Collaborative Engagement by ATNI’s Investor Signatories: 2018 - 2019

External report
May 2020
• ATNI data greatly improves the transparency of food and beverage companies’ approach to nutrition.

• One of ATNI’s key stakeholder groups is institutional investors, who use ATNI data in their investment analysis and engagement with food and beverage companies.

• In 2013, ATNI created an investor statement and invited investors to become signatories to the statement, thereby pledging their support of ATNI.

• ATNI now has 70 investor signatories representing over US$ 7.5 trn supporting the investor statement.

• Investors engage with Index companies using ATNI scorecards, data and Index reports; some engage on a one-to-one basis with companies; others engage collaboratively.

• ATNI’s specialist knowledge is offered to investors via investor briefings and regular webinars.

• ATNI supports investors in their engagement with pre-engagement meeting calls and agenda preparation.

• An investor sits on the ATNF board.
32 investors publicly acknowledge use of ATNI for engagement and analysis

Engagement Analysis - External

K Gordon
Engagement & evaluation process

Key dates in report process
- 01 Jan 20–17 Jan 20 analysis of trackers, notes, creation of data set
- 20 Jan 20–20 Feb 20 1 on 1 in-depth calls with investors, plus follow ups and emails - checking tracker, dataset, submitted information, chasing and verifying notes, asks, publications.
- w/c 24 Feb 20 Final data submission check sent to each investor for confirmation of accuracy. Chasing and verifying calls and emails.
- 9 Mar 20 cut off date for data changes/confirmation.
- 9 Mar 20 commence report writing
- 19 Mar 20 Internal report presented
ATNI’s impact is evident, supported by investor engagement

Companies

- 29 statements were made to investors by 14 companies
- 18 confirmed updates were made by 12 companies
- 16 companies publish their use of ATNI in their analysis and engagement

Investors

- ATNI has 68 Investor Signatories representing US$7 trn in AUM
- 31 investors representing US$4 trn joined the collaborative engagement
- Investors engaged with 4 companies that had not submitted information to the ATNI research platform
- Investors made 95 ‘asks’ to 18 companies, 39 focused on products
- 32 investors publish their use of ATNI in their investment analysis and engagement
Investor signatories from different regions take different approaches

<table>
<thead>
<tr>
<th></th>
<th>ESG/Materiality/risks and opportunities</th>
<th>Thematic approach (food/nutrition)</th>
<th>Social/Access Issue lens</th>
</tr>
</thead>
<tbody>
<tr>
<td>6 EU investors</td>
<td>5</td>
<td>1</td>
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</tr>
<tr>
<td>5 US investors</td>
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<td>3</td>
<td>4</td>
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<tr>
<td><strong>11 Total</strong></td>
<td><strong>5</strong></td>
<td><strong>4</strong></td>
<td><strong>9</strong></td>
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</tbody>
</table>

- 5 of the 6 EU investors categorise nutrition as a material risk/opportunity for the F&B sector and embed it in ESG and/or mainstream analysis
- 9 investors categorise nutrition as a Social/Access issue, 3 of which also consider it to be material, and 3 address it as a theme.
- 2 investors don’t categorise nutrition as a Social/Access issue – though both consider nutrition to be a key ESG theme.
- 1 investor considers nutrition to be material, takes a thematic approach and views it through a social lens
## Companies asks by investors, statements and confirmed updates by region and category

<table>
<thead>
<tr>
<th></th>
<th>EU asks</th>
<th>EU statements</th>
<th>EU confirmed update</th>
<th>US asks</th>
<th>US statements</th>
<th>US confirmed update</th>
<th>ROW asks</th>
<th>ROW statement</th>
<th>ROW confirmed update</th>
<th>Total asks</th>
<th>Total statements</th>
<th>Total confirmed updates</th>
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<td>11</td>
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<td>3</td>
<td>24</td>
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<td>n/a</td>
<td>n/a</td>
<td>3</td>
<td>0</td>
<td>0</td>
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<tr>
<td>Total</td>
<td>22 (23%)</td>
<td>7 (24%)</td>
<td>4 (22%)</td>
<td>52 (55%)</td>
<td>15 (52%)</td>
<td>7 (39%)</td>
<td>21 (22%)</td>
<td>7 (24%)</td>
<td>7 (39%)</td>
<td>95</td>
<td>29</td>
<td>18</td>
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</tbody>
</table>

### Notes:
- **3 EU (17%) companies**
  - 23% of asks
  - 24% of statements
  - 22% of confirmed updates
- **9 US (50%) companies**
  - 55% of asks
  - 52% of statements
  - 39% of confirmed updates
- **6 ROW (33%) companies**
  - 22% of asks
  - 24% of statements
  - 39% of confirmed updates

Note: 2 companies didn’t engage and a further 2 didn’t make any notable statements during engagement.
Companies increasingly acknowledging ATNI

<table>
<thead>
<tr>
<th>Number of companies in each region</th>
<th>EU</th>
<th>US</th>
<th>ROW</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company makes public ATNI statement</td>
<td>3</td>
<td>4</td>
<td>3</td>
<td>10</td>
<td>56%</td>
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<tr>
<td>Company shared ATNI results internally</td>
<td>3</td>
<td>3</td>
<td>2</td>
<td>8</td>
<td>44%</td>
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<tr>
<td>Company shared ATNI results with Board/Executive</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>5</td>
<td>28%</td>
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<tr>
<td>Company acknowledged that ATNI impacted its policies/practices</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>9</td>
<td>50%</td>
</tr>
</tbody>
</table>

- ATNI is mentioned by 16 different companies across documents/websites in: Annual Reports, Corporate Responsibility Reports, Press Releases, Web Pages ...
16 Index companies publicly mention ATNI (as of Feb 2020)

**Nestle**

*Our performance in leading indices*

We are not driven by awards and recognition, but we’re proud to have our sustainability efforts and achievements acknowledged by world-leading ratings and rankings agencies:

- Ranked first out of 22 global food and beverage manufacturers in the 2018 Access to Nutrition Index™ (ATNI).
- Ranked second in the Food Products Industry of the 2018 Dow Jones Sustainability Index (DJSI), scored 100 for Health and Nutrition performance, and hold the leadership scores in the Environmental and Social dimensions.

Retained our place in CDP’s Climate A list

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**Danone**

Danone supports the WHO’s global public health recommendation calling for exclusive breastfeeding for the first six months and continued breastfeeding up to two years and beyond, combined with the safe introduction of appropriate complementary foods. Danone is the first company to apply a voluntary global policy that prohibits the advertising and promotion of infant formula for infants aged 0-6 months, even if permitted by local laws. In countries classified as “higher-risk countries”, we have voluntarily extended our advertising and promotion prohibition up to twelve months of age, which often goes beyond local legislation. To ensure that our policy is effectively implemented, an independent third party expert conducts audits yearly. Danone ranked #1 in the subcategory Marketing of Breast-Milk Substitutes of the ATNI Global Dairy Index 2018.

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**Ajinomoto**

ATNI (Access to Nutrition Index)

The evaluation performed by ATNI and its 2018 Nutrition Index regarding the strength of our H&W strategy has led us to improve our actions, commitments, practices, and performance to have a positive influence on our consumers so they may achieve better lifestyles and balanced diets.

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**Grupo Bimbo**

The nutrient density of our portfolio is exemplified by the 2018 Access to Nutrition Index (ATNI) U.S. Spotlight Index, which rates the 10 largest food companies in the U.S. Conagra Brands leads the Product Profile ranking, which is based on the Health Star Rating nutrient profiling criteria.

According to the report, Conagra Brands was estimated in the Product Profile to generate 44 percent of 2018 sales from healthy products (having a Health Star Rating of 3.5 or more) and 32 percent from products that meet World Health Organization criteria for marketing to children.

Conagra Brands Citizenship Report 2018

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**Kellogg**

Every two years, Kellogg participates in the comprehensive Access to Nutrition Index that objectively assesses the contribution the private sector makes to addressing global nutrition challenges. In 2018, we increased our score from #10 to #8 in the overall, global ranking of food and beverage companies.

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**Campbell**

- Participation in the Access to Nutrition Index assessment, which ranks the world’s largest food companies on their efforts in tackling nutrition challenges.
- Campbell uses the report to help inform strategy and best practices in policy development, transparency and communication on nutrition issues.

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**Unilever**

Access to Nutrition Index

The Access to Nutrition Index is a new global initiative that evaluates food and beverage manufacturers on their policies, practices, and performance related to obesity and undernutrition.

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**Mondelez**

Meiji

**Unilever**

**K Gordon**

Engagement Analysis - External
Recommendations

Investor Expectations on Diet & Nutrition
- Hold companies to account
- Aligns investors ‘asks’ of companies
- Unifies engagement, makes it clearer and more impactful

Investor Secretariat on Nutrition
- Supports and reduces burden on investors
- Improves engagement effectiveness
- Should develop strategies to encourage supporting investors to play a more active role in engagement

Raise profile of ATNI and nutrition across the financial sector
- Propagate nutrition as both a material and social issue
- Grow investor signatory numbers and assets
ATNI’s future work with investors

ATNI is strongly committed to working with investors, as highly influential stakeholders that can substantially amplify ATNI’s impact.

2018-2019 engagement provides a good foundation for future collaborative engagement.

ATNI recently secured funding from DFID to provide additional support to investors - reduce burden on investors, and to increase the reach and effectiveness of collaborative engagement.

ATNI is setting up an investor secretariat in 2020 that will:

- Develop and launch a set of Investor Expectations on Diets, Nutrition and Health (likely linked to the N4G Summit)
- Build support for the Investor Expectations among institutional investors globally.
- Facilitate investors’ engagement and research on nutrition through a dedicated investor portal.
- Take on the organization and administration of investors’ engagement related to ATNI’s Indexes.
- Develop a ‘strategy ladder’ for steps investors can take with non-responsive companies. e.g. AGM questions, filing resolutions, criteria for divestment etc.
Improving nutrition for all
Driving the private sector’s performance
on healthy, affordable diets.

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