

No|01

Arnott's Australia & New Zealand
Health and Wellbeing Update
Spring 2005



HEALTH AND WELLBEING

A healthy lifestyle including balanced nutrition is a cornerstone of personal wellness.

This update highlights Arnott's ongoing commitment to contributing to the health and wellbeing of Australians and New Zealanders through research, innovation and nutrition.

LOOKING BACK



For 140 years, Arnott's has played a leading role in responding to the changing nutrition needs of our community.

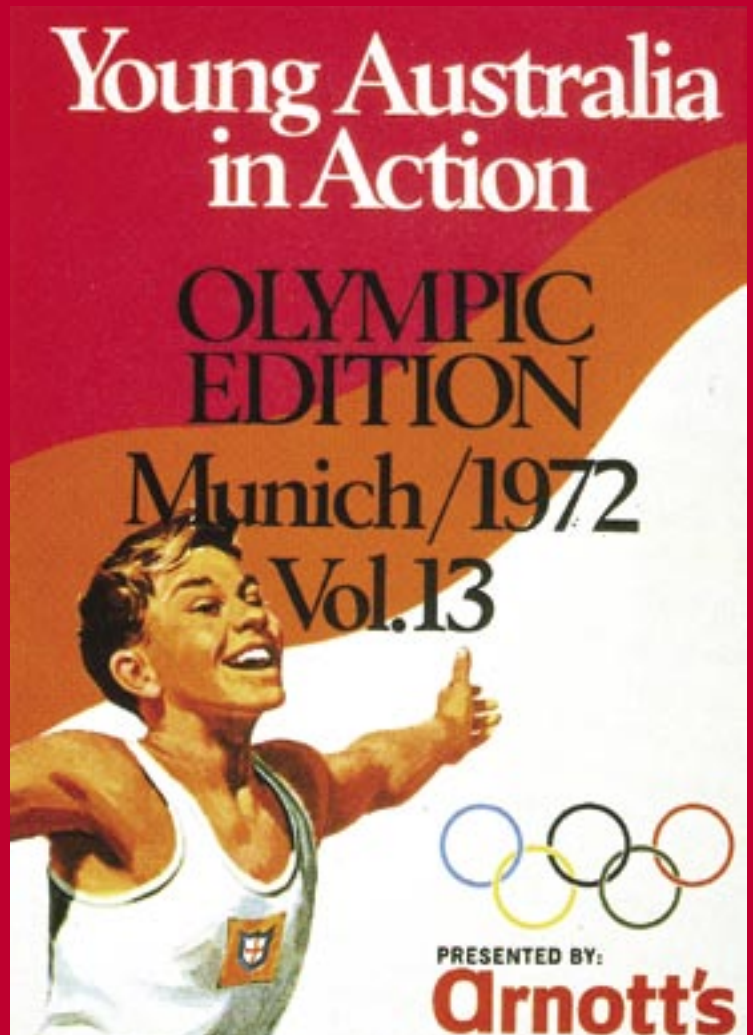
Our commitment to high quality food can be traced right back to 1865, when William Arnott first started baking breads, pies and biscuits for the local townspeople of Newcastle, New South Wales, and for the crew of the coal ships that docked there.

During the late 1880s, when infant mortality rates in the Australian colonies were high, mothers trusted Arnott's Milk Arrowroot biscuits as a safe, nutritious food source for their young children.

Fast forward to the 1960s and 1970s and Arnott's Young Australia in Action campaign, which supported the Australian Government's push to promote health in the community by linking Arnott's products to significant sporting events like the Munich Olympic Games.

The 1990s saw Arnott's become one of the first food manufacturers in the world to significantly reduce the level of trans fatty acids (TFA) in its biscuits by replacing partially hydrogenated fats with other vegetable oils. Today, you would need to eat 725 Arnott's Tim Tam biscuits to reach the maximum daily amount of trans fats recommended by the World Health Organisation.

Some biscuits are more than snacks. When Australia has provided emergency relief for overseas disasters, Arnott's High Protein Milk Biscuits have formed an integral part of the food parcels. Two a day can mean survival. They have been sent to Ethiopia, Cambodia, Papua New Guinea and outback Australia. And Arnott's has recently donated two tonnes of High Protein Milk Biscuits to the Gardiner Foundation as part of a study into combating the spread of the HIV virus in Africa.



An old friend Vita-Weat 9 Grains

You would need to eat three and a half slices of most multi-grain breads to get as many whole grains as you would in just one serve of Arnott's Vita-Weat 9 Grains.



A new favourite Arnott's Snack Right

Part of the better-for-you Snack Right range, Snack Right Apricot Fruit Slice is 97% fat free, contains more than 37% real fruit, is low GI, and one serve provides as much fibre as a bunch of grapes or a medium mandarin.



An occasional treat Arnott's Tasty Jacks

Occasional treats such as Arnott's Tasty Jacks, made with Australian potatoes, can be part of a balanced diet when eaten in moderation.



HERE AND NOW



Arnott's is committed to providing consumers with a choice of high quality snacks from everyday favourites such as Vita-Weat and Cruskits to occasional treats such as Tim Tam, Mint Slice, Tasty Jacks and Cheezels.

We continue to improve the nutrition profile of many of our products as well as introduce new, better-for-you choices.

In the past two and a half years, we have removed more than 4.5 billion kilojoules from the food chain by introducing lower-fat versions of brands such as Jatz, Salada and Cruskits.

Arnott's Kettle Original contains less than half the salt and five times less saturated fat than most average potato chips.

Our Snack Right range has become a leading better-for-you brand. Every Snack Right biscuit, bite, pillow or slice has less than 1.5 grams of fat. Most varieties are low GI and an excellent source of real fruit and a source of fibre.

Arnott's has also introduced a variety of products in smaller pack sizes and formats to encourage healthier snacking through portion control. And we're in the process of reducing our serve size from two biscuits to one across most of our range to make it even easier for consumers to achieve the right balance in their diet.



Marketing to children

While products like Tiny Teddy, Cheezels and Marshians have a role in a balanced diet, we recognise that children — especially those under 12 years of age — may find the concept of 'balance' more difficult to understand, particularly when food manufacturers target them directly via television advertising.

That's why Arnott's introduced a Marketing to Children Policy in August 2005. The policy stipulates Arnott's will not advertise:

- During any 'C' or 'P' classified television programs or 'G' cinema movies in Australia; or 'G' or 'GXC' classified television programs or 'G' cinema movies in New Zealand
- In magazines or sections of newspapers (eg. cartoons) targeted to children under 12 years of age
- On any permanent or temporary third-party Internet sites that are known to be the 'first destination' of children under 12 years of age. From time to time, we may develop promotional websites aimed at children under 12, but we'll only market these sites via information on pack to allow greater parental control over access. The homepages for these sites will also prompt children to seek permission from a parent or guardian prior to gaining access.

If you would like a copy of the policy for Australia or New Zealand, please contact Toni Callaghan, Corporate Communications Manager, on +61 2 8767 7801, or email her at toni_callaghan@arnotts.com

LOOKING FORWARD



Arnott's will continue to delight consumers by leveraging its unique knowledge in food development, food science and nutrition to consistently deliver preferred, convenient and great tasting food.

We are putting in place a company-wide nutrition policy to ensure our products are developed with an optimal nutrition footprint. Key areas of focus for the future will be around portion control, particularly in the area of savoury snacks. We'll also be looking at ways to:

- Reduce the total fat and saturated fat content of Arnott's crackers and crispbreads
- Educate consumers about the goodness of grains and fruit through enhanced on-pack information
- Address specific dietary issues.

For more information about Arnott's commitment to health and wellbeing, please contact:

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Arnott's Asia Pacific.

Coming up in the Autumn issue:

- **A look back at Arnott's in wartime**
- **An update on the inaugural William Arnott Scholarship, established to fund nutrition research at the University of Newcastle**
- **What's new in better-for-you products, packaging and labelling**
- **A day in the life of an Arnott's nutritionist.**