

Overview

With 2015 sales of \$13.5 billion and more than 1,600 foods, Kellogg is the world's leading cereal company; second largest producer of cookies, crackers and savory snacks; and a leading North American frozen foods company. Kellogg Company's more than 1,600 foods are produced in 20 countries on six continents, and marketed in more than 180 countries.

Our company's vision is *nourishing families so they can flourish and thrive*. We do this by fulfilling our purpose, which is to *enrich and delight the world through foods and brands that matter*. We know that we can only achieve our vision and purpose when we take into account the greater impact of our foods all along our supply chain. We are firmly committed to being a responsible global corporate citizen and recognize our duty to support, promote and advance human rights within our operations and our supply chain.

Our Policy

Kellogg Company prohibits involuntary labor, including forced, indentured, bonded, slave or human-trafficked labor ("Involuntary Labor"), within our business operations and our supply chain. Involuntary labor is a pervasive and insidious global issue that directly and negatively impacts basic human rights. We are committed to protecting human rights and maintaining an ethical and transparent supply chain, free of Involuntary Labor. As part of doing so, we have embedded our commitment into our Global Supplier Code of Conduct ("Supplier Code") and Global Code of Ethics ("Employee Code").

- Our [Supplier Code](#) prohibits suppliers from using or facilitating any type of Involuntary Labor. We reserve the right to terminate our contract with any supplier, at our sole discretion, for violations of our Supplier Code. We have provided a [Global Supplier Code of Conduct Resource Guide](#) as tool to help suppliers understand our expectations and approach, providing additional information, helpful definitions, and links to initiatives and other resources which can support them.
- Our [Employee Code](#) requires employees to obey the law, act with integrity, show respect and do business with suppliers that embrace and demonstrate high standards of ethical business behavior. It requires diligence in determining whether our company and its suppliers conform to our standards; including prohibiting Involuntary Labor and discrimination. All employees are required to comply with the Employee Code; failure to do so can result in disciplinary action, up to and including termination.

Our position on human rights is compatible with the United Nations Universal Declaration of Human Rights, United Nations Guiding Principles, and the core conventions of the International Labour Organization. To further industry knowledge, collaboration and cooperation, Kellogg is a member of organizations such as AIM-PROGRESS and the Consumer Goods Forum.

*This policy statement is made pursuant to section 54(1) of the United Kingdom Modern Slavery Act and the California Transparency in Supply Chain Act. It constitutes Kellogg Company's anti-slavery and human trafficking statement/disclosure and policy for the financial year ending December 31, 2015.

Implementation Plan

Kellogg has developed a comprehensive, global corporate responsibility strategy identifying those issues most relevant to our company and stakeholders. Human rights are one of these issues. We believe it is our duty to continue educating our internal and external stakeholders on the important issue of Involuntary Labor. We do so by raising awareness of, increasing our focus on, and taking accountability for ensuring an ethical and transparent supply chain, free of Involuntary Labor. (More information on our corporate responsibility strategy is available in our Corporate Responsibility Report at www.KelloggCompany.com.)

Within our operations we are taking steps to ensure awareness, focus and accountability on this important issue.

- To ensure that our employees are *aware* of our policies, standards and expectations, we utilize interactive, immersive online training modules that highlight human rights issues like Involuntary Labor. We are also currently developing additional training courses on this and other human rights issues.
- To ensure the right *focus*, a more detailed training and discussion regarding the risks and implications of Involuntary Labor was presented to our global Procurement leaders and managers during our 2015 Global Procurement Summit.
- To ensure *accountability*, which is an important aspect of Kellogg Company's culture, our Ethics Office recently updated our Supplier Code and Employee Code to (among other things) raise awareness of Involuntary Labor. Our Ethics Office is a resource for clarification of company policy or for reporting issues related to ethics and compliance matters. Employees and suppliers are strongly encouraged to contact our Ethics Office to report any actual or suspected violations without fear of retaliation. For convenience and peace of mind, [confidential and anonymous reporting](#) is available 24 hours a day, 7 days a week, and 365 days a year via telephone and internet web reporting in over 39 languages.
- We use social and ethical compliance assessments of our own facilities to verify that Involuntary Labor does not exist within our operations.

Within our supply chain, we take a risk-based approach to determine which suppliers need additional awareness and education, or require verification of adherence to our policies, on this and other responsible sourcing issues.

- All suppliers are required to adhere to our Supplier Code, which is included in all new supplier contracts and agreement. This is a requirement for supplier selection. By the end of 2014, we determined that responsible individuals at more than 800 companies representing 85 percent of our global procurement spend had signed the Supplier Code. Should a critical violation of our policies, such as incidences of Involuntary Labor, be reported or uncovered, Kellogg has an escalation procedure in place to ensure rapid response and immediate mitigation and remediation of the issue.
- As part of our commitment to being a responsible global corporate citizen, we proactively share best practices related to social and ethical issues with our suppliers through events such as our annual company-sponsored Supplier Day conferences. We are committed to actively engaging with our suppliers and their value chain network to ensure vigilance and adherence to all company policies.

- More than 10 years ago, we undertook a risk assessment for worker and human rights within our supply chain. We divided our suppliers into three categories: premium suppliers that provide the small gifts and prizes occasionally included with our products; direct suppliers that provide raw materials, ingredients and packaging for our foods; and indirect suppliers that provide everything else that supports our business such as travel, marketing services, etc. This assessment determined that premium suppliers had the highest potential social and ethical risks. In response, we have conducted audits on premium suppliers with a certain risk profile since 2006. Our approach uses third-party audits, both announced and, when necessary, unannounced.
- We utilize the online supplier management platform Sedex to identify, verify and manage risks within our supply chain. In conjunction with the global risk analytics firm Verisk Maplecroft, Sedex uses hundreds of human rights indices to determine regional and sector specific levels of inherent risk. Based on these assessments, we are prioritizing our suppliers risk and engaging those that fall into higher risk categories. Those that continue to indicate high levels of risk are targeted for independent, third-party social and ethical audits.

Milestones

Progress 2002 – 2015

- 2002
 - Introduced our Employee Code to all employees
- 2005
 - Conducted an internal risk assessment based on commodity/material, country and various other risk indicators for worker and human rights. Premium suppliers were identified as having the highest potential social and ethical risk.
- 2006
 - Began coordinating third-party social and ethical audits on premium suppliers as a requirement of doing business with Kellogg.
- 2009
 - Developed our initial Supplier Code, which, among other things, prohibited forced labor.
- 2013
 - Significantly updated our Employee Code to reflect evolving expectations including responsible sourcing.
- 2014
 - Significantly updated our Supplier Code to expressly forbid the use of Involuntary Labor
 - Began validating the social and ethical performance compliance of our suppliers through Sedex and registered direct suppliers representing the top 80 percent of our spend for each region.
 - Updated the Kellogg Supplier Quality Requirements to include the requirement of compliance with our Supplier Code.
- 2015
 - Created a Social and Ethical Accountability protocol for managing risk in our own manufacturing operations, including Sedex registration and self-assessments.
 - Supported development of the Consumer Goods Forum [Resolution To Fight Forced Labor](#), and was a signatory to its launch on January 14, 2016.

Future Plans

- Continue Social and Ethical Accountability assessments within our own manufacturing operations.
- Continue to ensure that direct suppliers are engaged in Sedex to assess risk across the global supply chain.
- Begin the process of engaging suppliers representing the remaining 20 percent of regional spends, as well as indirect suppliers.
- Continue to require any suppliers considered “high risk” to provide or complete a third-party social and ethical audit for verification of compliance with our Supplier Code.
- Continue internal and external awareness building and training on our commitment to ensuring a supply chain that is free of involuntary labor.

While Kellogg has yet to find any instances of Involuntary Labor in our operations or our supply chain, we remain committed to ongoing monitoring of both, as outlined in this policy.

Signature

John Bryant

Chairman, Chief Executive Officer

Kellogg Company

MAY 6, 2016

Date