertising Primarily Directed to Children under 13: Lindt will use the following criteria to define advertising primarily directed to children under 13 and to demonstrate compliance with CFBAI's Core Commitments.
 - a. <u>Measured media</u>. For measured media, Lindt will define "advertising primarily directed to children" as advertising for which children ages 2-12 constitute at least 30% of the expected audience (the "audience threshold"). The audience demographics that determine compliance with this audience threshold will be measured in media impressions expected to be received by specific demographic groups at the time the advertising is purchased, based on reliable third-party information (e.g., Nielsen ratings for TV or comScore data for digital media).
 - Lindt typically purchases television advertising once annually, well in advance of when the advertising will air, on a daypart or timeblock basis. Advertising placed in purchased dayparts or timeblocks will be identified as compliant for purposes of CFBAI based on an analysis of the annualized audience composition data for the block of time purchased.
 - b. <u>Digital and online media.</u> For "contextual advertising," which is served based on the content that is adjacent to the ad or in which the ad is placed, Lindt will determine whether such content is child-directed based on an assessment of the composition of the audience for that content (if known) or, where reliable audience composition data is not available, an assessment of multiple factors related to that content.

Where audience composition is known, Lindt will consider such advertising primarily directed to children if 30% or more of the audience for the site,

app, or content in which the ad is placed are children under age 13. Where audience composition data is inadequate to make this determination, such advertising will be deemed primarily directed to children under 13 if the ad is placed in content that appears to be child-directed based on an evaluation of multiple factors related to that content, including whatever age demographics for the site or digital content may be available, an assessment of the overall nature of the content, including but not limited to the subject matter of the site or video, the visual content, the language used, the kind of music or audio content, the difficulty of game play, the influencer or influencers featured in the content, actions taken to restrict children's access to the site or content, and content identifier tools that indicate whether content is child-directed provided by platforms or content developers⁴.

Lindt will also use age-targeting tools and interest-based or behavioral factors to avoid serving ads for its products to children under 13, such as:

- I. Age-targeting (based on cookie data or other age indicia) to audiences other than children under 13;
- II. Targeting based on interest-based or behavioral data to audiences other than children under 13;
- III. Exclusion of specific sites, channels or other content that are directed to children under 13; and
- IV. The use of relevant topic, keyword, or content classification or identification systems or filters provided by the platform owner or content developer (e.g., an app developer).

Questions about the Lindt Pledge should be directed to:

Jamin Hemenway
VP Marketing
Lindt & Sprüngli (USA) Inc.
One Fine Chocolate Place
Stratham, NH 03885
+1 603 778 8100
jhemenway@lindt.com

Bobby Oliver VP Marketing Ghirardelli Chocolate Company 1111 139th Ave San Leandro, CA 94578 +1 510 483 6970 boliver@ghiardelli.com

Patrick Khattak VP Marketing Russell Stover Chocolates, LLC. 4900 Oak Street Kansas City, MO 64112-2702 1-800-777-4004 Patrick.Khattak@rstover.com

⁴ This analysis also applies in determining whether influencer communications and product integrations are child-directed.