



2017

# FEATURES

DIVERSITY AND INCLUSION ANNUAL REPORT



Kellogg's  
Office of  
Diversity  
and Inclusion

# FEATURES 2017

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# A message from **Our Chief Executive Officer**

**Welcome to Features**, Kellogg Company's annual publication highlighting our diversity and inclusion (D&I) efforts and accomplishments.

In my first few days at Kellogg, I was immediately impressed with the level of diversity and inclusion here and the commitment to D&I conveyed as I met with employees around the globe. From our Board of Directors to our Business/Employee Resource Groups (B/ERGs), it's clear that D&I is of significant importance to the company, as it has always been for me.

We've seen firsthand how a diverse, inclusive culture strengthens our workplace, marketplace and communities. D&I has been part of our company's legacy, dating back to our founder, W.K. Kellogg, who was a pioneer in reaching across cultural boundaries. And D&I will fuel our future as well. As you've already heard me say, it's not just the right thing to do, it's also the smart thing to do and a competitive advantage for our company.

The progress made under John Bryant's leadership and supported by our Office of Diversity & Inclusion is extraordinary. As we work to execute our strategy and build our categories and brands globally, we will need a workforce as diverse as our consumers, as well as a culture of inclusion and respect for others. This will drive business results through new insights and innovative ideas.

Our D&I efforts are worldwide – and worthwhile. I am privileged to join you in making our Kellogg world an even more diverse, inclusive, successful place.



Steve Cahillane

Chief Executive Officer

A handwritten signature in dark ink, appearing to read "S. Cahillane". The signature is written in a cursive, flowing style.

# A message from **our global head** of diversity&inclusion

**At Kellogg, a diverse and inclusive environment is inherent to our K Values.** I'm proud of our culture of inclusion, which helps to ensure all employees feel included and respected.

A workforce that is empowered to be our authentic "whole selves" enables us to do our best work, be more creative and achieve our full potential – which is good for all of us and good for our business.

This year, we worked toward many D&I goals, such as understanding bias in the workplace and how we can better manage it, raising cross-cultural awareness, building a more diverse supply chain via our supplier diversity efforts, and evolving our resource groups forward to officially becoming Business/Employee Resource Groups.

As proud as we are of our progress, we know there is always more work to do. With your help, we will continue our global D&I efforts to ensure we're an employer of choice for all and a company of choice for our customers and consumers.

Have feedback or an idea to share? Drop us a line at [diversity.inclusion@kellogg.com](mailto:diversity.inclusion@kellogg.com).

Thanks to all for your continued commitment to Diversity & Inclusion at Kellogg.



Mark King

Global Head, Diversity and Inclusion

A handwritten signature of Mark King in black ink, written in a cursive style.

# Diversity Snapshot <sup>1</sup>

## Workforce Representation

### Kellogg North America (KNA)

62.6% MEN

37.4% WOMEN



37.8%  
People of Color

62.2%  
Caucasian



4%  
USA Veterans

12%  
USA Employees Member of a B/ERG

### Kellogg Latin America (KLA)

68.3% MEN

31.7% WOMEN

### Kellogg Europe (KEU)

60.2% MEN

39.8% WOMEN

### Kellogg Asia Pacific (KAP)

56.3% MEN

43.7% WOMEN

## Global Leadership Team

7 WOMEN

14 MEN

## SUPPORTING DIVERSE SUPPLIERS

**\$317 million**  
(7% of total procurement spend)

spent on first-tier diverse suppliers

## DIVERSITY-RELATED PHILANTHROPY

In 2016,  
**More than 80%**

of Kellogg Company's and Kellogg Company Fund charitable and in-kind donations were given either to organizations that serve people in need (e.g. Feeding America, United Way) or to diversity-specific organizations.

<sup>1</sup> Data as of Q3 2017 unless otherwise noted

# Awards & Recognitions



# D&I Team

D i v e r s i t y & I n c l u s i o n T e a m



Luis S. Carol L. Kristin M. Mark King



# D&I CHAMPIONS

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Miriam O.

## Diversity and Inclusion Champion in Kellogg North America Region



**When Miriam O., Senior Talent Acquisition Advisor, first moved to the United States** from her native Mexico at the age of 19, she did not find success alone. “I had great support from people helping me to learn English and get my first job,” said Miriam. It’s one of the reasons that the former Chicago resident is so involved with business employee resource groups, like HOLA! at Kellogg, and other community-based inclusion groups.

“I try to give back and to provide the support that was given to me when I came here,” she said.

Throughout her 10 years at Kellogg, Miriam has been involved in the growing Latino and Hispanic community at the company and is now co-chair of ChicagHOLA and, the local chapter of HOLA!.

Her work with HOLA! is not only about personal fulfillment, but also building up the entire company.

“I’m passionate about diversity and passionate about giving Latinos and Hispanics an opportunity because it is so good for the company,” she said. “It’s a huge opportunity for us. Latinos are the fastest growing minority in the US. The more representation we have, the more we will be able to capitalize on those markets.”

Miriam and other Research and Development leaders recently launched a Latino cohort within the R&D function with the aim of getting more people involved and building up the talent pipeline. The cohort now meets once a month to highlight the career paths of senior Latino employees, discuss various issues and find ways to support each other.

The cohort has been a great success so far, and has also allowed Miriam more personal contact with some of the employees she helped hire. “Knowing that, hey, you were looking for a job and – I didn’t do it alone – but I helped you get into the company,” she said. “It’s a part of my job that I absolutely adore.”



Francisco I.

## Diversity and Inclusion Champion in Kellogg Latin America Region



**Francisco I. is proud to go to work every day.** He not only serves as the Senior Manager of Finance (P&A) at Kellogg’s Latin America headquarters in Mexico, but has also been the co-chair of the K-Pride & Allies business employee resource group (B/ERG) since it launched in June, 2016. The group is focused on creating a culture of inclusion and acceptance of LGBTQ employees within Kellogg, and is working alongside other B/ERGs to advance diversity across the company.

“Being gay myself, it is something that I found amazing when I first heard about it,” he said of the K-Pride & Allies group. “I found it incredible that I was working for an organization where I am appreciated and where I can be fully myself.” Last year he marched with others from Kellogg in Mexico City’s Pride Parade, an unprecedented moment for him.

Francisco says that this open and accepting approach has not only been immensely rewarding on a personal level, but also drives business results by allowing employees to fully engage with their work, without the distraction of having to hide parts of their identity.

“We have to build an environment where no one feels they have to leave something of themselves at the door in order to contribute to the company,” he said. Since K-Pride & Allies was launched, he has seen discussions among colleagues about LGBTQ issues become more open and relaxed.

It’s important work for Francisco, both inside and outside of Kellogg office doors. Across Latin America, LGBTQ people still face serious issues of violence and discrimination. “We want to be a public forum within our community to send a message of diversity and inclusion,” he said.



Ben L.

## Diversity and Inclusion Champion in Kellogg Europe Region



**Ben L., Talent & Diversity Director, understands the value that a mix of perspectives and personal backgrounds bring to a company.**

Since joining Kellogg in 2010 at the Manchester, U.K. office, Ben has worked to build a more diverse and well-rounded employee base and a more inclusive talent pipeline.

As Talent & Diversity Director for Europe, one area of focus for Ben is gender balance across the region. In 2014, he was involved in the U.K. launch of the Women of Kellogg (WOK), the first business employee resource group (B/ERG) outside of North America. There are currently plans under way to expand WOK to other European locations and a longer-term ambition to create additional B/ERGs with other diversity-focused objectives.

Ben also helped pioneer the Parenting Transition Coaching Program for KEU, which provides support to new parents through coaching sessions. The program teaches in-line managers and HR business partners how to better aid employees juggling new family priorities. As a new father, this initiative is particularly dear and near to his heart. While working to bring this benefit to the company, he has also leveraged it for himself.

"Having a diverse company culture serves as a strong competitive advantage and the more we can demonstrate this, the stronger we will be," said Ben. "It is important that our employee base reflects our consumer and customer base, and we have to recognize the speed at which consumer and customer trends change, ensuring this is reflected and understood within our teams."

While the world is moving fast, Ben and his team are also focused on long-term, lasting improvements in company culture. "Helping to drive better understanding, better appreciation and better awareness of diversity and inclusion requires time investment. Ensuring we rightly illustrate the priority of doing this – when there is so much going on – can be a challenge."

Still, Ben and his team persist in looking for ways to push the diversity and inclusion agenda forward, whether it is through data-driven insights, B/ERGs, or stronger team resourcing.



Yukari Inoue

## Diversity and Inclusion Champion in Kellogg Asia Pacific Region



**Yukari Inoue, Managing Director Japan and South Korea, learned about gender barriers at a young age.**

Unlike her male counterparts, she struggled to get employment letters after graduating college. After 30 years diligently working her way up multi-national companies, she learned how to "crack the glass ceiling" and is now dedicated to helping other women do the same.

"The inclusion of women in senior leadership correlates to better business results," said Yukari. "A diverse workforce that represents our consumers helps us to better meet their ever-changing needs."

Kellogg has made significant strides over the last few years. Thirty-six percent of the company's board of directors are female and the ratio of women on the Kellogg Japan leadership team has significantly improved. Currently, four women are part of the nine member team.

While there has been great progress, Yukari also points out there is much work to be done, especially in Asia, where strong cultural biases remain. According to the World Economic Forum, Japan ranked 101st out of 121 countries in terms of gender equality.

As the sponsor of Kellogg Asia Pacific's Women of Kellogg (WOK) business/employee resource group, Inoue has helped the group work toward gender equality across the business. This year WOK launched two flagship programs, Wokmatch.com, – a mentoring program, and Life E-Coaching – an external coaching course for female leaders. WOK is also implementing unconscious bias training, new parenting toolkits and other support systems.

"We need to inspire women to think differently and dream of a new future by providing role models, improve confidence through coaching and mentoring, and foster an inclusive corporate culture to accept failures," she said. "All women have unique contributions to make and should be encouraged to succeed."





# MARKETPLACE

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# Kellogg Latin America Makes its Brand Premiere at Mexico City's Pride

"We wanted to show that we are not shy anymore and that Kellogg is a proud ally of the LGBTQ community"

Alberto O. / Innovation Brand Manager



This year marked the second time Kellogg Latin America marched in Mexico City's annual Pride Parade, and the first year a Kellogg brand, Pringles, also participated.

"We wanted to show that we are not shy anymore and that Kellogg is a proud ally of the LGBTQ community," said Alberto O., Innovation Brand Manager and co-founder of the regional chapter of K-Pride & Allies, the LGBTQ-focused Business/Employee Resource Group.

The team launched a Pringles activation at the June event, which included a rainbow-themed pre-parade digital campaign. The digital campaign's hashtag – #CelebraTuSabor (or #CelebrateYourFlavor) – aimed to reflect and celebrate the individuality and diversity of perspectives within the LGBTQ community. At the parade, approximately 45 Kellogg employees and external aides helped to hand out sample Pringles products and wore branded t-shirts with supportive-LGBTQ messaging.

Overall, the response was overwhelmingly positive. The campaign generated over 940,000 impressions and nearly 80 percent of posts were positive sentiments. There were some negative comments, but Alberto says that these differences in opinion are actually a sign of success.

"We knew we were taking a risk," he said. "But that was the intention, to start a conversation." The campaign brings some of the work KLA has done on LGBTQ equality internally to an external audience. Ultimately, these efforts are aimed at creating more diversity and inclusion within the organization and among its customer base.

"The work isn't over yet," said Alberto. "We still have a long way to go, but the most important learning from the campaign was that we have to keep doing it."

The team is already planning to make next year's event even bigger and better.



# Kellogg Embraces Chinese Newcomers in Canada



"It was as though the stars aligned"  
Everardo A. / Kellogg's Masterbrand Brand Manager.



Between July 2015 and July 2016, Canada welcomed a record-breaking 320,000 new Canadians to the country. That number is likely to rise, as immigration and refugee movements increase around the world. Chinese immigrants, along with Southeast Asians, make up the largest group of new arrivals to Canada.

For Kellogg Canada, a more diverse and inclusive consumer base that welcomes new immigrants is an important driver of growth. So, the Kellogg's Masterbrand team set out in 2017 to give a special welcome to new Canadians.

First, Kellogg partnered with Welcome Pack Canada, a direct marketing program that distributes a free consumer and information package to new immigrants, reaching about 30,000 newcomers with coupons and advertisements from a range of Canadian companies.

The team also identified another unique opportunity in 2017, the "Year of the Rooster", under the traditional Chinese calendar.

To recognize the year, the team launched a special-edition Chinese New Year pack of Kellogg's Corn Flakes cereal that used the brand's iconic mascot, Cornelius the Rooster, in a stylized design referencing holiday traditions.



The special-edition pack helped to raise household penetration for Kellogg's Corn Flakes and won a design award for Best Brand Packaging at the Packaging and Consortium's 2017 Canadian Leadership Awards.

"The Chinese Canadian community has made an immeasurable contribution to Canada," said Lores T., Executive Sponsor of The Kellogg Canada Diversity & Inclusion Council. "The special-edition pack and our partnership with Welcome Pack Canada exemplifies our commitment to welcoming new Canadians and helping nourish a great start for them and their families in Canada."

# My perfect BOWL

## Ad Campaign Highlights the Diversity of UK Families



Every family is different. And, they each have their own unique recipe for the perfect bowl of Corn Flakes—drenched in honey, with hot milk, or topped with peanut butter.

Kellogg's *"My Perfect Bowl"* campaign, launched in January and sought to highlight both the diversity of families and the many unique ways that people eat Corn Flakes across the country. The campaign, which included the brand's first TV ad in five years, features real families from a variety of backgrounds, all talking about their favorite ways to eat Corn Flakes.

"People think that diversity is the norm now on TV, particularly in the UK," said Jessica C., Assistant Brand Manager at Kellogg. "But, too often, the conversation about inclusion and diversity is framed as a tick-box exercise or haphazard afterthought." Instead, she said, Kellogg's and ad agency Leo Burnett decided to put "genuine diversity and inclusion at the heart of the campaign by showcasing real people." The ads are focused on documentary-style interviews, among nine different families, individuals, and groups of friends, across racial and social lines. One of the ads, featuring a same-sex couple, was especially well-received and prompted national media coverage.

THE CAMPAIGN, WHICH INCLUDED THE BRAND'S FIRST TV AD WITH REAL FAMILIES FROM A VARIETY OF BACKGROUNDS



By matching a well-known cereal with people from a range of backgrounds, the campaign also helped to challenge preconceived notions about what a "traditional" UK family looks like today. The social media component of the campaign, #myperfectbowl, allows consumers to share their perfect Corn Flakes recipe, and has also sparked direct diversity-based conversations between the Company and consumers. "For the first time, we are having a two-way conversation with consumers and we are delighted that fans of Kellogg's Corn Flakes are happy to share their perfect bowls with us and the nation," said Jessica. The message seems to be resonating. The Corn Flakes brand, which has seen sales decline for several years, saw a boost in sales as high as 15 percent since the campaign launched.



## Women's Australian Football League and Special K Team Up to Break Boundaries

On and Off the Field



In February 2017, the sports world in Australia greatly expanded with the creation of the country's first women's football league. Since then, the Women's Australian Football League (AFLW) has continued to draw sell-out crowds and earn high ratings.

As the official Breakfast Cereal and Breakfast Snack partner of AFLW, Kellogg's Special K™ had a unique role to play in the new boundary-breaking league. "We wanted to use this sports partnership to provide authentic support of women, championing gender evolution," said Tamara H., Marketing Director ANZ.

The AFLW partnership is part of Special K's #OwnIt campaign, which seeks to inspire a more positive self-image in women, rather than try to conform to the unrealistic physical standards often presented in media and advertising. In advance of the campaign, a Special K #OwnIt survey found that seven out of ten Australian women have at least one "I hate my body" moment each week.

The message of the campaign, reflected in the path-paving players of AFLW, is focused on female empowerment and bringing more diversity to the perception of women in society. "Special K believes it has a role to play in helping women achieve their full potential by providing women with nourishing foods, helping them live life at full strength," said Tamara.

Together, the AFLW and #OwnIt campaign also help to touch on deeper societal issues, said Tamara. "Australian women are challenging category norms, making new rules for the game and are starting important conversations in the process such as television coverage and equal pay."



THE AFLW PARTNERSHIP IS PART OF SPECIAL K'S #OWNIT CAMPAIGN, WHICH SEEKS TO INSPIRE A MORE POSITIVE SELF-IMAGE IN WOMEN



# WORKPLACE

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# New Training Program Works to Address Unconscious Bias in Hiring



**In many ways, the company's diversity and inclusion efforts begin with the hiring process.** As part of the new BOOM! Training in Kellogg Latin America (KLA), people managers take part in a Talent Acquisition module that includes diversity and inclusion education. Part of the module focuses on unconscious biases (positive and negative) that people hold and the effect on the hiring process.

The module was launched in August 2017 by Nathalie G., KLA Talent Acquisition Manager, as part of a wider recruitment training, already reaching over 50 hiring managers.

The Talent Acquisition module's unconscious bias training reviews the entire hiring process. "A manager's biases can come out during the job interview, which is the foundation for the hiring decision," said Nathalie. "But biases can also influence a decision during other parts of the process, including establishing the position's requirements and screening candidates prior to an interview."

During the training, hiring managers learn specific examples of what unconscious bias looks like, whether it's favoring a candidate based on where they live or went to school, or making assumptions about their abilities based on race, gender or age.

The key, says Nathalie, is self-awareness. "We all have biases – it's human nature to have them. You can never get rid of your biases, but you can mediate them," she said.

While the program is off to a strong start, Nathalie, who believes strongly in the power of diversity in strengthening teams, says there is still work to do on diversity and inclusion efforts in Latin America. "Gender balance has been a focus here in Latin America, and this will provide a blueprint for further commitment to other aspects of diversity. We are working on the inclusion part too, to make sure that people have what they need to flourish once they are here."

**"A lot of the biases that a manager has can come out during the job interview"**

Nathalie G. / KLA Talent Acquisition Manager

# South in Korea



## Kellogg Achieves Gender Parity among Executives



**This year Kellogg's South Korea achieved an important milestone in its diversity efforts.** For the first time, women now consist of half of executives and 40 percent of staff at the Seoul headquarters. This marks a significant improvement from 10 years ago, when there were no female executives. Recently, a female was appointed as an executive for the Finance Division, a rare occurrence in a field dominated by men in Korea. Over the past six years, three women were also appointed as the heads of the human resources, public relations and marketing divisions.

Kellogg's HR policy to prioritize capability and leadership skills, apart from gender, is also being received positively. Kellogg Korea has a performance index, requiring leaders of each division to recruit and promote women at the same rate at which men are promoted.

Managers are actively encouraged to support new parents through work-life balance programs like flex-time arrangements and early departure. In 2017, Kellogg Korea also started an Unconscious Bias workshop for managers to examine unintentionally discriminatory behaviors.

"Women need to be seen as colleagues who drive results for the organization, without subjecting them to discrimination and biases," said Agnes C., Director of HR. "I hope that all of the members of our organization get to enjoy a great work environment and organizational culture."

Agnes, who became Kellogg Korea's first female executive in 2011, sees strong organizational culture as an important gateway to building the next generation of female leaders.



**"I lived through a time when it was rare for women to have long-term careers, but now, women are gaining recognition for their competencies and achievements," she said. "Instead of having women make sacrifices for their careers, we want to make sure that their careers enrich their lives"**

Agnes C. / Director of HR

# Expanding our Parental Leave Policy



**In January 2017, Kellogg's new parental leave policy went into effect in North America, increasing the total possible paid time off for parental leave from one week to four weeks.**

This enhancement is available to both new moms and new dads. Overall, paid maternity leave, including the enhanced parental leave, jumped from 10 weeks to 14 weeks. The new parental leave policy also covers adoptive parents and is applied retroactively to children of employees born after Aug. 1, 2016.

The changes were not only "the right thing to do," said Shawn Zimmerman, HR Vice President for North America, "but a move by Kellogg to ensure we are competitive in areas where we do business and compete for talent. As our demographics change we need to ensure we have policies that are competitive and meet the needs of our employees and prospective employees," he said.

The issue of parental leave in the United States has received increased attention over recent years and many companies have responded with expanded parental leave policies. Shawn, in close collaboration with the KNA Compensation and Benefits team, is actively monitoring emerging trends and new, standard HR policies across multiple industries, while actively working to understand how they affect Kellogg's ability to attract and retain talent.

"Looking at external trends, we have the opportunity to decide if these changes align with our values and make good business sense," said Shawn.

"This is just the beginning," he said. "High-performing companies are spending less time policing where people take time off and, instead, trusting their employees to be accountable to deliver on their commitments while managing their personal time."

## Parenting Transition Coaching Program Aims to Support Employees **when** They Need It Most



**Welcoming a new child to the family can be an exciting, but uncertain time.** With its Parenting Transition Coaching Program, Kellogg Europe is working to make the transitions between work and family a little bit easier.

Launched three years ago, the program offers a group coaching session for three key groups – pre-maternity, return-to-work for mothers and return-to-work for new fathers. In addition, there is a separate program for line managers and HR business partners to better support their employees during these transition phases. Experience coaches cover a range of topics during the sessions, which are offered in both face-to-face meetings or virtual sessions.

"The objective of this approach is to really invest in our employees at key milestones in parenting transitions.

By supporting and nurturing our fantastic people, to ensure we achieve brilliance through diversity," said Ben L., Talent & Diversity Director for Europe, who has also participated in the program as a new father.

The program has received great feedback to date, with participant reviews averaging over 90% favorable. Ben says an added benefit of the program is the formal and informal support networks that developed as a result of participation.

Moving forward, the Kellogg Europe team is working to raise awareness across various regions about the program so that more employees can take advantage of this resource.

*"As workforce demographics continue to change and workplace policies become more inclusive, Kellogg will continue to look for more flexible HR policies that emphasize an "owner's mindset"*

*Shawn Zimmerman /  
HR Vice President for North America*





# COMMUNITY

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# Breakfasts for Better Days™

## Tackles Social Inclusion in Latin America



A healthy, balanced breakfast is a crucial part to starting the day off right, especially for young children. Still, every morning, many families across Latin America lack the resources to provide a nutritious breakfast for their children.

In October 2016, Kellogg launched a pilot school breakfast program in Mexico as part of the company's global Breakfasts for Better Days™ platform. The program is aimed at fostering social inclusion by helping the most vulnerable, low-income students and their families, improve their nutrition knowledge and encourage healthier lifestyles. The pilot phase reached 4,600 children in public elementary schools, providing educational resources and planning tools to teachers, students, and their families.



*"The main goal of the program is to teach children at a young age about the importance of healthy eating, and to give low-income families the tools they need to develop an affordable and nutritious breakfast and lunch meal plan"*

Irazu P. / Nutritionist for Kellogg's Nutrition and Health Institute

The program's central message is that breakfast is an important driver of academic success and cereal is an important part of breakfast; full of flavor and providing variety in daily breakfast routines. Participants also receive information on the scientific links between nutrition and students' performance at school, encouraging them to eat breakfast at least twice a week. The program goes beyond the classroom to include parents at home too – students are given a take home kit that includes a breakfast and lunch "weekly planner". This program is just one example of how Kellogg is reaching across socioeconomic divides to build a greater sense of community inclusion.

"We are a company that seeks to nourish families so that they can flourish and thrive," said Irazu P., Nutritionist for Kellogg's Nutrition and Health Institute. "We are very conscious of our role in how we can help people improve their lifestyles."

She says the main goal of the program is to teach children at a young age about the importance of healthy eating, and to give low-income families the tools they need to develop an affordable and nutritious breakfast and lunch meal plan.

Based on their success during the pilot phase, the Kellogg team is targeting to reach another 68,900 children in Mexico this year, mainly in large cities, plus 13,000 in Colombia and another 13,000 in Guatemala.

# Community Outreach HELPS Build

a More Diverse Supply Chain from the Ground Up



Developing a diverse supplier base is an important aspect of Kellogg's overall diversity and inclusion strategy. For over two decades, the company has been dedicated to bringing in qualified companies to the supply chain; encouraging the use of disability, LGBT, minority, service disabled veteran, veteran and woman owned suppliers.

One approach the supplier diversity team is using to reach new partners is through its annual 'B2B' event in Battle Creek. Once a year, Kellogg hosts this networking opportunity at its Michigan headquarters for external suppliers to meet directly with Kellogg procurement managers, regional corporations and community partners.

Debra Q., Supplier Diversity Manager at Kellogg, says the event has grown considerably since it began five years ago, increasing from 11 networking tables to about 55 this year, totaling 500 people.



The 'B2B' event helps bring in new suppliers that procurement managers may not yet be aware of. Debra says that while the company has a lot to be proud of, her team is constantly seeking to improve its performance on diverse supplier metrics.

"Our mission in procurement is to try to create a supply chain that is representative of our employees, customers and communities, and to be a good community partner by making sure people have opportunities."

This year, the company has set a goal to increase the number of diverse suppliers, reaching a 1 percent increase in diverse supplier spend, estimated at over \$400M.



*"In five years this event has added a lot of value to the Kellogg Company to support our goals"*

Debra Q. / Supplier Diversity Manager at Kellogg



# Giving **NEW MOMS** **NEW HOPE** in South Africa



Having a baby is hard and even more so when money and resources are extremely limited. In Kellogg's South Africa office, this year the Women of Kellogg (WOK) business/employee resource group decided to do something special to help new moms from underprivileged backgrounds who face extra challenges.

In honor of Mandela Day, the national holiday celebrating the spirit of public service of the country's democratic founding father, WOK members partnered with a local non-profit called The Baby Box Project SA. The organization focuses on helping new parents find their footing and delivers nursery packages to impoverished new mothers in government hospitals. WOK members led a knitting drive to make a total of 30 wool baby blankets for Baby Box Project care packages and also donated other essential supplies.

The Baby Box deliveries were well-received by the grateful mothers and the initiative also helped WOK members expand their vision for diversity and inclusion projects.

"We looked for a diversity and inclusion project that would not only empower someone outside of Kellogg, but one where we could work together, take us outside of our comfort zones, and provide an opportunity to reflect on what the project means to the benefactor," said Zandile.

The WOK team is already planning to participate in the project again next year.



*"We felt this initiative not only would benefit the moms' physical needs with the blankets, but it would also give them hope on their potential to flourish and thrive in the future"*

Zandile M. / WOK leader and Marketing Manager in Kellogg's Sub-Saharan Africa office.

# Building a Bright Future with Kellogg and NAACP Law Fellows



*"It took passionate, dedicated and educated lawyers to implement these changes and that the work isn't over"*

Cheryl, Senior Specialist, Employee Relations.



Cheryl G. is passionate about inspiring young people and grateful to be a part of a company committed to supporting young scholars. Cheryl, a self-identified black, lesbian woman in her 50's, has seen so much. From the Civil Rights movement to equal voting rights and marriage equality, so much has changed. "It took passionate, dedicated and educated lawyers to implement these changes and that the work isn't over," said Cheryl, Senior Specialist, Employee Relations.

The National Association for the Advancement of Colored People (NAACP) works to ensure the political, educational, social and economic equality of rights for all persons and eliminate race-based discrimination. Through their law fellow program, the NAACP provides law students with first-hand exposure to civil rights advocacy and law. To participate in the program, law fellows don't have to be a person of color, but a person with passion for equality, equal rights and justice for all.

For 15 years, Kellogg has partnered with the NAACP and sponsored its Law Fellows Program. During the program, students travel to Kellogg Headquarters for an immersion in Kellogg's culture and legal practices, and for exposure and interaction with many of our executive leaders. In 2017, Cheryl had the honor of accompanying the law students during their visit to Battle Creek and learned a great deal about their commitments and drive for building a just and equitable legal system.

Cheryl and the Kellogg team left a lasting impact on the law fellows. When it was time for them to leave, a young woman, Shani, turned to Cheryl and said, "We are not Kellogg's first law fellows group, but we will always be your best group."

Cheryl smiled, knowing these students will rise to the occasion to make the world a better place for us all, and said, "Always endeavor to do your best."





# BUSINESS/EMPLOYEE Resource Groups

# Business/Employee Resource Groups

## CONTINUE TO EXPAND



### Across the Globe



In addition, 2017 marks the second year that KPA has participated in Spirit Day, an international event organized by GLAAD to increase awareness of the issue of bullying of LGBTQ Youth. As part of the event, employees from Queretaro, Bogota, Sao Paulo, Toluca, Linares and Mexicali wore purple to celebrate Spirit Day. For the first time in the region, Kellogg brands also participated in the event. In December, the Human Rights Campaign (HRC) Foundation awarded Kellogg Mexico its first international certificate, HRC Equidad MX, focused on promoting LGBTQ workplace inclusion throughout the country.

Women of Kellogg (WOK) has also been busy in Latin America this year, with a third anniversary launch celebration. The event highlighted inter-generational connections among Kellogg employees and included several expert speakers and networking events. The group also launched the Eat, Chat, Grow initiative –

– a monthly event in which Kellogg business leaders share their experiences with small groups of employees over lunch. WOK also plans to continue, and expand, its job shadowing program to help female employees gain more exposure across the company.

In the European region, KEU's WOK branch held a successful annual conference in Dublin that included workshops, executive speeches and even an improv comedy exercise that taught participants how to overcome fears of public speaking.

WOK has also been active in the Asia Pacific region. To mark International Women's Day on March 8, WOK chapters across the region collaborated on #beboldforchange, a social media campaign highlighting women's empowerment. WOK Asia Pacific has also launched new initiatives. WOKMATCH, a nine-month mentoring program, matches junior female



Over the past year, Kellogg's network of business employee resource groups (B/ERGs) has continued to expand to new territories and develop a more inclusive culture for employees around the world. B/ERG leaders plan to continue with this momentum in the months and years ahead to further enhance Kellogg's diverse and inclusive workplace.

In Latin America, the K-Pride & Allies (KPA) B/ERG was launched in the region's Mexico headquarters last year. Since the launch, the group has been busy collaborating with internal and external stakeholders to raise awareness of LGBTQ issues. In 2017, KPA launched a new chapter in Toluca, held a conference to commemorate International Day Against Homophobia, and is preparing to launch a "Proud Ally" training. The training is an opportunity to learn how to be a better ally for minorities/underrepresented groups, and especially members of the LGBTQ community.

# Business/Employee Resource Groups

## CONTINUE TO EXPAND

Across the Globe



employees with senior managers of both genders and is focused on specific issues like work-life balance and communication skills. Another new program, Life Coaching, provides a twelve module e-learning program for senior Kellogg women, covering a range of topics specific to female employees.

These B/ERGs have all received positive feedback and engagement, but there is still work to be done and the engagement of B/ERGs across Kellogg and within the business will continue to grow to new areas. For example, the Young Professionals (YP) group, which focuses on building the career foundation for young employees, held a successful kickoff event in Latin America this June.



KLA's Young Professionals group focused on several initiatives since its launch, including Commercial Moonlighting, a regional contest for innovative commercial ideas. The contest was open to everyone in KLA and attracted over 60 ideas, from which 6 finalists were selected. The six finalists presented their business case to regional leaders during a "Shark Tank" style event for a chance to have their idea developed. Other key YP initiatives include membership building and KTalks, a series of talks by internal and external speakers aimed at building a cross-generational mindset in the workplace. The first KTalk was held in July and featured three speakers on the topic of agility, while October's event focused on the importance of maintaining an external focus in business.



B/ERG LEADERS PLAN TO CONTINUE WITH THIS MOMENTUM IN THE MONTHS AND YEARS AHEAD TO FURTHER ENHANCE KELLOGG'S DIVERSE AND INCLUSIVE WORKPLACE



# 2017 A STRONG YEAR FOR BUSINESS/EMPLOYEE



## Resource Groups in North America



OVER THE PAST YEAR, KELLOGG NORTH AMERICA'S DIVERSITY AND INCLUSION EFFORTS CONTINUED TO EXPAND AND BROADEN THROUGH THE ENERGY AND INITIATIVES OF THE REGION'S MANY BUSINESS/EMPLOYEE RESOURCE GROUPS (B/ERGS).



**In March, the Young Professionals (YP) group held its National Kick-Off event that celebrated the YP vision:** "Lead with a global mindset and the soul of an entrepreneur." Event attendees learned about Kellogg's new venture capital fund, eighteen94 capital, which is focused on cutting-edge food trends. During the event, attendees were also introduced to the company's very first investment, Kuli Kuli and its founder Lisa

Curtis. It was a well-received event that provided YP members an opportunity to see entrepreneurship in action.

**HOLA, the Hispanic focused B/ERG has staged several successful events throughout the year** that blend networking, education and culture, including a Cinco de Mayo event and three Spanish workshops focusing on building cultural awareness and competencies.



Local HOLA branches have also been active in the surrounding community. The Battle Creek group hosted 30 local students as part of Career Day, while the HOLA Cincinnati branch participated in an Ohio River clean-up event.

**The Women of Kellogg (WOK) group has continued to produce engaging events,** including leveraging professional development webinars provided by the Network of Executive Women and hosting a session on work-life balance that attracted over 300 participants in May. WOK is also leading a year-long initiative to support the Breakfasts for Better Days program through member-supported events at food banks and food donation drives.



TOGETHER, THESE B/ERGS CONTINUE TO ELEVATE DIVERSITY & INCLUSION ACROSS THE ORGANIZATION, MAKING TERRIFIC CONTRIBUTIONS TO HELP THE COMPANY ACHIEVE ITS 2020 GROWTH STRATEGY

# 2017 A STRONG YEAR FOR BUSINESS / EMPLOYEE



## Resource Groups in North America

Similarly, KVETs and Supporters continued its involvement with local communities. The B/ERG partnered with the US Marines' Toys for Tots program to gather donations for families in need. The KVET Grand Rapids branch also worked with non-profit Landing Zone Michigan on a "Welcome Home" event with a special focus on Vietnam Veterans. The group also organized guest lecture events including a session featuring Brigadier General (Retired), Gary M. Profit, Senior Director of Military Programs for Walmart. Finally, the team worked to expand veteran hiring across the country by participating in two career fairs organized by Military Mojo this year.

Meanwhile, Kapable (Individuals with Different Abilities and Supporters) continues making strides toward its mission of creating a more open dialogue around disabilities in the workplace. Over the past year, the group has held a range of events, pursued recruiting partnerships and packaging improvement forums, and worked with local community agencies. Nearly three years after its launch, Kapable continues to support our company's 2020 growth plan by fostering a diverse, inclusive community of passionate people working to make a difference.



KMERG, our multicultural B/ERG, continues to further its mission to create a more inclusive environment at Kellogg. One of the group's biggest events in 2017 was the International Food Festival, which welcomed a record-breaking 250 people to sample cuisines from around the world and learn more about the Global Kellogg business. KMERG has opened two new branches in the U.S., with plans to expand elsewhere.



The Kellogg African-American Resource Group (KAARG), continued to build off its strong momentum in 2016 focusing on professional development, with a 2017 theme of "Strategic Influence." The group kicked off 2017 with a forum by Dr. Jimmy Davis on building strong relationships as a foundation for influence. KAARG has also teamed up with other B/ERGs, like HOLA!, to present best-in-class examples of inclusive marketing. KAARG sessions have helped shape team-building exercises among senior management teams and the group continues to fulfill its mission by encouraging Kellogg to have difficult, but productive conversations about race relations in the workplace.

Finally, K-Pride and Allies (KPA) – an LGBTQ & Allies focused B/ERG – worked to continue outreach activities and expand membership in branches around the country. For the second year in a row, KPA invited all Kellogg employees to participate in Spirit Day, a national anti-bullying event organized by GLAAD. The Kellogg campaign which included employee, corporate and brand engagement internally and externally generated over 84 million impressions for the company in one day. As part of the campaign, Kellogg released an [anti-bullying video](#) featuring some of the company's most popular brand mascots. In Kellogg's headquarters' state of Michigan, KPA also participated in pride parades in both Battle Creek and Kalamazoo.

# 2017 A STRONG YEAR FOR BUSINESS / EMPLOYEE



Resource Groups in North America

TOGETHER, THESE B/ERGS CONTINUE TO ELEVATE DIVERSITY & INCLUSION ACROSS THE ORGANIZATION, MAKING TERRIFIC CONTRIBUTIONS TO HELP THE COMPANY ACHIEVE ITS 2020 GROWTH STRATEGY



See our mascots speak out against bullying

DIVERSITY AND INCLUSION ANNUAL REPORT

# FEATURES

2017







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