

KELLOGG CO
Form 8-K
February 26, 2019

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K
CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934
Date of report (Date of earliest event reported): February 22, 2019

Kellogg Company
(Exact name of registrant as specified in its charter)

Delaware 1-4171 38-0710690
(State or other jurisdiction (Commission (IRS Employer
of incorporation) File Number) Identification No.)
One Kellogg Square
Battle Creek, Michigan 49016-3599
(Address of principal executive offices, including zip code)
(269) 961-2000
(Registrant's telephone number, including area code)
Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2 below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by
check mark
whether the
registrant is
an emerging
growth
company as
defined in

Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On February 22, 2019, the Board of Directors (the "Board") of Kellogg Company (the "Company") made compensation determinations with respect to the Company's named executive officers, and the Compensation and Talent Management Committee of the Board adopted the 2019-2021 Executive Performance Plan, each as set forth below.

2019-2021 Executive Performance Plan. The Compensation and Talent Management Committee of the Board approved the 2019-2021 Executive Performance Plan ("2019-2021 EPP") under which certain senior executives would be eligible to receive a portion of their long-term incentives in the form of performance shares based on the achievement of organic net sales growth and relative total shareholder return targets. Awards are paid in shares at the end of the performance period, except for amounts withheld by the Company for statutory withholding requirements. In addition, the independent members of the Board granted 2019-2021 EPP target awards of 76,680 shares for Steve Cahillane; 16,750 shares for Fareed Khan; 18,430 shares for Gary Pilnick; and 19,400 shares for Chris Hood. Participants in the 2019-2021 EPP have the opportunity to earn between 0% and 200% of their EPP target. Dividend equivalents on the awards accrue but are only paid when the EPP awards vest. A copy of the 2019-2021 EPP is attached as Exhibit 10.1 and is incorporated in its entirety into this Item.

RSU Grants. The independent members of the Board approved the following grants of restricted stock units ("RSUs") to named executive officers of the Company: 3,350 RSUs for Mr. Khan; 3,690 RSUs for Mr. Pilnick; and 3,880 RSUs for Mr. Hood. Awards are paid in shares when vesting requirements are met, except for amounts withheld by the Company for statutory withholding requirements. Dividend equivalents on the awards accrue but are only paid when the RSU awards vest. Under the terms of the grants, the RSUs vest on the third anniversary of the grant date. A copy of the form of RSU terms and conditions for the grants is attached as Exhibit 10.2 and is incorporated in its entirety into this Item.

Option Grants. The independent members of the Board approved the following grants of stock options to named executive officers of the Company: 255,510 options for Mr. Cahillane; 66,970 options for Mr. Khan; 73,660 options for Mr. Pilnick; and 77,540 options for Mr. Hood. The exercise price under these grants is \$56.73 per share. Under the terms of the grants, the stock options vest in three equal annual installments from the anniversary of the grant date. A copy of the form of option terms and conditions for the grants is attached as Exhibit 10.3 and is incorporated in its entirety into this Item.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits.

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| <u>Exhibit 10.1</u> | 2019-2021 Executive Performance Plan |
| <u>Exhibit 10.2</u> | Form of Restricted Stock Unit Terms and Conditions |
| <u>Exhibit 10.3</u> | Form of Option Terms and Conditions |

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

KELLOGG
COMPANY

Date: February 26, 2019 /s/ Gary H. Pilnick
Name: Gary H. Pilnick
Title: Vice Chairman