GLOBAL INDEX 2024

ATNi
NUTRITION MARKETS IMPACT

GLOBAL INDEX 2024

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ACKNOWLEDGEMENTS

The Global Access to Nutrition Index (ATNi) 2024 would not have been possible without the generous support of several donors, in particular the Bill & Melinda Gates Foundation and the Foreign, Commonwealth and Development Office.

The Global Index 2024 was produced by many ATNi staff: Aurélie Reynier, Babs Ates, Brenda de Kok, Daniela Hernández Morales, Eaindra Aye, Elena Schmider, Freddie von Kaufmann, Greg Garrett, Gulden Timur, Irene Santoro, Katherine Pittore, Lucy Consenza, Mark Wijne, Nadine Nasser, Patrick de Regt, Sameea Sheikh, Veronica Maxey, Will Sharp; and ATNi consultants: Elizabeth Dunford and Philip Eisenhart. The ATNi team drew on the expertise and advice of the ATNi Expert Group, whose close engagement throughout the ATNi development process has been a source of invaluable guidance.

We would also like to acknowledge The George Institute for Global Health (TGI) for their input on the Product Profile assessment. The views expressed in this report, however, do not necessarily reflect the views of the group's members or their institutions.

DISCLAIMER

FOREWORD

This is the fifth Global Access to Nutrition Index, and the first since 2021. It assesses how the world's largest global food and beverage (F&B) manufacturers are contributing to addressing malnutrition in all its forms. This index was launched in a challenging context.

First, the world faces more challenges than at any point in recent memory – such as inflation, debt, climate change and new wars. Since 2021, the world has additionally seen an acceleration of the obesity epidemic, especially in low- and middle-income countries (LMICs) and a concurrent slowing of progress in addressing undernutrition.[1] Development assistance cannot keep pace with what many are now calling a 'food polycrisis'.

Second, the food sector – particularly the modern food retail segment – is growing. This growth is fastest in LMICs, with processed foods becoming more available. However, governments, civil society, and, increasingly, consumers want food products to be healthier and more sustainable. As such, food manufacturers must find ways to balance their business interests with public health.

Third, many large F&B manufacturers are undergoing transitions. There were several CEO and company ownership changes in 2024 shifting internal priorities at some companies. The rising use of weight loss medications has started to disrupt the packaged foods sector in high-income countries (HICs), creating pressure on food companies to look for new product lines and markets. Many multinationals are also increasingly deriving more revenue from LMICs than from HICs.[2 3]

Considering these trends, we will not end all forms of malnutrition by 2030 (Sustainable Development Goal 2 and 3) unless we make fundamental food system changes. There is significant opportunity for the private sector, investors, and policymakers to step up and transform markets for improved nutrition.

ATNi's 2023-2027 Strategy prioritises actions that lead to systems-, product-, and population-level impacts. By using tools such as this Global Index, the food industry, investors, and policymakers can shape healthier food environments and help prevent malnutrition in all its forms.

Progress is being made, with recent systemic improvements to food systems. For example, the first-ever Materiality of Nutrition Assessment identified an emerging business case for healthier foods: on average, food companies with broader, healthier food portfolios have higher earnings before interest and taxes margins (15.2%) than their peers (13.4%).

Meanwhile, ATNi's Nutrient Profiling Alignment Initiative in September 2024 saw dozens of institutional investors and food companies align on the way forward to report on the healthiness of product portfolios. There have also been several positive advancements taken by the food industry itself, as outlined in this report.

These developments cannot be overlooked and should be celebrated, because they herald a shift in the market towards a healthier future.

We have tried to translate the encompassed data into actionable insights which can catalyse market change for enhanced nutrition.

Key questions this Global Index looks at include:

- **What does 'good' look like for a company? What 2030 targets should companies aim for in terms of responsible marketing and portfolio healthiness?**
- **Is there a difference between the healthiness of food products available in HICs vs LMICs?**
- **Are any companies making healthy foods core to their business strategies?**
- **What policies are shaping healthier markets, especially in emerging economies?**
- **How can responsible investors use this Global Index to exert influence in driving better nutrition practices?**
- **What perverse market incentives need to be addressed through policy?**

THE FOOD INDUSTRY STANDS AT A PIVOTAL CROSSROAD.EMBRACING NUTRITION IS NO LONGER AN OPTION BUT ESSENTIAL

The food industry stands at a pivotal crossroad. Embracing nutrition is no longer an option but essential. In March 2025, the sector will gather for Nutrition for Growth (N4G), the flagship international conference on global nutrition. This summit offers an opportunity for companies to commit to stepping up, scaling up, and making a difference to healthier diets for everyone, everywhere.

ATNi invites you to share the Global Access to Nutrition Index 2024 across your networks and use it for change. Please do not hesitate to get in touch if you have any questions.

Greg S. Garrett
Executive Director, ATNi
(Access to Nutrition initiative)

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2 Euromonitor International (2024). Shifting Market Frontiers: Multinationals vs Local Competition in Manufacturing Sector. Available at https://www.portal.euromonitor.com/ (Accessed: 24 October 2024)

3 The Economist (2024) Can big food adapt to healthier diets? The Economist, 18 August. Available at: https://www.economist.com/business/2024/08/18/can-big-food-adapt-to-healthier-diets (Accessed: 21 October 2024)

EXECUTIVE SUMMARY

PURPOSE AND SCOPE

The fifth edition of the Global Access to Nutrition Index assesses 30 of the world's largest food and beverage (F&B) manufacturers – representing 23% of the global F&B market – on their performance to improve access to nutritious foods. The index presents the current state of play, companies' relative progress across a range of nutrition-related topics, identifies areas for improvement, and offers a roadmap for change.

Using tools such as this index, ATNi challenges the food industry, investors, and policymakers to shape healthier food systems. Our goal is to translate data into actionable insights that will drive partnerships, innovation, and market change, ensuring more people have access to nutritious and sustainable food.

This edition includes a significantly revised methodology with increased attention to product offerings in low- and middle-income countries (LMICs). The index has also sharpened its nutrition focus, assessing companies across a set of 51 priority indicators in eight weighted categories: Product profile (30%), Responsible marketing (15%), Nutrition governance (15%), Affordable nutrition (15%), Portfolio improvement (10%), Nutrient profiling models (NPMs) for reporting purposes (5%), Workforce nutrition (5%), and Responsible labelling (5%). A detailed methodology section is included in the report detailing the changes as well as the Index's limitations.

GLOBAL NUTRITION TRENDS

Over the past two decades, obesity rates have surged, progress on addressing global undernutrition has slowed, and micronutrient deficiencies continue to affect close to half of children and two-thirds of women of reproductive age. Adult underweight prevalence halved between 2000 and 2022, but progress has slowed since. Meanwhile, obesity rates doubled from 7.9% to 15.9% during this period – with projections estimating that obesity rates will reach 20.3% by 2030. In 2022, 43% of adults (2.5 billion) globally were classified as overweight, with a particularly rapid increase in LMICs.

Poor dietary intake and obesity are risk factors for non-communicable diseases (NCDs) – such as diabetes, hypertension, and heart disease – with the vast majority of deaths from NCDs (77%) occurring in LMICs.

The cost of malnutrition is staggering, and the economic toll is expected to exceed $41 trillion over the next decade – with undernutrition costing $21 trillion and overweight/obesity $20 trillion. The cost of overweight and obesity is anticipated to account for an average of 3.3% of gross domestic product (GDP) globally by 2060, with lower income countries facing the greatest economic impacts.

DIETARY SHIFTS AND PROCESSED FOODS

The shift toward greater processed food consumption is a major contributor to obesity and diet-related NCDs . While processed food sales are highest in high-income countries (HICs), consumption is growing most rapidly in LMICs . Socioeconomic changes, such as urbanisation and more women working outside the home, contribute to this shift. However, the expansion of multinational F&B companies into these regions – who extensively market often inexpensive, low-nutrient packaged foods – is a recognised driver of these trends.

Further, healthy diets remain unaffordable for many – 52% of households in LMICs, for example. Without transformative changes to food systems, it will be challenging to achieve the Sustainable Development Goal (SDG) 2 of ending all forms of malnutrition by 2030.

RESEARCH METHODOLOGY AND LIMITATIONS

The Global Index methodology recognises the current state of knowledge across nutrition topics remaining flexible and evolving. This means indicators may be removed, added and changed over the different iterations. A direct like-for-like assessment is not always possible between Indexes. In addition, the Global

Index is an in-depth examination of the policies and practices of F&B manufacturers related to nutrition. It does not assess other corporate issues of policy and practices of food and beverage manufacturers, including 1) environmental sustainability, for which we partner with the World Benchmarking Alliance and summarise their findings where possible; 2) corporate tax abuse; 3) corporate wealth and income distribution; and 4) country-specific food lobbying practices. In future, and depending on available resources, ATNi will include elements of each of these topics in these indexes.

KEY FINDINGS

Although F&B manufacturers are increasingly recognising their role in shaping consumers' diets, bolder actions are needed from industry, policymakers, and investors to shift the needle towards increased production of healthier foods and the promotion of healthier diets.

That said, there has been important progress in several areas. First, 30% of companies now use internationally recognised NPMs to assess and classify products as 'healthier' for reporting and target-setting. Second, 37% of companies (11/30) have set age thresholds for product marketing and market more responsibly to children. Third, 30% of companies (9/30) now have some form of an affordable nutrition strategy. Finally, there has been a small improvement since 2021 in the overall healthiness of product portfolios with 34% of sales now derived from healthier products.

However, the index reveals that all companies must make improvements to fully address nutrition challenges, with company performance on access to nutrition varying widely (see Figure 1). While approximately 34% of their total sales are derived from 'healthier' products, this figure remains below the 2030 target of 50%. The key findings are outlined below, with detailed results available in the full report, company scorecards, and an interactive dashboard.

Company Name	Product Profile (30%)	Responsible Marketing (15%)	Nutrition Governance (15%)	Affordable Nutrition (15%)	Portfolio Improvement (10%)	Reporting NPMs (5%)	Workforce Nutrition (5%)	Responsible Labelling (5%)	Combined BMS/CF adjustment	Overall Score (100%)
Danone	7.3	7.1	9.6	5.2	9.5	9.5	8.7	7.7	-1.3	6.4
FrieslandCampina	6.8	4.4	8.0	5.1	6.6	8.8	2.6	7.3	-0.6	5.6
Arla Foods	6.1	6.1	5.4	5.1	4.1	4.3	2.4	7.9		5.5
Grupo Bimbo	5.0	3.5	6.9	6.8	5.0	8.6	2.9	4.6		5.4
Unilever	3.1	6.5	7.6	3.3	6.3	7.0	7.4	6.7		5.2
PepsiCo	3.5	3.4	7.3	3.5	6.3	2.9	6.5	5.6		4.5
Campbell's	5.3	2.9	5.9	3.4	1.9	3.1	0.7			4.1
Kellanova	3.3	3.6	5.1	1.9	4.3	8.0	2.5	5.5		3.8
Nestlé	4.0	4.1	7.8	3.0	3.5	9.0	7.0	7.5	-1.3	3.7
Yili Group	7.5	0.6	5.4		6.9		2.9		-1.0	3.3
Meiji	6.1	2.4	4.6		1.5	0.2	0.8	4.2		3.3
Coca-Cola	4.0	5.5	3.4		2.8		2.9	5.9		3.3
Flora FG ^	4.4	3.2	2.7		6.1		2.3	6.0		3.2
General Mills	3.9	3.8	5.7		2.5	3.8	1.1	2.3		3.2
Mars	2.1	7.3	2.4		4.2	0.8	4.7	5.3		3.1
Kraft Heinz	4.0	2.8	6.1		4.6	5.0	1.7	3.9	-0.5	3.0
Nissin ^	3.8	2.1	3.8	2.8	2.8	0.3	1.4	4.1		3.0
Mengniu	6.7		3.6		1.1		0.4			2.9
Barilla ^	6.6	0.5	2.2		3.0		1.2	2.8		2.9
Mondelez	2.0	4.9	5.1		4.5		1.1	3.3		2.8
Conagra	5.4	1.8	3.7		1.3		0.4			2.6
Suntory *	3.2	2.1	2.3		3.1		0.8	2.0		2.1
Keurig Dr Pepper	2.9	1.6	3.7		1.7	2.8	0.3			2.0
Ajinomoto	2.3	1.4	3.7	0.3	0.8	0.2	2.9	2.7		1.9
Hormel *^	4.9		1.4		0.2		0.6			1.7
Indofood ^	2.4		1.8		0.7	4.5	2.4	2.5		1.5
Ferrero Group	1.2	3.2	0.8		1.3		2.2	2.5		1.3
Lotte *^	2.1		2.3		1.4	0.2	0.4			1.1
Hershey *^	1.3	3.0	1.4		0.2					1.1
Lactalis *	6.3	1.0	0.6					0.6	-1.5	0.7

* Did not provide information to ATNI.
^ Not assessed in 2021.
Combined BMS/CF adjustment: Adjustment applied to companies assessed in the BMS/CF Marketing Index 2024. Scores are adjusted with a maximum deduction of -1.5 point for not fully complying with the WHO Code.

- A company scores 0 when insufficient information or evidence is found on its policies and practices across the nutrition topics assessed in this index. This has been left blank.
- Non-applicable: categories has been greyed out

Figure 1 Overall scores

Product Healthiness

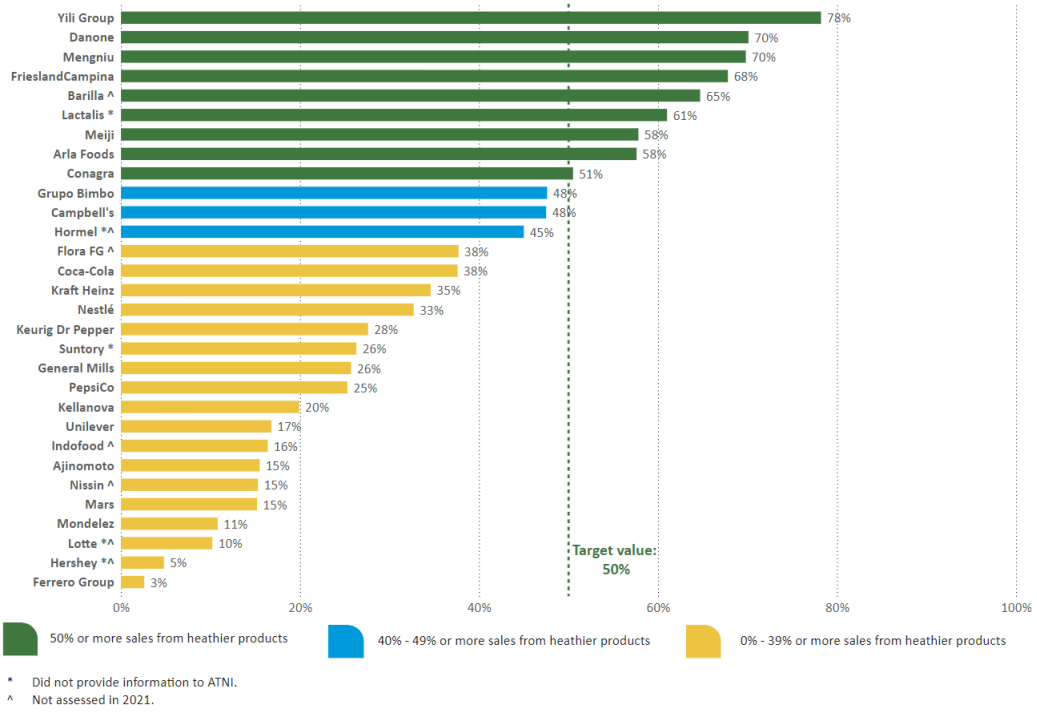

Figure 2 Product Healthiness

Companies derive 34% of their sales from products classified as 'healthier'. Among the 52,414 products analysed using the Health Star Rating (HSR) system, 31% – a total of 16,467 products – met the healthier threshold (3.5 stars and above out of 5), representing an estimated 34% of the companies' combined sales in 2022. However, only 30% of the companies have achieved at least 50% of sales from 'healthier' products.

Portfolio healthiness was found to be lowest in LMICs, highlighting disparities in product offering across different markets. Overall food product healthiness in LMICs scored much lower (HSR 1.8) than in HICs (HSR 2.3). At the aggregate level, the share of 'less healthy' products marketed by the F&B industry (30 assessed companies) is higher in LMICs than in HICs.

In LMICs, micronutrient data were available for a smaller proportion of products compared to in HICs (data on one or more micronutrients were identified for 36-37% of products in LMICs versus 52% in HICs). The research found fortification information for a total of 12,019 products, of which 28% were fortified with one or more micronutrients. Of these fortified products, 36% did not meet the healthy threshold, as assessed by an HSR rating of 3.5 stars or above.

Companies' healthier sales targets have considerable scope for improvement. Just one company has set a target to increase its proportion of healthier product sales using an internationally recognised NPM. Another 30% have healthier sales targets, but these are either not as a proportion of their overall portfolio sales (four companies) or use the companies' own definitions of 'healthier' (eight companies).

Reporting on Product Healthiness

Reporting on portfolio healthiness using international models is gaining traction among F&B manufacturers. Of the companies assessed, 30% have taken the important step of using an internationally recognised NPM to annually report on portfolio healthiness, with six companies doing so as percentages of global sales. While the quality, coverage, and transparency of reporting varies significantly, this shift reflects a growing appetite for reporting against international NPMs among leading F&B manufacturers.

Marketing to Children

No company fully prohibits marketing unhealthy foods to children under 18 across all marketing channels and techniques. Five companies have taken positive steps: two now only market products defined as 'healthier' according to a government-endorsed

model (in addition to five not marketing any products), and four have raised their marketing age thresholds to 16 (in addition to one already at 18). However, none have comprehensive policies that align with all World Health Organization (WHO) recommendations regarding product restrictions, age thresholds, and comprehensiveness of scope. No company has adopted a WHO Regional NPM, developed specifically to protect children from unhealthy food marketing.

Industry pledges are driving incremental progress for the majority of companies, but there is still a long way to go. As part of three key industry marketing pledges (from the International Food & Beverage Alliance (IFBA), the Children's Food & Beverage Advertising Initiative (CFBAI), and the European Union (EU) Pledge), 56% of companies have raised their age thresholds from 12 to 13 years and strengthened their audience thresholds for defining 'child-directed' media. However, these commitments still fall short of WHO standards on product restrictions, age thresholds, and scope.

Affordable Nutrition

Only 30% of companies have demonstrated a strategy to price some of their 'healthier' products affordably for lower income consumers, and quality and scope vary. While 30% have strategies to make part of their 'healthier' portfolio more affordable, mainly in LMICs, only two use internationally recognised models to define 'healthier' for this purpose. Most strategies apply to a limited range of products and markets, with significant gaps in evidence supporting their implementation.

A lack of standardised guidance and metrics hinders progress on affordable nutrition. Without internationally recognised best practices or standard definitions and metrics regarding F&B manufacturers' role in delivering 'affordable nutrition', progress will likely remain limited. Companies' approaches to this issue are therefore mostly exploratory, which also reduces their motivation to report comprehensively on their efforts.

CONCLUSION

One in five deaths globally is linked to poor diet, highlighting the urgent need for greater corporate accountability and improved private sector performance as the hidden costs of our food system continue to mount.

Food and beverage manufacturers have significant influence over consumers' diets and the global food environment. The 2024 Global Index shows that F&B companies need to do more to embed nutrition into their core business, make product offerings healthier, and market them more responsibly – so that, by 2030, they are on track to ensure at least 50% of portfolio sales come from healthier products.

Policymakers and governments should introduce mandatory policies. To date, voluntary efforts by companies have been insufficient to ensure widespread and strong nutrition-related performance. Mandatory policies will help achieve this, especially in areas where voluntary efforts have been shown not to work. Policies should be implemented around mandatory front-of-pack labelling, making products high in fat, sugar, or salt more expensive, making healthier foods more affordable, and marketing restrictions – all of which have been shown to be effective in shaping healthier food environments. Better regulation will also create a more level playing field for industry actors.

Responsible investors already see the negative economic impacts of malnutrition and recognise that nutrition is a material issue for businesses and long-term profitability. All investors should actively demand the use of standardised nutritional metrics, such as an internationally recognised NPM, for reporting purposes, and make investment decisions based on overall portfolio healthiness and relative sales of healthier products. Embedding nutrition into environment, social, and governance or sustainability reporting is a promising way to ensure companies report on the impact of their practices and portfolios on human health.

As regulation intensifies and consumers and investors call for improved accountability, companies with healthier product portfolios will be better positioned for long-term success, while those failing to adapt face material risk. The food industry stands at a pivotal crossroads.

Embracing nutrition is no longer an option, but essential for business and for public health.

Notes and References

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KEY RECOMMENDATIONS

FOR FOOD AND BEVERAGE MANUFACTURERS

1. **Evaluate key elements of product portfolios, including the healthiness, suitability for marketing to children, and affordability.**

- Measure the healthiness of portfolios using a government-endorsed nutrient profiling model (NPM).
- Assess the suitability of products currently marketed to children, using a World Health Organization (WHO) Regional NPM.
- Evaluate affordability – in terms of accessibility for lower-income consumers and relative to their overall portfolios – of products meeting the definition of 'healthier' according to a government-endorsed NPM.

2. **Set ambitious targets and policies that drive sales from healthier and affordable products and which limit marketing to children.**

- Set specific, measurable, and time-bound targets to increase the proportion of sales from healthier products using a government-endorsed NPM, and link success against these targets to executive remuneration.
- Align responsible marketing policies with WHO guidelines – including defining a 'child' as anyone under 18, and to not market any products to children or only market products to children defined as 'healthier' according to a WHO Regional Model or other government-endorsed NPM. This must apply to a comprehensive range of media channels and techniques.
- Develop strategies, with targets, to expand the proportion of 'healthier' products that meet the companies' definitions of 'affordability', and improve the relative affordability of their 'healthier' products vis-à-vis overall portfolios.

3. **Disclose key data on sales of healthier products and compliance with responsible marketing policies.**

- Publicly report annual progress on nutrition strategies, including the proportion of global portfolio sales derived from products defined as 'healthier' according to a government-endorsed NPM.
- Publish their rates of compliance with their own responsible marketing policies, as measured through global audits conducted by third-party auditors, including any instances of non-compliance and corrective actions taken.
- Prioritise nutrition as a material issue so it is systematically raised in all earnings discussions with analysts.

FOR INVESTORS

1. **Recognise that nutrition is a key element of human health, and therefore a material issue for businesses and the economy.**

- Recognise nutrition as a material issue for business, the economy, and society.
- Push food companies to improve their nutrition governance, strategy, and disclosure practices.

2. **Utilise existing nutrition frameworks to assess and promote company performance on nutrition.**

- Leverage tools, such as ATNi's Investor Expectations on Nutrition, Diets, and Health, to evaluate company actions on nutrition and guide them towards progress on nutrition.
- Require that companies disclose information on the healthiness of their product portfolios using a government-endorsed NPM.

3. **Drive company accountability on nutrition through strategic investment actions.**

- Drive progress and employ strategies, such as formal resolutions that call for transparency and standardised nutrition reporting using data and analysis from the Global Index.

4. **Leverage influence to integrate nutrition into reporting standards.**

- Work actively with governments; environmental, social, and governance (ESG) data providers; and industry bodies to ensure nutrition is embedded

within both voluntary and mandatory reporting frameworks.
- Mainstream nutrition in reporting standards to drive transparency and accountability across the sector.

FOR POLICYMAKERS AND GOVERNMENTS

1 Develop effective fiscal incentives
- Implement a system of taxes and subsidies to incentivise healthier product options. For example, design a two-tiered levy that taxes producers of products containing excess sugar, salt, and/or fat. A government-endorsed NPM can be used to identify which products to tax.
- Use revenue generated by taxes in unhealthy products for health-related programmes.
- Consider production-related subsidies and how these influence the costs and availability of raw materials for producing healthier foods.

2 Adopt WHO recommendations for mandatory national policies to restrict the marketing of unhealthy foods to children.
- For the purpose of marketing, recognise a child as anyone under 18.
- Use a WHO Regional Model or government-endorsed NPM to identify unhealthy foods which cannot be marketed to children.
- Ensure that mandatory policies cover all marketing channels and techniques, including online and in schools.
- Create a mechanism for enforcement and punishment for violations.

3 Recognise nutrition as a material issue by including nutrition-related indicators in mandatory ESG reporting frameworks.
- Demand disclosures from food and beverage companies around their commercial activities and the impacts of these on health outcomes, as is done for environmental impacts.
- Mandate that companies publish key information; for example, the percentage of sales derived from healthier products.
- Mandate that companies publish data on performance on their marketing practices.

4 Mandate front-of-pack labelling.
- Mandate the use of a front-of-pack labelling system based on a government-endorsed NPM, which, at minimum, signposts unhealthy products, and require consistent application across all products.
- Educate consumers to support the understanding and use of the labels.

GLOBAL MALNUTRITION TRENDS

The World Bank's October 2024 'Investment Framework for Nutrition' states: "Malnutrition is one of the world's most serious but least-addressed development challenges. Its human and economic costs are enormous, falling hardest on the poor, women, and children."

Globally, undernutrition is still affecting many; in 2022, 148 million children under five years old were stunted. At the same time, obesity has doubled over the last two decades, from 7.9% in 2000 to 15.9% in 2022. In 2022, approximately 2.5 billion adults were identified as overweight, and 890 million suffer from obesity. Over the past 30 years, rates of overweight have risen faster in low- and middle-income countries (LMICs) than in high-income countries (HICs).[9]

Taking action to tackle malnutrition can deliver significant economic benefits. It is estimated that the total economic gains to society from investing in nutrition could reach USD 5.7 trillion a year by 2030, and USD 10.5 trillion a year by 2050.[10]

A recent World Bank report, along with other prominent publications (Box 1), describe the nutrition challenges the world currently faces, their impact on public health and economies, and the potential solutions needed. These reports make it clear why the world must take more action on nutrition and simultaneously address both undernutrition and obesity.

BOX 1: PUBLICATIONS OUTLINING GLOBAL NUTRITION CHALLENGES

1 - World Bank (2024) Investment Framework for Nutrition 2024;
2 - Global Nutrition Report (2022) 2022 Global Nutrition Report;
3 - FAO, IFAD, UNICEF, WFP, and WHO (2024) The State of Food Security and Nutrition in the World 2024. Financing to end hunger, food insecurity and malnutrition in all its forms;
4 - UNICEF, WHO, & World Bank (2023) Levels and trends in child malnutrition;
5 - Passarelli, S., Free, C.M., Shepon, A., Beal, T., Batis, C., and Golden, C.D. (2024) Global estimation of dietary micronutrient inadequacies: a modelling analysis.

KEY DRIVERS OF THESE TRENDS

Changing Diets and the Role of Processed Foods

Changes in consumers' diets have played a significant role in driving malnutrition trends.[11] [12] In recent decades, there has been a global dietary shift towards the consumption of highly processed foods, as well as the displacement of more traditional foods – such as wholegrains, fruits, vegetables, nuts, and legumes – which are key features of a healthy diet.[13]

Multiple studies find associations between non-communicable diseases (NCDs) (including type 2 diabetes, hypertension, cancer and coronary heart disease[14] [15]) and high consumption of highly-processed foods, low dietary diversity, inadequate micronutrient intake, and increases in incidence of obesity. There is also evidence that those who suffered from malnutrition as children are predisposed to NCDs later in life.

Sales of highly-processed foods and beverages (Box 2) are greatest in higher income markets, including North America, Europe, and Australasia, where they are estimated to account for between 40-60% of energy intake.[16] However, there are signs that sales growth is plateauing, and even declining, in these markets.

On the other hand, highly-processed food sales are rising rapidly in Asia, the Middle East, and Africa, marking a transitional phase as companies increasingly expand their operations into LMICs.[17] The growth in highly-processed food consumption in LMICs is of particular concern, given the triple burden of malnutrition present in many of these markets; 77% of NCD-related deaths now occur in LMICs.

Why Diets are Changing

The increasing worldwide consumption of processed energy-dense foods is multifactorial.

Processed, energy-dense foods are value-added products and therefore particularly profitable for food companies. They are heavily marketed to consumers through both online and traditional media channels. The globalisation of food trade; the rise in supermarkets, food service, and e-commerce; and the long shelf life of processed products, has facilitated the expanding global reach of these products.

With rising incomes in LMICs and the growing affluence of the working middle-class, consumers have more disposable income to spend on snack products and other pre-packaged foods.

Urbanisation results in lifestyle and food habit changes, including a shift to increased consumption of packaged-, processed-, and convenience foods (including highly- and UPFs). This dietary shift is also increasingly seen in rural areas.[18]

Government policies, including price incentives and subsidies,[19] prioritise the production of calories and contribute to the overproduction of micronutrient poor staple commodities. The liberalisation of trade policies further contributes to increased availability of (highly-) processed, energy-dense foods.[20]

Changes in working conditions – including increased participation of women in the workforce, longer working hours and commuting times, and limited time available for preparing food at home – all contribute to greater processed food consumption. However, women's participation in the workforce also has positive benefits for nutrition, through increased incomes and exposure to new dietary information.[21 22]

BOX 2: HIGHLY- AND ULTRA-PROCESSED FOODS (UPFS)

Numerous high-quality cohort studies have consistently shown that increased consumption of highly- and UPFs has an adverse impact on health, escalating risks of obesity, cardiovascular diseases, and all-cause mortality.

There is no global consensus in either the policy or investment space on the classification of foods in relation to processing levels. The NOVA classification system is the most widely used in research and recognised by several international organisations, yet it is broadly acknowledged as having considerable limitations for practical application.

ATNi will closely follow new evidence on health outcomes, as well as the development of practical classification systems of food processing for integration into our methodology. Doing so will improve the utility of our research so that investors and policymakers can better contribute to healthier food environments.

THE ROLE OF STAKEHOLDERS

The Food and Beverage Industry

All actors have a role to play in improving access to nutritious foods. The food and beverage industry is particularly important, given its substantial role in shaping food environments and the significant influence it has on consumers' diets worldwide through the formulation, marketing, and pricing of products.

Food and beverage companies can voluntarily shift their focus towards expanding the market for healthier products, while reducing the availability of less healthy foods. There is a clear business case for doing so, as unhealthy portfolios represent a material risk to long-term profitability – with consumers increasingly prioritising healthier products in their diets. Companies who are proactive in improving the healthiness of their portfolio can also stay ahead of regulatory headwinds, as governments globally increase adoption of regulatory policies that seek to improve food environments.

In 2024, ATNi conducted a preliminary analysis on the materiality of nutrition, to examine whether companies with healthier portfolios have higher earnings compared to those with unhealthier food portfolios. The analysis indicated that companies with broad, healthier portfolios may see higher earnings than peers with broad, unhealthy portfolios.

Investors

Institutional investors are increasingly recognising that nutrition is a material issue for business and long-term profitability. Therefore, companies can benefit by demonstrating to investors that they are taking action to address nutrition-related risks. They can also benefit by responding to the considerable opportunities that nutrition represents, including the growing demand (especially in HICs) for healthier food options.

ATNi's Investor Expectations on Nutrition, Diets, and Health is a framework used by 88 institutional investors to integrate nutrition concerns into their investing approaches. The expectations are derived from metrics across material nutrition topics and use data provided by ATNi's Global Indexes. Such metrics include the percentage of sales derived from healthy products, executive remuneration linked to nutrition objectives, implementation of policies on responsible marketing to children, and transparency around lobbying.

Policy and Regulation

There is global consensus regarding the role of governments in overseeing the development and setting of standards for the private sector. Key policy areas for governments to prioritise have been identified as:

- Eliminating the use of misleading promotion of breast milk substitutes (e.g. infant formula, follow-on formula);
- Strengthening restrictions on the marketing of unhealthy foods, snacks, and beverages that are high in energy, sugars, fats, and salt, especially to children;
- Adopting front-of-pack nutrition labelling;
- Introducing targeted taxes on foods, snacks, and beverages high in energy, sugars, fats, and salt
- Subsidising nutritious foods to encourage healthier purchasing patterns.

Reporting Standards

Companies are failing to disclose sufficient information to enable investors to properly price-in the impacts of nutrition. However, governments are increasingly recognising nutrition as a risk to societal wellbeing, and the need for stronger reporting standards. For instance, in 2022, the European Union introduced new mandatory reporting requirements for large companies to disclose and audit data on their impact on people and planet, and their exposure to sustainability risks.

To enable investors to assess food industry actions, compare the healthiness of company portfolios, and hold companies accountable, it is essential for there to be a standardised and accepted way to define, measure, and report on the relative healthiness of products. In 2024, ATNi conducted an alignment process on the use of nutrient profiling models (NPMs), to try and find alignment between investors, industry, academia, non-governmental organisations, and other stakeholders. Three NPMs were found to be most appropriate for reporting: the Health Star Rating (HSR), Nutri-Score, and the UK NPM. Guidelines were also proposed for standardised reporting. In the medium- to long-term, mandatory corporate reporting on the healthiness of product portfolios is required to create a level playing field and support market transformation.

SUSTAINABILITY

Human health is directly linked with environmental health, meaning that nutrition and environmental food system outcomes should be considered together. The global food system is a significant contributor to annual greenhouse gas emissions (GHG), with estimates ranging that it accounts for 21-42% of global GHG. Because of this, the food sector has a key role to play in aligning with the Paris Agreement goals of limiting climate change to well below 2°C, preferably in line with a 1.5°C trajectory.

The World Benchmarking Alliance (WBA), through their Food and Agriculture Benchmark, ranks the performance of the 350 most influential global food companies on their activities related to environmental, nutritional, and social impact. A number of the companies selected for inclusion in ATNi's Global Index 2024 were also assessed by WBA in their latest 2023 Benchmark. The results for these companies, specifically for the environment measurement area of WBA's assessment, can be found here.

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METHODOLOGY

In this fifth iteration of the Global Index, ATNi assesses 30 of the world's largest food and beverage manufacturers, seven of which for the first time, and measures the nutritional quality of their product portfolios in 25 global markets. In addition, the Global Index assesses companies' policies, practices, and transparency on a range of key topics relating to nutrition and their impact on consumers' diets, and the extent to which they align with the best internationally recognised guidance and standards currently available.

Only companies' efforts relating to their commercial business (rather than philanthropy, etc.), that go beyond regulatory requirements, are taken into consideration.

Company selection:

The largest companies were selected based on their global retail sales of food and non-alcoholic beverages, using sales estimates from Euromonitor International Passport data for the financial year (FY) 2022. Priority was further given to those with wider geographic coverage, including low- and middle-income countries (LMIC) presence, and portfolio relevance.

Methodology revision: The methodology has been revised significantly since the Global Index 2021, with a substantially reduced set of indicators focused on priority topics that are considered key for industry transformation.

This process was informed by the following:

- Analysis of and lessons learned from previous ATNi Indexes;
- One-on-one consultations with relevant stakeholders and experts (including the ATNi Expert Group);
- Latest reports, studies, and insights on both the global nutrition and food industry context
- Latest national and international (voluntary) guidance from authoritative public health bodies, such as governments and the World Health Organization (WHO);
- Exit survey and cognitive interviews with company representatives following the Global Index 2021;
- ATNi's 2023-2027 strategy.

Following this process, the number of indicators was reduced from a total of 156 to 51, the structure simplified, and category weightings adjusted. The scope of topics assessed has been narrowed slightly to focus on those which have the highest priority for stakeholders, research validity, and opportunity for impact.

TABLE 1

OVERVIEW OF INDICATOR CATEGORIES AND THEIR RELATIVE WEIGHTINGS

Category weighting	2021 weighting	2024	No. of indicators
A. Nutrition Governance	12.5%	15%	7
B1. Product Profile	20%	30%	2
B2. Portfolio Improvement	7,5%	10%	12 +4 unscored
B3. NPMs for Reporting	7,5%	5%	4
C. Affordable Nutrition	15%	15%	6
D. Responsible Marketing	20%	15%	7
E. Workforce Nutrition	2.5%	5%	6
F. Respsonsible Labelling	10%	5%	3

A full list of indicators used for the Global Index 2024 can be found in Appendix II of the full 2024 Global Index Methodology.

PROFILE PROFILE

Category B1 (Product Profile), ATNi uses the Health Star Rating (HSR) nutrient profile model (NPM) to assess the healthiness of food and beverage manufacturers' product portfolios with direct relevance for people's diets. The independent performance measurement of the sales from healthier products and mean HSR constitutes 30% of the overall Index Score weight. Other NPMs are also applied to obtain information, but not used for the overall Global Index scoring and ranking: the WHO European NPM, to assess whether products are eligible to be marketed to children; Nutri-Score; and the UK NPM.

SCORING APPROACH

1 Indicator Level

- Individual indicators: close-ended answer options selected.
- For certain indicators, multipliers are applied
- Indicator score: out of 10 points.
- For B1 (Product Profile), the two indicators are scored based on the Product Profile results. See the Product Profile section for further details.

2 Category Level

- Sum of indicator scores (including multipliers).
- Divided by total score available per category (adjusted if any indicators are considered 'not applicable'), which provides the category score (out of 10).

3 Overall Score

- Sum of category scores with category weightings applied provides the overall score (out of 10).
- For breast-milk substitutes (BMS)/commercial complementary food (CF) companies, adjustment (up to 1.5 points) based on the results of the 2024 BMS/CF Indexes.

RESEARCH PROCESS

Companies are first provided access to the full survey invited to submit evidence – which is both publicly available and that which is not in the public domain, sometimes under a non-disclosure agreement (NDA) with ATNI – relating to each indicator. This is reviewed by ATNi researchers, with one researcher assigned per category, to make a preliminary assessment. For non-engaging companies, the researchers check for information available on the companies' public domains.
Companies review the preliminary assessments and are given a second opportunity to submit evidence and provide further explanation. ATNi researchers then assess whether this is sufficient to change the score.

For quality assurance and to check consistency, all assessments are reviewed by another researcher, and further checks are carried out by the research lead and senior research team.

Limitations

The trade-off between aligning with new developments and providing comparability over time. Given the extent of the methodology revision for this Index, comparability with the previous Index in terms of scoring is limited, and direct comparisons in scores are not encouraged.
Where possible, ATNi has sought to highlight companies' developments since the 2021 index on an indicator-by-indicator basis through qualitative analysis.

The index uses the same framework to assess a range of companies with very different features. The companies assessed in this index vary considerably in terms of portfolio types, size, market presence, ownership structure, regulatory contexts, and cultural context. Some indicators will naturally have greater or lesser applicability to certain companies than others.

ATNi has sought to manage this by including the option to make certain indicators 'Not applicable' for certain companies, although it is not always black-and-white, and doing so can give that company a slight scoring advantage.

A substantial part of the index assesses companies' commitments and self-reported performance, without independent verification, since it is not feasible to perform independent, on-the-ground assessments of companies' practices across all topics. It also is assumed that all publicly reported and privately disclosed data is accurate, although for many indicators ATNi requires companies to provide evidence of performance.

The true performance of non-engaging companies, or companies with limited engagement, may not be fully captured. The results of the Index therefore may not provide a full representation of the companies' nutrition-related activities. However, it is worth noting that 25 of the 30 companies engaged during this iteration. Time constraints may also limit the amount of evidence that companies can share.

The research does not capture all corporate activities that may also have an indirect but significant impact on public health, including: 1) environmental sustainability; 2) corporate tax avoidance practices; 3) corporate wealth and income distribution; and 4) country-specific food lobbying practices.

CATEGORY REPORT

PRODUCT PROFILE (30%)

The Product Profile is an objective assessment of the nutritional quality of the packaged foods and beverage portfolios of the largest food and beverage manufacturers. The Product Profile analyses the 'healthiness' of food and beverage manufacturers' products using the Australasian Health Star Rating (HSR) model.

Products are rated between 0.5 stars (least healthy) to 5 stars (most healthy), with products scoring 3.5 or above considered 'healthier'.[29] The sales-weighted results of the HSR analysis are account for a 30% weighted scored element for the overall Global Index ranking.

In addition, the full Product Profile report also includes unscored results using The World Health Organization (WHO) Euro Nutrient Profile Model and the Nutri-Score model. The full assessment by ATNi's research partner, The George Institute for Global Health (TGI), and methodology can be found here.

This is the third Global Product Profile to be completed; the first was undertaken in 2018 (21 companies in nine countries) and the second in 2021 (25 companies in 25 countries). The 2024 Global Product Profile has a broader scope, with 30 manufacturers in 25 countries now incorporated, including more low- and middle-income countries (LMICs).

To select the packaged foods and beverages for analysis, ATNi identified a maximum of five best-selling product categories[30] for each company in each of the selected markets based on their estimated retail sales in 2022 according to Euromonitor International. Nutrition information for 53,315 packaged foods and beverages products sold by 30 of the largest companies in 25 markets were included in the Product Profile assessment. Combined, the sales of these companies accounted for an estimated 15% of all packaged food and beverage sales in 2022. The percentage of each company's global market share (covered in the Product Profile), the categories selected, and the total number of products assessed are shown in Table B1.1 (found here). Nutrient information was obtained either directly from the manufacturer or from the Innova Market Insights database.

After selecting the top five product categories for each company, all products in each category were assessed using the latest updated HSR algorithm. The HSR model analyses the level of several 'positive' nutrients (e.g. from fruits, vegetables and fibre) and several 'negative' nutrients (e.g. sodium, total sugar and saturated fat) in products, to generate a score of their nutritional quality. Combined, the results on sales-weighted mean HSR and the percentage of healthier sales carry 30% of the overall Global Index weight.

WHAT DOES GOOD PRACTICE FOR THE PRODUCT PROFILE LOOK LIKE?

The company, covering its entire portfolio and markets should:

- **Derive at least 50% of its revenue from 'healthier' sales (Health Star Rating (HSR) of 3.5 or higher)**
- **Achieve a high average sales-weighted nutritional quality of the company's product portfolio (using government endorsed models like the HSR, Nutri-Score or the UK Nutrient Profile Model (NPM))**

On average 85% of the global sales of a company was represented by the countries included in this analysis, ranging from 38% of the portfolio for Nestlé (as the 10 selected countries for the company did not cover a majority of the company's global market) to 98% of Mengniu and Meiji's portfolios. This is an important consideration when interpreting results. By including the top five categories by sales for each company within each of the 25 countries, we captured more than 70% of products sold by each company in the selected countries – meaning a representative sample of the selected companies' portfolios is covered.

The overall Product Profile assessment also examined the availability of product micronutrient data and fortification status from the manufacturers included in the 2024 Global Product Profile. This report is an Annex to the main Product Profile and examines the availability of micronutrient data overall - by category, country-level income status, and country.

More details on the methods, results, and limitations of the Product Profile study are available in the report by ATNi's research partner, The George Institute for Global Health, available here. The results of the Product Profile assessment can also be found in ATNi's interactive dashboard (which also includes results for the UK Nutrient Profiling Model).

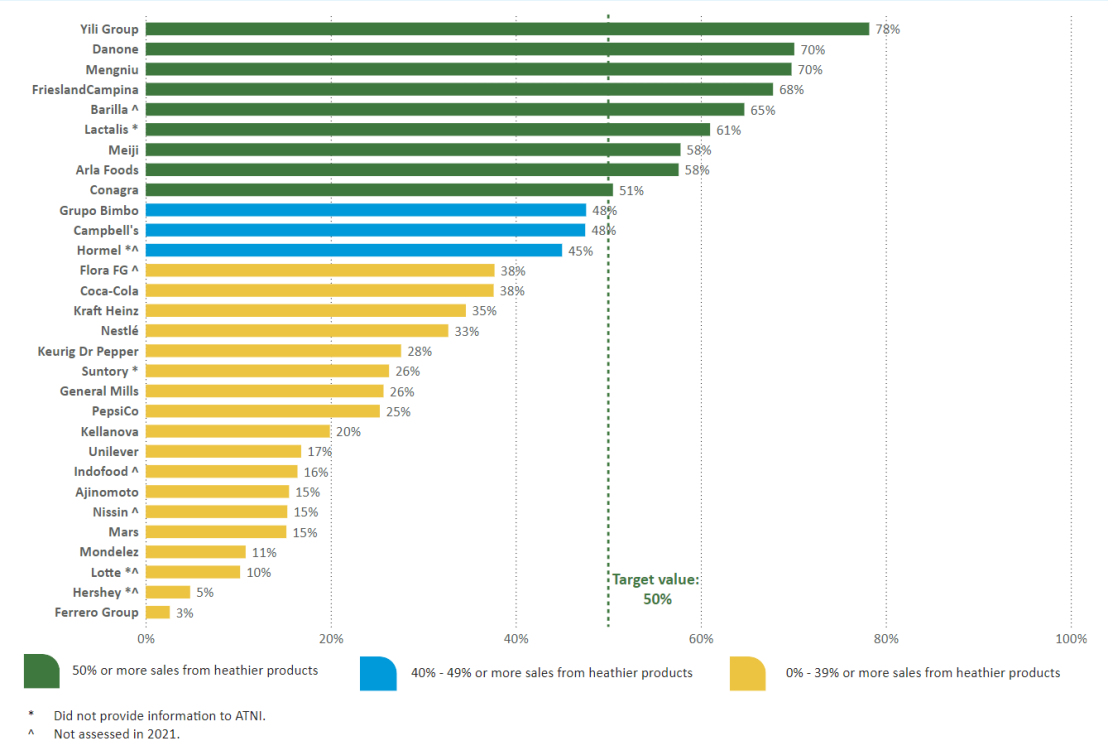
MAIN FINDINGS

Health Star Rating (HSR) model

At an aggregate industry level, there are marginal improvements compared to the results of the Product Profile in the Global Index 2021. Around one third (31%) of the 52,414 products analysed met the HSR threshold for 'healthier', similar to last Global Indexes.

However, the sales from healthier products are estimated at 34% of overall sales which is up from 21% in 2018 and 27% in 2021. This could be a sign of an important albeit slow market shift towards healthier products. Only nine out of 30 companies met ATNi's strategic target of achieving at least 50% of sales from healthier products.

FIGURE. B1.1
PROPORTION OF COMPANIES' SALES DERIVED FROM 'HEALTHIER' PRODUCTS



Using the HSR, the sales-weighted mean healthiness of all companies' products was 2.3 stars out of 5. Companies with portfolios dominated by dairy products generally ranked highest (with a mean of 3.3), and those with indulgent portfolios generally ranked lowest (with a mean of 1.6).

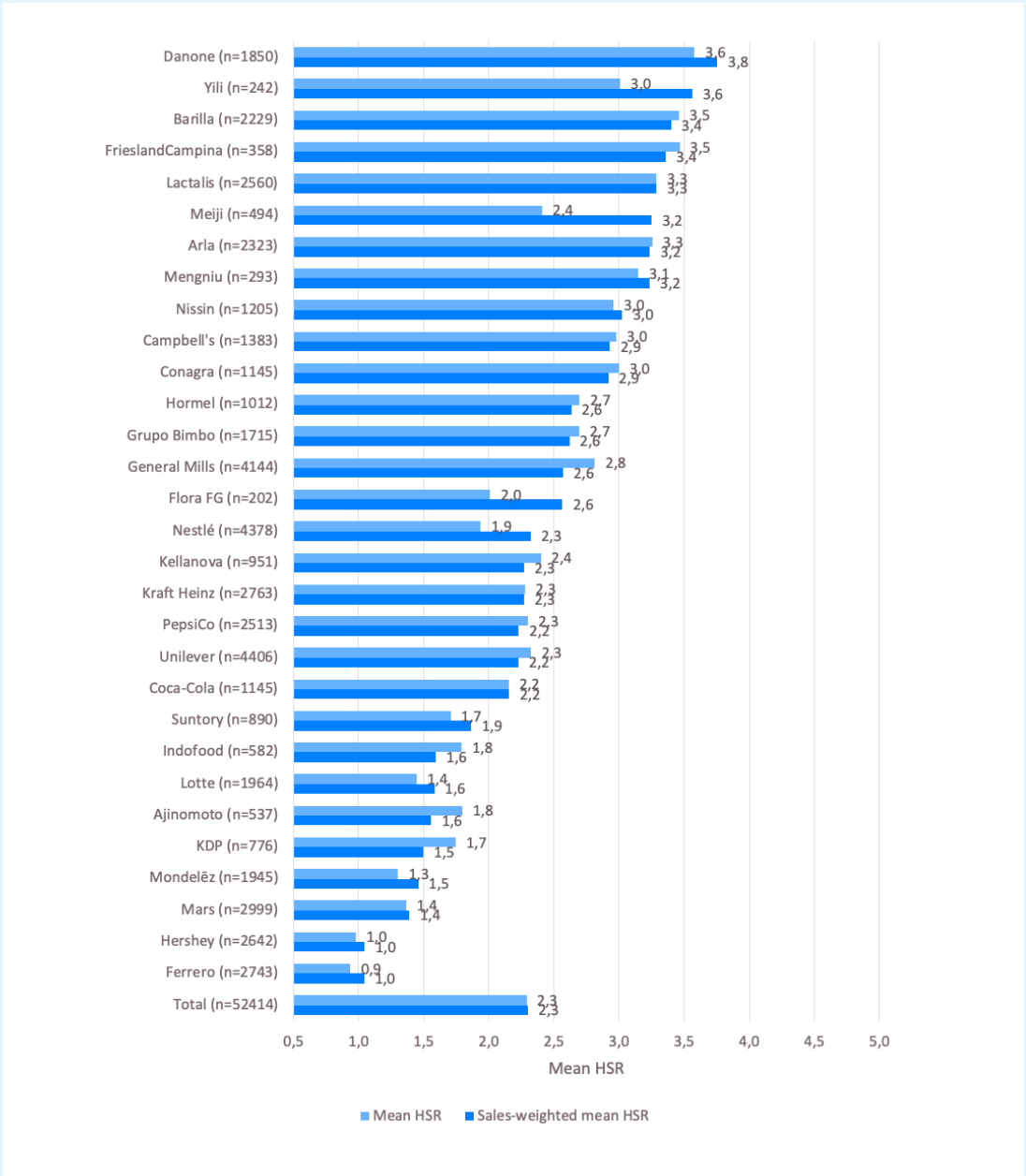
Overall food product healthiness scored lower in LMICs (HSR 1.8) than in high-income countries (HICs) (HSR 2.3). At the aggregate level, the share of 'less healthy' products that the industry (30 assessed companies) markets is higher in LMICs than in HICs. Compared to HICs, micronutrient data were available for a smaller proportion of products in LMICs (data on one or more micronutrients were identified for 37% of products in LMICs versus 52% in HICs).

The research found fortification information for a total of 12,019 products, of which 28% were fortified with one or more micronutrients. Of these fortified products, 36% did not meet the 'healthier' threshold, as assessed by HSR with a rating of 3.5 stars or above.

Healthiness of companies' portfolios, assessed using the HSR model

Proportions of healthier and less healthy products. Of all the products analysed (52.414 products for HSR) from the 30 companies, 31% (16.467) met the 'healthier' threshold[31] (total products), corresponding to an estimated 34% of companies' combined sales in 2022. Half of all products assessed (51%) on the market achieved 2.0 stars out of 5 or below and about one-quarter of products achieved 0.5 stars (24%).

FIGURE B1.2
PROPORTION OF PRODUCTS WITH ≥3.5 HSR BY COMPANY



Achieving 50% or more sales from healthier products. ATNi estimated that nine of the companies assessed reached the strategic target of obtaining at least 50% sales from healthier products[32] (Figure B1.1 and B1.2). When applying sales-weighting, Yili (242 products) overall had the highest sales-weighted proportion of products achieving an HSR of 3.5 or more (78%), followed by the other Dairy portfolio companies, - but also Barilla (Mixed portfolio, 2229 products, 65%) and Conagra (Mixed portfolio, 1145 products, 51%) achieved the 50% threshold
.

Opportunity to increase healthier sales. Some companies derived quite different proportions of their sales from healthier versus less healthy products[33]. For example, eight companies' proportions decreased when sales-weighting of results was applied, such as for KDP and General Mills, indicating that a larger proportion of these companies' product sales were derived from less healthy products.

On the other hand, 10 companies' proportions from healthier increased following sales-weighting, such as for Yili and Meiji, indicating that a larger proportion of their portfolio's sales were due to healthier products.[34] This illustrates the opportunity for many companies to increase their proportion of sales derived from healthier foods and decrease their reliance on the sales of less healthy foods. Apart from accelerating product (re)formulation, companies can achieve this by redirecting marketing to healthier products and brands, along with considering nutrition as part of merger and acquisition strategies.

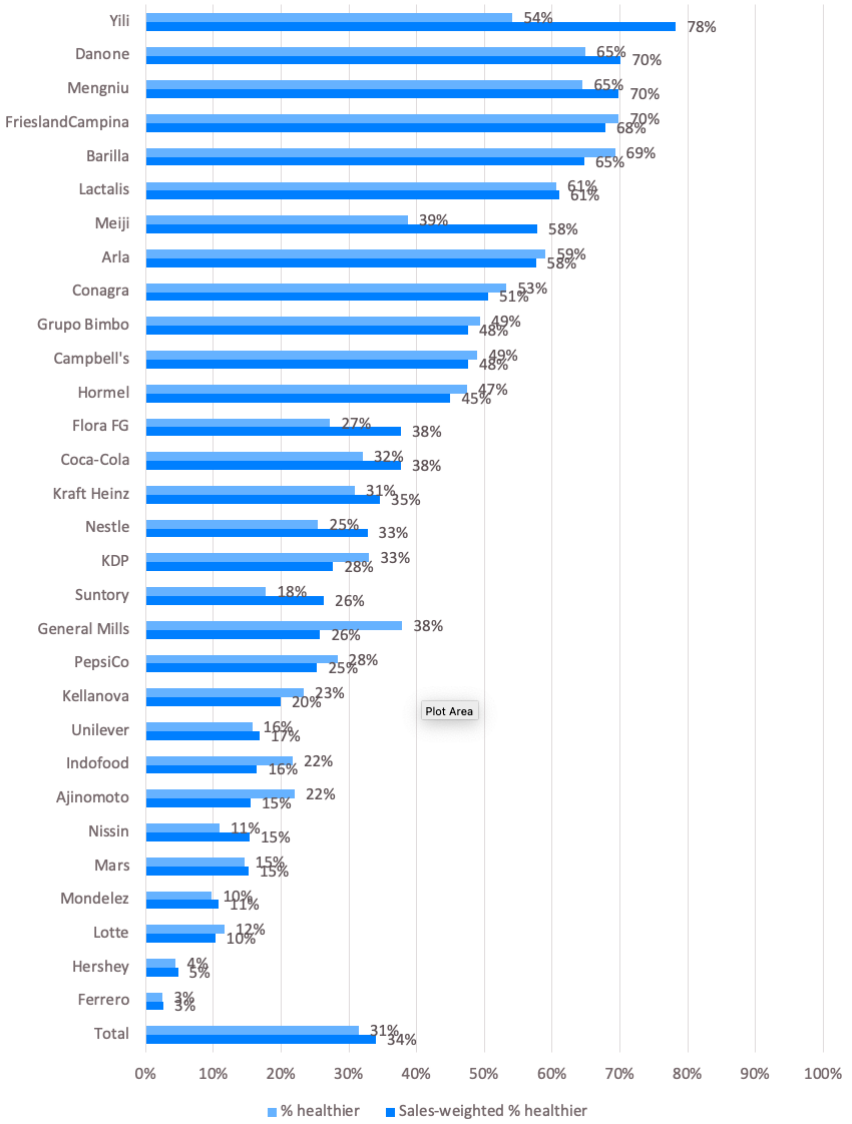
Mean healthiness of companies' product portfolios

Average mean HSR. The average HSR for all companies' products combined was low (2.3 out of 5), with substantial variation observed between companies. The mean sales-weighted healthiness of product portfolios varied substantially between companies (1 for Ferrero and Hershey to 3.8 for Danone).

Healthier threshold. For three companies - Danone, Barilla and FrieslandCampina - the mean overall HSR of their product portfolio met the healthier threshold of 3.5 out of 5 stars. When applying sales-weighting, only Danone and Yili reached a mean of 3.5 or more stars. Danone had the highest sales-weighted mean HSR of 3.8 out of 5. Ferrero and Hershey had the lowest mean sales-weighted HSR of 1 out of 5.

FIGURE B1.3

MEAN HSR BY COMPANY – OVERALL PRODUCT PORTFOLIO



Comparing different portfolio types

Companies' product portfolio healthiness compared to their peers. Results were also examined by portfolio type with companies split into one of 4 portfolio types: Dairy, Indulgent (savoury and sweet), Beverages, and Mixed. Companies were placed into their respective group if product types represented more than 50% of their overall sales revenue.
For example, if one company derived >50% of its revenue from confectionery and ice cream, it was considered an 'Indulgent' portfolio type.

There was considerable variation in mean HSR values between companies within the same portfolio groups, as can be seen from the figures below. For example, within the Dairy portfolios, overall company mean sales-weighted HSR ranged from 2.6 (Flora FG) to 3.8 (Danone) out of 5. In the Indulgent portfolio type, the sales-weighted mean HSR ranged from 1 (Ferrero) to and 2.3 (Kellanova). In the Beverage portfolio, the sales-weighted mean HSR ranged from 1.5 (KDP) to 2.1 (Coca-Cola) and for Mixed portfolio the range is between 1.6 (Ajinomoto) to 3.4 (Barilla).

Large HSR range differences could also be observed within specific product categories, such as for Breakfast Cereals (2.7 to 4.6) and Soup (0.9 to 3.5). This suggests that healthier formulations of these products can be made.
Tables B1.2 - B1.4 (found here) present a more detailed comparison between companies and categories; companies and countries; and categories and countries.

Companies with a lower average 'healthiness' score in a given category are encouraged to step up their efforts to reformulate these respective products and develop new, healthier products. Detailed results can be accessed on the ATNi online dashboard, as well as in the full Product Profile report (here).

FIGURE B1.4 - 1.7 **WITHIN PORTFOLIO-TYPE COMPANY COMPARISON ON SALES-WEIGHTED MEAN HSR**

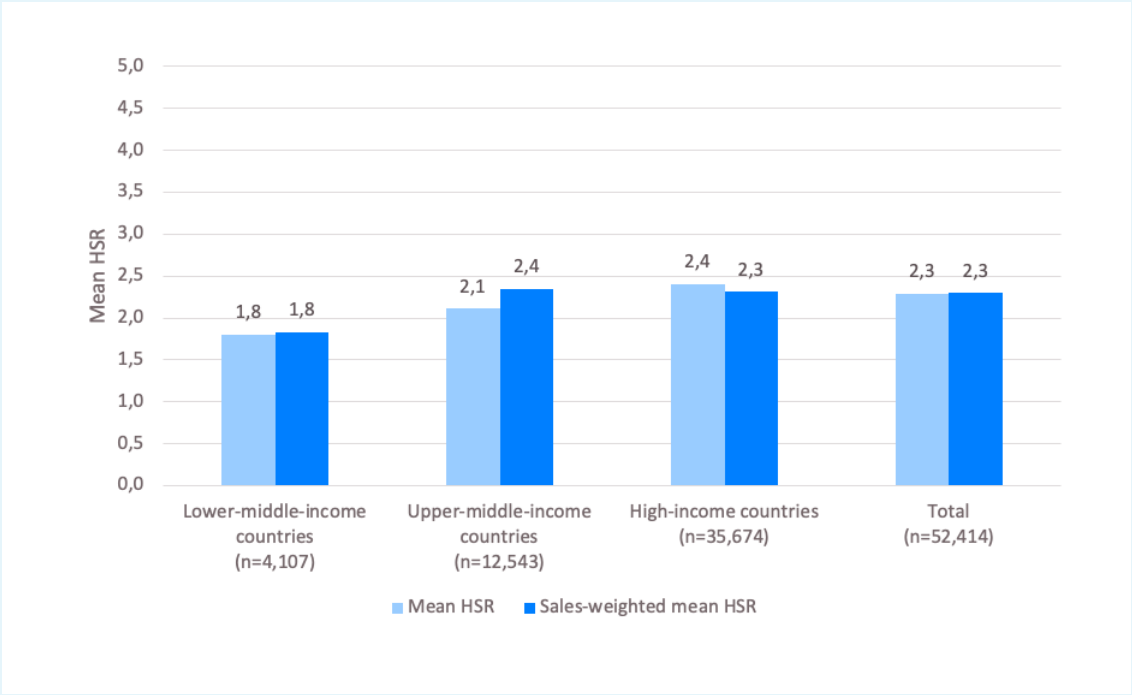
Comparing income groups and portfolio healthiness

The 2024 Global Product Profile aimed to delve deeper into company's in LMICs portfolios as the availability and consumption of pre-packaged foods and beverages in these markets is rapidly increasing.

LMICs achieved the lowest mean HSR. Figure B1.8 shows that LMICs[35] had the lowest mean HSR of the three income groups examined[36] at 1.8 out of 5 stars (4,107 products). Upper middle-income countries[37] achieved a sales-weighted mean HSR of 2.4 (12,543 products) and high-income countries[38] had a sales-weighted mean HSR of 2.3 (35,674 products). Find more details on the different income groups included in the Table B1.6.

FIGURE B1.8

MEAN HSR BY INCOME GROUP – OVERALL PRODUCT PORTFOLIO



How do ATNi's Product Profile results compare?

Aggregate industry results. Compared to Product Profile data from ATNi's last Global Index 2021 (31% individual healthier products) and 2022 US Index (also 31% individual healthier products), on an aggregate industry level, performance on healthiness is similar for the top 30 companies analysed in the 2024 Global Index (31% distinct healthier products). Mean HSR has also stayed the same since the 2018 Global Index, at 2.4 out of 5 stars.

Importantly however, the proportion of sales from healthier products increased overall between 2021 and 2023 (27% to 34%). This could be a sign of an important albeit slow market shift towards healthier products.[39]

TABLE B1.8
PRODUCT PROFILE HSR RESULTS OF LATEST GLOBAL INDEXES

Company	Global Index 2018	Global Index 2021	Global Index 2024
No. companies assessed	22	25	30
Combined global market-share of companies assessed	19%	20-25%	20-25%
No. products analysed with HSR	23,013	38,176	52,414
Mean HSR	2.4	2.4	2.3
Sales-weighted mean HSR	2.4	2.4	2.3
% individual 'healthier' products	31%	31%	31%
% sales from 'healthier' products	21%	27%	34%

Healthiness of companies' portfolios, using Nutri-Score, the UK NPM and the WHO Euro NPM

In addition to the HSR assessment, the full Product Profile report also includes unscored results using the WHO Euro Nutrient Profile Model and Nutri-Score. The ATNi dashboard also shows the results for the UK NPM. These models were included as a useful supplementary method to assess the healthiness of products.

The Nutri-Score model was used to assess the proportion of each company's portfolio with ratings across five categories: from category A (dark green), indicating higher nutritional quality, to category E (dark orange), indicating lower nutritional quality.

The WHO Euro Nutrient Profile Model assesses the proportion of products in each company's portfolio that met the nutritional criteria to be eligible to market to children. It can serve as a useful tool to inform and guide responsible marketing practices.

This analysis was performed for all products, regardless of the marketing target audience. The criteria under this model are generally stricter than in the HSR model. In the UK NPM points are allocated for 'negative' nutrients i.e. energy, saturated fat, total sugars, and sodium, which are then adjusted using 'positive' nutritional elements such as the proportion of fruits/vegetables/nuts, fiber, and protein. Products meeting a score of <4 for foods and <1 for drinks are deemed more nutritious options.

Using the Nutri-Score model, a total of 15% of products received a Nutri-Score of A + B, or 14% when sales-weighted. Thirty-seven percent of products achieved a Nutri-Score A + B + C, or 38% when sales-weighted. For the UK NPM, the total number of products reaching the healthier threshold (i.e. considered 'non-HFSS', or not high in fat, salt and sugar content) was 33%, or 34% when sales-weighted. Overall, only 15% of the sales-weighted proportion of products were found to be eligible for marketing to children according to the WHO Euro model criteria, and three companies had no products eligible for marketing to children at all. See also Table B1.9 below.

More findings can be found on the ATNi interactive dashboard and in the full Product Profile report.

Detailed Product Profile results for each company, including category performance, can be found on the company scorecards. More information on the Product Profile is included in the report from The George Institute for Global Health (available here).

SECTOR ALIGNMENT ON THE USE OF NUTRIENT PROFILING MODELS

As part of a Delphi process conducted in 2023 and 2024 (see here), a comparative analysis was undertaken on the performance of the four most relevant NPMs (HSR, Nutri-Score, UK NPM, and WHO Euro NPM) across 17 different product categories and four portfolios types: Mixed, Indulgent, Dairy, and Beverages. The analysis highlighted an overall agreement among the four NPMs of 61%, and when excluding the WHO Euro NPM a higher agreement was observed between HSR, Nutri-Score, and the UK NPM (77%).

TABLE B1.9

PROPORTION OF INDIVIDUAL PRODUCTS AND SALES CONSIDERED 'HEALTHIER' FOR HSR, NUTRI-SCORE, UK NPM, AND WHO EURO MODELS

HSR		Nutri-Score				UK NPM		WHO Euro	
52,414 products assessed		**52,935 products assessed**				**52,404 products assessed**		**52,400 products assessed**	
HSR % >=3.5		**Nutri-Score % A+B**		**Nutri-Score % A+B+C**		**UK NPM % 'non-HFSS'**		**WHO % eligible**	
Individual products	Sales	Individual products	Sales	Individual products	Sales	Individual products	Sales	Individual products	Sales
31%	34%	15%	14%	37%	38%	33%	34%	18%	15%

KEY RECOMMENDATIONS

COMPANIES SHOULD IMPROVE THE HEALTHINESS OF THEIR PRODUCT PORTFOLIOS

In the absence of clear international guidance on this topic, 30% of the companies assessed have taken steps to ensure that at least part of their 'healthier' portfolio is 'affordable' (by some definition) to lower-income consumers, especially in LMICs. These nine companies have significant scope to improve upon the robustness of their approaches, and other companies are encouraged to follow their example.

Therefore, all companies are encouraged to:

1 Evaluate

- Companies should measure the healthiness of their portfolio annually for all categories and all markets using a government endorsed Nutrient Profile Model.

2 Transform

- Take steps to improve product portfolios by innovation and reformulating products to ensure at least half of their portfolio (sales and products) meets 'healthier' thresholds by 2030.

- Accelerate progress by considering nutrition in their merger and acquisition decisions; e.g. by acquiring healthier brands and discontinuing or reducing sales of less healthy food and beverage products.

3 Disclose

- Report on an annual basis the percentage of their product portfolio that meets 'healthier' criteria in all markets, as well as changes over time, using an internationally recognised Nutrient Profile Model. Please find proposed reporting guidelines here.

- Report on reformulation efforts and any changes to their portfolio that have occurred.

PRODUCT PROFILE MICRONUTRIENT QUALITY

Availability of micronutrient data and fortification status for companies and countries included in the 2024 Global Product Profile

Micronutrient data availability. The dataset from companies that provided their own data for the 2024 Global Product Profile includes a total of n=31,716 products.[40] Of these, companies provided data for at least one micronutrient for 14,761 (46.5%) products (Table X). The 'Meat and seafood substitutes' category had the highest mean number of micronutrients provided (12.1) followed by 'Juice' (8.1). No micronutrient data was shared for 'Energy drinks' and 'Instant tea and coffee mixes' (0). Beverage categories had a much larger range compared to foods, with 'Bottled water', 'Carbonates', 'Juice', 'Ready-to-drink (RTD) tea' and 'Sports drinks' all having the largest micronutrient range (0-29). 'Edible oils' had the largest proportion of products with at least one micronutrient provided (100%) followed by 'Plant-based dairy' (99%) and 'Ice cream' (95%).

Availability of micronutrient data by HSR. Table B1.10 shows the number of products under each Health Star Rating of those products that had at least one micronutrient value provided. 'Healthier' products (reaching 3.5 or more stars) represented only 38% of all products that provided at least one micronutrient. Interestingly, overall results appeared to go in a "bell-shaped curve", with lower proportions of products at both the 'least healthy' and 'most healthy' end, and the majority of products with micronutrient data provided falling somewhere in the middle of the HSR. However, for some categories, such as Dairy, the opposite was found.

TABLE B1.9

PROPORTION OF INDIVIDUAL PRODUCTS AND SALES CONSIDERED 'HEALTHIER' FOR HSR, NUTRI-SCORE, UK NPM, AND WHO EURO MODELS

	Micronutirent data available*	0.5	1	1.5	2	2.5	3	3.5	4	4.5	5	Total
Baked goods	575/ 2,190 (26%)	18	38	60	33	28	56	262	58	20	2	**575**
Bottled water	174/ 652 (27%)	0	0	3	24	13	7	30	0	40	57	**174**
Breakfast cereals	496/ 835 (59%)	0	3	24	116	151	56	51	46	29	20	**496**
Carbonates	354/ 1,374 (26%)	133	33	9	41	8	0	130	0	0	0	**354**
Concentrates	185/ 363 (51%)	74	60	19	11	12	1	8	0	0	0	**185**
Confectionery	48/ 2,900 (2%)	30	1	2	2	1	0	8	4	0	0	**48**
Dairy	4,141/ 6,873 (60%)	462	157	115	192	265	233	352	833	554	976	**4,139**
Edible oils	12/ 12 (100%)	0	0	0	3	0	4	5	0	0	0	**12**
Ice cream	3,036/ 3,189 (95%)	13	313	622	581	875	526	83	20	3	0	**3,036**
Juice	489/ 828 (59%)	117	33	54	89	54	24	15	103	0	0	**489**
Meat and seafood substitutes	64/ 82 (78%)	7	1	0	0	3	2	13	23	13	2	**64**
Other hot drinks	48/ 211 (23%)	0	1	8	12	8	10	5	2	1	1	**48**
Plant-based dairy	477/ 480 (99%)	92	10	27	15	49	40	68	90	46	40	**477**
Processed fruit and vegetables	36/ 164 (22%)	0	0	0	0	0	0	7	25	4	0	**36**
Processed meat and seafood	160/ 190 (84%)	26	15	25	12	1	16	52	7	6	0	**160**
RTD coffee	30/ 146 (21%)	14	2	5	2	0	0	5	1	1	0	**30**
RTD tea	52/ 161 (32%)	2	8	13	2	0	4	23	0	0	0	**52**
Ready meals	660/ 2,135 (31%)	15	16	95	165	56	90	168	54	0	0	**659**
Rice, pasta and noodles	518/ 1,408 (37%)	0	1	4	6	54	360	85	8	0	0	**518**
Sauces, dips and condiments	1,380/ 2,482 (56%)	166	79	196	228	131	208	273	93	5	1	**1,380**
Savoury snacks	678/ 2,134 (32%)	52	54	127	105	154	81	59	40	4	2	**678**
Soup	830/ 1,085 (76%)	7	0	1	0	1	215	511	94	1	0	**830**
Sports drinks	75/ 279 (27%)	1	5	28	1	12	10	18	0	0	0	**75**
Sweet biscuits	226/ 1,289 (18%)	10	14	72	46	34	12	1	20	11	6	**226**
Sweet spreads	17/ 26 (65%)	2	0	8	1	0	0	0	3	1	2	**17**
Total	**14,761/ 31,716 (47%)**	**1,241**	**844**	**1,517**	**1,687**	**1,910**	**1,955**	**2,232**	**1,524**	**739**	**1,109**	**14,758**
Proportion of total		**8%**	**6%**	**10%**	**11%**	**13%**	**13%**	**15%**	**10%**	**5%**	**8%**	**100%**
		Below HSR 3.5: 61%						Above or equal to HSR 3.5: 38%				

* Number of products with micronutrient data available out of total products (and proportion of total products in the category)

TABLE B1.11

MEAN AND RANGE NUMBER OF MICRONUTRIENTS PROVIDED BY MANUFACTURERS, BY INCOME GROUP

Income group	Number of products	Products with micronutrients
Low- and lower-middle income	2,689	986 (37%)
Upper middle income	7,735	2768 (36%)
High income	21,292	11007 (52%)
Total	**31,716**	**14761 (47%)**

Higher availability of micronutrient data in high-income markets. High-income countries had the highest mean number of micronutrients provided (3.4) compared to low- and lower-middle income (3.2) and upper middle-income countries (2.6); High-income countries also had the largest proportion of products with at least one micronutrient provided (52%) (Table B1.11).

Fortified products. Overall, 12,019 products had information regarding their fortification status and of these, 28% were fortified. In general, there was a higher mean number of micronutrient data provided by companies for fortified products compared to unfortified products (6.1 vs. 5.4). Categories such as 'Baked goods', 'Bottled water', 'Carbonates', 'Juice', 'Ready meals' and 'RTD tea' had a much higher mean number of micronutrients provided for fortified products versus unfortified. Fortification status was not provided for any 'Processed fruit and vegetables', 'Processed meat and seafood', 'Instant tea and coffee Mixes' or 'Energy drinks'.

Table B1.12 below shows the number of fortified products by EMI subset, and each Health Star Rating of those fortified products. Of these, 36% of fortified products did not reach the 'healthier' threshold of 3.5 stars or above indicating that these products may not have been suitable for fortification.

TABLE B1.12

NUMBER OF PRODUCTS UNDER HSR AND BY EMI SUBSET, FORTIFIED ONLY

	Fortified status	0.5	1	1.5	2	2.5	3	3.5	4	4.5	5	Total
Baked goods	48/ 336 (14%)		2		11	13	10	9	3			**48**
Bottled water	54/ 241 (22%)			3	14	1	4	17		12	3	**54**
Breakfast cereals	224/ 512 (44%)		1	20	56	33	22	35	26	17	14	**224**
Carbonates	76/ 460 (17%)	27	2	1	7			39				**76**
Concentrates	75/ 114 (66%)	2				5	26	42				**75**
Confectionery	14/ 80 (18%)	1			2	1		8	2			**14**
Dairy	1,573 / 2,905 (54%)	19	13	8	13	37	93	220	439	388	342	**1.573**
Edible oils	12/ 12 (100%)				3		4	5				**12**
Ice cream	12/ 3,055 (0%)			2	2	1	4	1	2			**12**
Juice	203/ 307 (66%)	62	22	19	25	32	19	11	13			**203**
Meat and seafood substitutes	13/ 64 (20%)	7				1			3	2		**13**
Other hot drinks	49 / 60 (82%)		1	9	12	8	10	5	2	1	1	**49**
Plant-based dairy	375 / 479 (78%)	70	7	15	11	22	26	54	87	46	37	**375**
RTD coffee	1/ 103 (1%)			1								**1**
RTD tea	16/ 89 (18%)		1	7				8				**16**
Ready meals	137/ 879 (16%)			6	58	40	15	18				**137**
Rice, pasta and noodles	5/ 106 (5%)		1	4								**5**
Sauces, dips and condiments	133/ 782 (17%)	15	1	3	2		25	83	4			**133**
Savoury snacks	5/ 310 (2%)			3	1	1						**5**
Soup	144/ 422 (34%)	5		1			37	100	1			**144**
Sports drinks	31/ 77 (40%)	1		15	1	4	1	9				**31**
Sweet biscuits	103/ 600 (17%)	1	4	45	28	17	8					**103**
Sweet spreads	8/ 26 (31%)	2		3	1						2	**8**
Total	**3,311 / 12,019 (28%)**	**212**	**55**	**165**	**247**	**216**	**304**	**664**	**582**	**466**	**399**	**3.310**
Proportion of total		6%	2%	5%	7%	7%	9%	20%	18%	14%	12%	**100%**
		Below HSR 3.5: 36%						Above HSR 3.5: 64%				

Notes and References

[29] The threshold of 3.5 or above (≥3.5 HSR) is based on work commissioned by the New South Wales Ministry of Health in Australia, which concluded that "healthy core foods with a HSR of ≥3.5 can be confidently promoted in public settings as healthier choices." Reference: Dunford, E., Cobcroft, M., Thomas, M., Wu, J.H. (2015). Technical Report: Alignment of the NSW Healthy Food Provision Policy with the Health Star Rating System. Available at: http:// www.health.nsw.gov.au/heal/Publications/health-star-rating-system.pdf. (Accessed: 24/10/2024).

[30] Foods and beverages eligible for inclusion are defined as packaged foods and non-alcoholic beverages manufactured by the included companies. Some products are not intended to be assessed under the HSR model, as can be seen from the methodology. Some companies derive significant proportion of its sales from products excluded from the assessment, for example, baby foods, packaged tea and coffee or tea products.

[31] Having an HSR of 3.5 or more.

[32] ATNi aims to support transforming markets so that at least half of companies' food & beverage sales are derived from healthy products by 2030 and contribute to healthy, sustainable diets for all.

[33] ATNi uses sales estimates on a product category level.

[34] For the remaining 12 companies the proportions stayed approximately the same (0-2%).

[35] Low and Lower Middle-Income Countries: Ethiopia, Ghana, India, Kenya, Nigeria, Pakistan, Philippines, Tanzania and Vietnam.

[36] The World Bank classification was used to group countries in the Product Profile assessment into three income groups. Low and Low-and Middle Income was combined into one group, as there was just one country in the Low-Income Group.

[37] Upper Middle-Income Countries: Brazil, China, Indonesia, Mexico, South Africa, and Thailand.

[38] High Income Countries: Australia, Canada, Denmark, France, Italy, Japan, The Netherlands, Sweden, United Kingdom and United States.

[39] It should be noted that for this 2024 Global Index, a different country mix and the updated HSR model were used, as explained in the Methodology.

[40] In total, for 17 companies (9 for all markets, 8 for some markets), Innova data was used for the assessment. For this analysis, no micronutrient data or fortification status was analysed.

CATEGORY REPORT

RESPONSIBLE MARKETING (15%)

Food and beverage marketing exerts a powerful influence on food environments worldwide, impacting dietary choices and, in turn, public health outcomes, especially among children.[1] The food and beverage industry spends billions annually marketing their products,[2] with expenditures expected to grow by 7.2% globally in 2024, substantially above the average growth in total marketing expenditures (4.6%).[3]

Numerous studies have found that the majority of food advertisements depict products high in fats, sugar and salt (HFSS). Evidence shows that children are extensively targeted by food marketing through a wide variety of channels and techniques, which disproportionately affect their food choices and dietary intake.

The World Health Organization (WHO) defines marketing as "any form of commercial communication or message that is designed to, or has the effect of, increasing the recognition, appeal, and/or consumption of particular products and services. It comprises anything that acts to advertise or otherwise promote a product or service." WHO has established clear guidelines for governments to develop regulation to comprehensively restrict the marketing of unhealthy products to children, arguing that policies should "be sufficiently comprehensive to minimise the risk of 'migration' of marketing to other media, to other spaces within the same medium or to other age groups". However, only 20 countries have mandatory restrictions on the marketing of HFSS products to children in place (as of 2022).

In the absence of government-led, WHO-aligned regulations in most markets (which ATNi hopes will eventually be adopted), this category assesses the extent to which companies have voluntarily adopted responsible marketing policies to comprehensively restrict their own marketing to children in alignment with WHO recommendations.

WHAT DOES GOOD PRACTICE LOOK LIKE?

The company has a public responsible marketing policy in place, covering all markets, which:

- **AGE THRESHOLDS AND PRODUCT RESTRICTIONS - Restricts marketing to children – Defined as any person under 18 years of age – to only products that meet a definition of healthy, according to a WHO Regional Model or other government-endorsed nutrient profiling model (NPM), or commits to not market any products to children at all.**
- **COMPREHENSIVENESS OF SCOPE - Explicitly applies the policy to all media channels and techniques; for example, including those in and around schools, in the digital domain, in-store, and on-pack.**
- **AUDITING COMPLIANCE - Commissions independent third-party auditors to audit compliance with the company policy across a comprehensive range of media channels and techniques, in all markets.**
- **GENERAL AUDIENCES - Explicitly aligns with the International Chamber of Commerce (ICC) Framework for Responsible Food and Beverage Marketing Communications.**

* Defined by the United Nations (UN) Convention on the Rights of the Child, and therefore WHO, as those under the age of 18.

MAIN FINDINGS

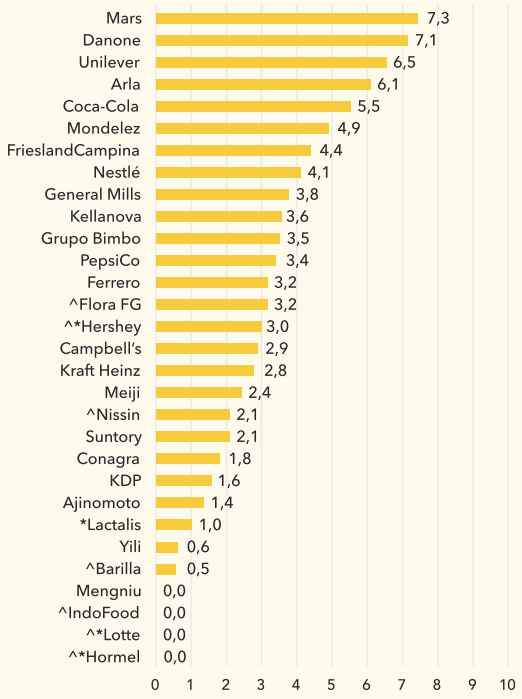
While 25 of the 30 companies were found to have policies that specifically address marketing to children, three of which have been introduced in the last three years, none have fully aligned theirs with WHO recommendations in terms of: 1) product healthiness restrictions; 2) age thresholds; and/or 3) comprehensiveness of application scope (i.e., marketing channels, techniques, and geographies). For example, only Arla has adopted the age threshold of 18 for defining a child, but does not apply this threshold to all marketing channels and techniques.

That said, five companies have improved their commitments on at least one of these aspects to more closely align with key WHO recommendations. However, to ensure that all children are protected from the harmful impact of unhealthy food marketing, in order to minimize the risk of migration, it is vital that all three conditions are met to ensure that all children are protected from the harmful impact of unhealthy food marketing.

As members of industry initiatives, the majority of companies have incrementally improved their commitments to responsibly market to children, especially in terms of age thresholds, application across media channels and techniques, and auditing. However, there remains a substantial misalignment between these commitments and WHO recommendations.

Geographic scope of responsible marketing policies: Of the 25 companies with responsible marketing to children policies, 15 apply theirs in all markets as a global minimum standard, while ten companies only apply theirs in specific markets. The responsible marketing to children policies of Campbell's, Conagra, Hershey, Keurig Dr Pepper (KDP), and Kraft Heinz, for example, are largely limited to their memberships of market-specific industry pledges, such as the Children's Food & Beverage Advertising Initiative (CFBAI), which only covers the US market. In addition, Meiji and Nissin specify that their policies only apply to Japan, and Lactalis' only to France. Suntory has introduced a new, stricter policy for its European market specifically, and Ajinomoto is unclear about the precise geographic scope of its specific commitments.

RESPONSIBLE MARKETING SCORES PER COMPANY (/10)



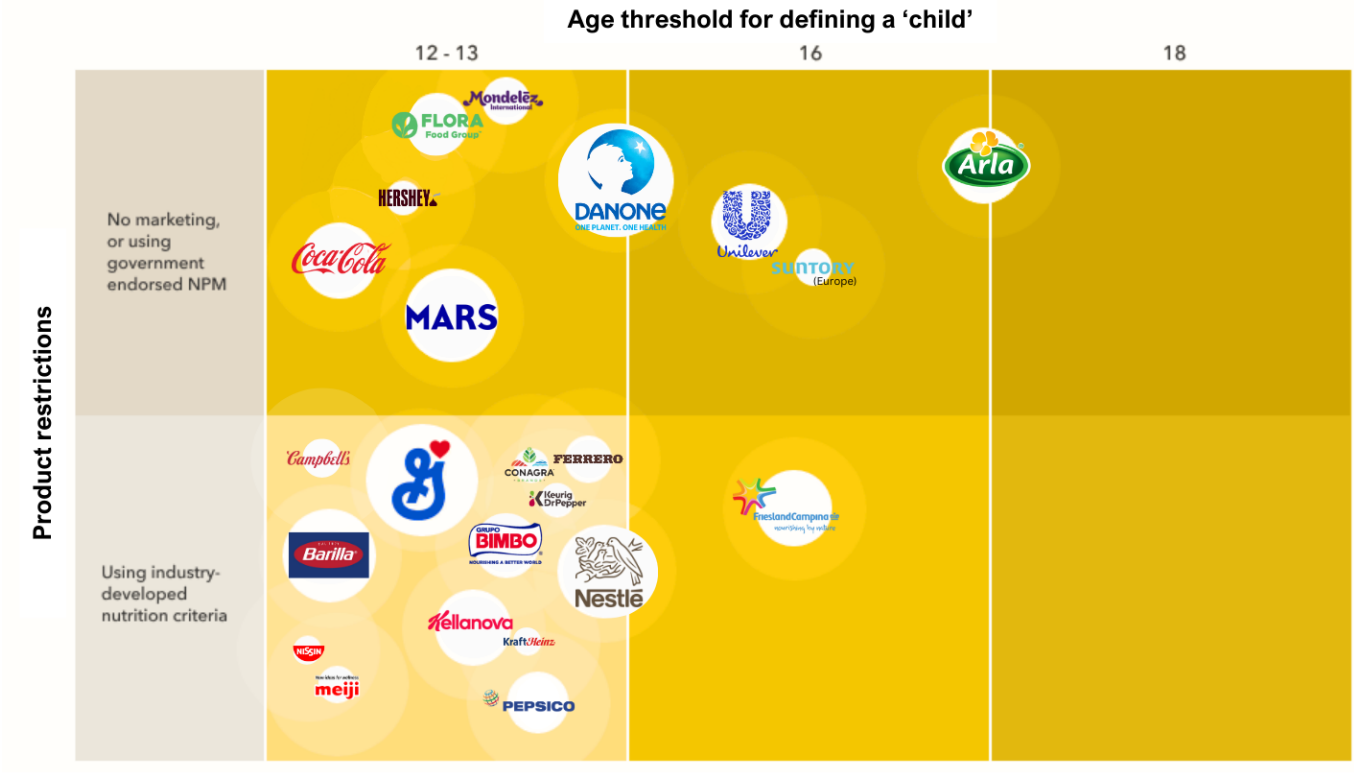
** Did not provide information to ATNI*
^ Not assessed in 2021

Age thresholds for defining a 'child': As in the 2021 Global Index, one company (Arla) uses the WHO-recommended age threshold of 18 years, although its commitment also stipulates a range of more specific commitments for children under 13 years. As shown in *Figure D.1.*, four companies (FrieslandCampina, Danone, Nestlé, and Unilever) have raised their age thresholds to 16 years; however, Danone and Nestlé specify that this only applies to measured media, such as television and radio, and use the age of 13 for other media channels and techniques.

Additionally, 17 companies use the age threshold of 13 years, with the three main industry initiatives (Table D.1.) all raising the threshold for defining a 'child' from 12 to 13 years since the 2021 Global Index. Ajinomoto, Barilla, and Lactalis continue to define a 'child' as anyone under 12 years of age.

FIGURE D.1.

OVERVIEW OF COMPANIES' POLICIES: AGE THRESHOLDS, PRODUCT RESTRICTIONS, AND COMPREHENSIVENESS



The size of each company's circle indicates the relative comprehensiveness of its policy in terms of the marketing channels and techniques it covers, according to indicator D.4. A fully comprehensive policy is indicated by the outer circle.
Seven companies (Ajinomoto, Hormel, Indofood, Lactalis, Lotte, Mengniu, and Yili) are not shown, because they do not have a clear responsible marketing to children policy, or their policy does not include specific product restrictions or age thresholds for defining a 'child'.

Product restrictions for marketing to children: As shown in *Figure D.1.*, Six companies commit to not market products to children (according to the company's definition of a child). Arla and Danone are the first of the companies assessed in ATNi's Indexes to commit to only market products that meet Health Star Rating (HSR) 3.5; a definition of 'healthier' using a government-endorsed NPM. However, none of the companies use one of the WHO Regional Models, which were developed specifically to determine products' suitability to be marketed to children.

Eleven companies restrict their marketing to children to products that either meet their own nutrition criteria (Kellanova, FrieslandCampina, Grupo Bimbo, and Nissin) or criteria developed by an industry pledge, such as that of the International Food and Beverage Alliance (IFBA), the CFBAI, or the EU Pledge.* An overview of memberships of these initiatives can be found in *Table D.1*.

It should be noted that multiple studies have demonstrated that industry-developed models are considerably less strict than internationally recognised and/or government-endorsed models.

Scope of application to media channels and marketing techniques: Fourteen companies state their marketing to children policies apply to 'all' marketing and/or advertising. However, it is important that they explicitly list what these policies include and exclude – especially in relation to the media channels and marketing techniques identified by WHO guidelines – given the vast array of different marketing techniques available and the ever-evolving advertising landscape (especially in the digital sphere).

Danone and General Mills were the most exhaustive in

* Campbell indicated to ATNI that none of its products are marketed to children at this time, but also specified that, if it were to market any products to children, it would use the CFBAI nutrition criteria.

this regard, followed by Mars and Nestlé. The majority of companies' responsible marketing policies are far from comprehensive in scope.

- **Digital marketing:** The majority of policies explicitly applied to paid ads on third-party websites (15) and company social media accounts (18), with other aspects of the ever-evolving digital marketing landscape least addressed – including streaming platforms (four companies), native advertising (four), and user-generated content (seven).

- **Marketing in schools:** Only 10 companies make a comprehensive commitment to not market in primary schools at all. Others address primary schools in their policies but make numerous exceptions, which undermines their commitments' robustness. Similarly, only eight companies commit to not market in secondary schools, and only five to not market in places near schools and other places where children gather.

- **Other key techniques and channels:** Other notable gaps in companies' policies related to WHO recommendations include the use of company-owned characters (six companies); packaging design (nine companies); toys, premiums, vouchers, and giveaways (nine); and in-store/point-of-sale marketing (10)

Limiting exposure on measured media: Seven companies (Arla, Danone, FrieslandCampina, KDP, Mars, Nestlé, and Unilever) state they use an audience threshold of 25% to determine whether a measured media channel (i.e., TV or radio) is 'child-directed' (using their own definition of a 'child'); with Arla and Danone lowering theirs since the 2021 Global Index. As members of the IFBA, CFBAI, and EU Pledge, 11 companies have lowered their audience thresholds from 35% to 30% since the last Global Index.

While there is increasing evidence that adopting time-based restrictions is a more effective strategy to limit children's exposure to food and beverage marketing across certain media channels, no company has adopted this practice in their responsible marketing policies.

TABLE D.1.
OVERVIEW OF COMPANY MEMBERSHIPS OF THREE MAIN INDUSTRY PLEDGES

Company	IFBA (Global)	EU Pledge (Europe)	CFBAI (US)
Arla *		•	
Campbell			•
Coca-Cola	•	•	•
Conagra			•
Danone *	/	•	•
Ferrero	•	•	•
Friesland Campina *		•	
General Mills	•		
Grupo Bimbo			
Hershey			•
Kellanova	•	•	•
KDP			•
Kraft Heinz			•
Mars *	/	•	•
Mondelez	•	•	•
Nestlé *	/	•	•
PepsiCo	•	•	•
Unilever *	/		•

- • Currently a member
- / Left since 2021
- * Has a global policy in place that goes beyond regional Pledges either in terms of age thresholds or product scope (see Figure 2)

FOUR COMPANIES HAVE RAISED THEIR AGE THRESHOLDS FOR DEFINING A 'CHILD' TO 16 YEARS

Audits of responsible marketing policies: Of the 25 companies with responsible marketing to children policies, only two, FrieslandCampina and Mars, commission third-party audits to verify compliance with their commitments.
These audits cover at least five media channels across a wide range of markets (19 and 15 markets, respectively), and the results are published. While Grupo Bimbo, Nestlé, and Unilever also provided evidence that they commission third-party audits, these are currently less comprehensive and the results have not yet been published.

Ten additional companies indicated to ATNi that internal audits are conducted to measure compliance with their specific policies. However, limited details regarding the audits' comprehensiveness are known, and no company publishes the outcome of their audits. The lack of transparency around the details of companies' internal audits and risk of conflict of interest undermines their external legitimacy.

Members of key industry initiatives (an additional 14 companies, Table D.1.) have their compliance with the basic commitments of those respective pledges audited by an industry association-appointed third party. However, these audits assess a relatively limited range of media per market, only publish aggregated industry results, and do not assess the companies' commitments beyond the basic commitments of that initiative.

Additional responsible marketing commitments for all audiences: 19 of the 30 companies assessed in this Global Index explicitly commit to follow the ICC Framework for Responsible Food and Beverage Marketing Communications, the best available industry standard for responsible representation of food and beverage products for all audiences.

Of these, at least three companies (General Mills, Grupo Bimbo, and Kraft Heinz) committed to do so for the first time since the 2021 Global Index. Two additional companies (Barilla and Conagra) have commitments that align with some, but not all, aspects of the ICC Framework.

KEY RECOMMENDATIONS FOR THE SECTOR

ALL COMPANIES CAN STILL SUBSTANTIALLY IMPROVE BY ALIGNING THEIR POLICIES MORE CLOSELY WITH WHO RECOMMENDATIONS.

While it is encouraging that the majority of companies have made improvements to their responsible marketing policies in the last three years, all companies can still substantially improve by aligning their policies more closely with WHO recommendations.

To facilitate this, companies are strongly encouraged to update their global responsible marketing policies to:

1 Evaluate

- Using the WHO Regional Nutrient Profiling Models, evaluate all products that are currently marketed to children to identify those that are not suitable to be.

- Review the latest WHO Guidelines on marketing to children policies to identify key recommendations that are not currently covered explicitly by the company's responsible marketing policy, including the marketing channels and techniques identified in the reports, as well as other measures to limit the exposure of children to the marketing of unhealthy products.

2 Transform

- Comprehensively integrate all key WHO recommendations into their responsible marketing policies, covering all markets, including:
  - Setting the age threshold for defining a 'child' to 18 years of age;
  - Committing to only market products suitable to be marketed to children according to a WHO Regional Nutrient Profiling Model (or another internationally recognized NPM), or market no products to children at all;
  - Applying this commitment to a comprehensive range of media channels and techniques.

- Audit compliance with their responsible marketing policies across a comprehensive range of media channels and techniques, in all markets, using independent third-party auditors.

3 Disclose

- Publish the responsible marketing policy, explicitly referencing a comprehensive range of media channels and techniques covered.

- Publish the results of the audit of its own responsible marketing policy, including instances of non-compliance and how these were rectified.

NOTES AND REFERENCES

1 World Health Organization (2023) "Commercial Determinants of Health," March 21, 2023, https://www.who.int/news-room/fact-sheets/detail/commercial-determinants-of-health; George Osei-Assibey et al., "The Influence of the Food Environment on Overweight and Obesity in Young Children: A Systematic Review," BMJ Open, no. 2 (2012), https://doi.org/10.1136.

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CATEGORY REPORT

NUTRITION GOVERNANCE (15%)

This category assesses the maturity of companies' nutrition strategies and their governance, and the degrees to which companies are transparent about their intentions and progress, especially with regards to sales of healthier products.

Investors, policymakers, and consumers are increasingly recognising the role that food and beverage manufacturers play in shaping consumers' diets and the potential consequences for public health. Companies need to consider all the aspects of their business that impact public health, and develop a strategic plan to improve the public health impact of their commercial business model (i.e., a 'nutrition strategy'), particularly by increasing sales of healthier products.

These nutrition strategies must be underpinned by robust key performance indicators (KPIs) and strong internal governance and accountability mechanisms, to drive progress and ensure prioritisation within the company. Transparency, in terms of both intentions and progress, enables stakeholders – such as investors, policymakers, and consumer organisations – to scrutinise the companies, hold them accountable, and reward those moving in the right direction.

WHAT DOES GOOD PRACTICE IN NUTRITION GOVERNANCE LOOK LIKE?

The company, covering its entire portfolio and markets:

- **STRATEGY AND KPIS: Publishes a formal, multi-faceted nutrition strategy encompassing portfolio healthiness, core responsibilities, reach of healthier products to consumers, and KPIs for each measurable element.**
- **HEALTHIER SALES TARGET AND REPORTING: Reports on the percentage of sales revenue derived from products defined as 'healthier' according to an internationally recognised/ government-endorsed nutrient profiling model (NPM), and sets a specific and timebound target to increase the proportion of revenues derived from such products.**
- **RISKS: Ensures that a wide range of nutrition-related risks are identified and published through its Enterprise Risk Management (ERM) system, and that nutrition is a material issue raised in the context of earnings calls and discussions with analysts.**
- **BOARD OVERSIGHT AND EXECUTIVE ACCOUNTABILITY: Ensures that its nutrition strategy and related progress is systematically reviewed by its board of directors on an annual basis, assigns formal accountability to the CEO for the success of the strategy, and formally incentivizes progress by linking executive remuneration to KPIs.**

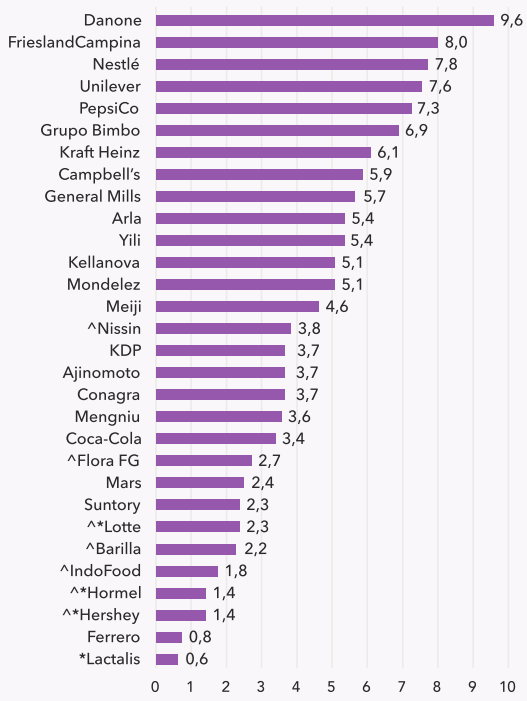
MAIN FINDINGS

Since 2021, progress has been made on each of the key nutrition governance topics assessed in this index, with 25 out of the 30 companies demonstrating improvement on at least one. The majority of companies have developed a formal nutrition strategy, and an increasing number report against it with quantitative metrics; although the quality and comprehensiveness of these strategies and reporting varies significantly.

Importantly, a greater number of companies have set targets for and/or report on sales derived from 'healthier' products in some form, indicating that this is becoming a more mainstream practice. Six companies now use an internationally recognised NPM to report on their global sales, while four have set sales targets using such a model (although only one of these targets is in terms of relative sales). However, there remains substantial scope for improvement from the majority of companies in this area.

Most companies shared evidence that their boards review nutrition strategy progress in some way, and that direct oversight of the strategy is assigned to an executive function – with an increasing number of companies formalising this by linking executive remuneration to nutrition-specific KPIs.

NUTRITION GOVERNANCE SCORES
PER COMPANY (/10)



** Did not provide information to ATNI*
^ Not assessed in 2021

Nutrition strategy: 24 of the 30 companies assessed were found to have some form of 'nutrition strategy' in place, cohesively setting out multifaceted approaches in their portfolio and commercial operations through which they intend to improve their impact on consumers' diets. Companies' strategies tended to focus primarily on improving the healthiness of their portfolios, while also committing to responsible marketing and labelling practices. However, as the overall and category-specific results of this index show, there is considerable variation in the comprehensiveness and robustness of companies' approaches.

Ten companies were found to go further, additionally addressing how to ensure their healthier products reach consumers at a proportionately greater rate; for example, through relative and/or affordable pricing approaches (explored in greater detail in the chapter on Affordable Nutrition) and increasing their marketing expenditures for healthier products.

Three companies (Grupo Bimbo, Kellanova, and Nestlé) refer to the latter, although did not provide clear evidence to this effect.

Since 2021, five companies (Campbell's, KDP, Mengniu, Suntory, and Yili) were found to have published nutrition strategies for the first time, and a further eight were found to have improved theirs.

Strategy reporting: 17 of these 24 companies report on their relative progress against their nutrition strategies, using quantitative metrics/KPIs covering multiple key elements of their nutrition strategies; with all but one doing so on a global basis. This represents a marked trend towards more quantitative and systematic nutrition reporting, with 13 companies having improved their quantitative reporting practices since 2021.

Other companies also report on their progress, but less systematically and with greater focus on illustrative, product-specific examples.

While seven companies were found to report quantitatively on each measurable element of their nutrition strategies, the remaining 10 companies were less comprehensive. This was particularly the case for topics such as affordability and marketing expenditures, meaning a holistic overview of progress against their formal strategic commitments is not provided.

Healthy sales reporting: To more transparently convey their overall contributions to consumers' diets, it is essential that companies publish the percentage of their total sales revenues derived from products defined as 'healthier'. This definition should be according to an internationally recognised/government-endorsed NPM, given their greater acceptance in the wider public health community, to facilitate greater comparability – as explored in ATNI's NPM Alignment Project. Since 2021, six companies (Arla, Danone, FrieslandCampina, Grupo Bimbo, Nestlé, and Unilever) have begun reporting on portfolio healthiness in this way on an annual basis. While each uses the Health Star Rating (HSR), a government-endorsed model, there are differences in their approaches to applying the HSR guidelines and how transparent they are in doing so. This is explored in greater detail in the chapter on NPMs for Reporting Purposes.

SECTOR ALIGNMENT ON THE USE OF NPMS:

In September 2024 ATNI concluded a project to identify which of many existing NPMs would be best fit for more standardized reporting by companies on portfolio healthiness. After conducting a Delphi Process, HSR, Nutri-Score, and the UK NPM emerged as the models most participating companies, investors, academics and CSOs could rally behind.

Four additional companies report on the percentage of their sales that meet their own nutrition criteria. However, nutrition criteria developed by companies tend to be less strict than internationally recognised/government-endorsed NPMs and, since they are specific to each company, do not allow for like-for-like comparisons across companies. That said, companies have expressed interest in the development of standardised guidelines for reporting on 'healthier' sales, for which a proposal has been drafted by ATNI as part of its NPM Alignment Project.

TABLE A.1.
OVERVIEW OF COMPANIES' HEALTHY SALES TARGETS THAT USE AN INTERNATIONALLY RECOGNIZED NPM

	Unit	Relative to overall sales?	Total portfolio?	Global?	Notes on target specificity
Arla	Tonnes		✔	✔	Also includes products meeting own criteria (as strict as HSR)
Danone	Volumes	✔	✔	✔	–
Grupo Bimbo	100%	✔	45-55% ('Everyday products')	✔	Not clear what proportion of total portfolio this covers
Nestlé	Value		✔	✔	Includes Specialized Nutrition and Plain coffee, to which HSR does not apply

Healthier sales targets: Since 2021, four companies have set timebound targets to increase sales of their products that are defined as 'healthier', according to an internationally recognised/government-endorsed NPM; with all using HSR 3.5 as a basis. While this is a move in the right direction, all but one target is either not specific in some way or aims to increase sales by an absolute amount, rather than relative – which the company can meet regardless of how much its sales of unhealthy products grow over the same period (see Table A.1.). Only Danone's target is relative to overall sales for its entire portfolio.

An additional eight companies (FrieslandCampina, Kellanova, Kraft Heinz, Mars, Mondelez, Nissin, Unilever, and Yili) have also set some form of healthier sales target using their own definitions of 'healthier', each being relative to overall sales (with the exception of Mars and Nissin). Of these, FrieslandCampina, Mondelez, Nissin, and Yili have introduced theirs since 2021; the latter three are not disclosed publicly.

Nutrition-related risk identification: 23 companies were found to have identified (through their ERM processes, or equivalent) at least one risk relating to nutrition, and all but four (FrieslandCampina, Grupo Bimbo, Unilever, and Yili) published these explicitly in their Annual Reports. Most companies (21) identified the potential loss of market share or revenues due to consumers' nutrition-related concerns, while 13 companies identified the risk of new or increasing regulations relating to marketing and labelling, and seven identified nutrition-related fiscal policy measures. In addition, for the first time, two companies (Nestlé and Mondelez) identified changing perceptions regarding degrees of 'processing' as risks for the company.

Board oversight: 23 companies either reported or shared evidence that their board of directors (or a committee) has some degree of oversight over their nutrition strategies, with at least four companies (Campbell's, FrieslandCampina, KDP, and Yili) first sharing evidence of this practice since 2021.

Of these, nine shared evidence that their board directly reviews progress against strategies or KPIs at least once annually. For the remaining 14 companies, the extent and regularity of their board reviews is less clear. They often only state that their board reviews their whole ESG strategy (or equivalent), of which nutrition is part, or only reviews specific elements of their nutrition strategies on a more ad hoc basis. 15 companies in total have delegated oversight over ESG-related matters (including nutrition) to a committee of the board, of which six companies have introduced this practice since 2021.

Executive accountability and remuneration: 19 companies were found to assign formal ownership of their nutrition strategies to a named executive or executive committee, of which four (Danone, General Mills, and PepsiCo) demonstrated that the CEO has direct responsibility and/or regular oversight.

Eight companies were found to have linked executive remuneration with nutrition-specific KPIs, often through medium- or long-term compensation plans; three companies (Danone, Meiji, and Yili) have introduced this practice since 2021. This action represents a significant development in the industry over the last eight years, given that the 2016 Index found no companies did this.

* PepsiCo has also introduced a target to increase sales of products meeting Nutri-Score A/B, but this applies only to its Snacks portfolio in the European Union.

KEY RECOMMENDATIONS FOR THE SECTOR

FOUR COMPANIES HAVE SET GLOBAL HEALTHY SALES TARGETS USING HEALTH STAR RATING 3.5

It is encouraging that companies have made improvements to their commercial nutrition strategies, reporting, and governance in the last three years. However, the majority can substantially improve further by incorporating a focus on proportionately increasing sales of products defined as 'healthier' into their nutrition strategies.

To facilitate this, companies are recommended to:

1 Evaluate

- Identify all potential material risks relating to nutrition that may occur throughout their global operations, and ensure that these are captured in their Enterprise Risk Management (ERM) systems (or equivalent).
- Assess all aspects of their commercial activities that can impact on public health, identifying opportunities to improve this impact, and develop a formal plan to address these. A clear step in this process would be to adopt an internationally recognized/government-endorsed NPM to measure the 'healthiness' of its portfolio.

2 Transform

- Set out clear, multifaceted strategies by which their companies plan to improve their impact (or contributions to) healthy diets across their global commercial operations, and set clear metrics/KPIs with which to track progress.
- Set specific, measurable, and timebound targets to increase the proportion of overall sales from 'healthier' products, using an internationally recognized model.
- Assign formal accountability for achieving the healthier sales targets to executives within their companies, with the target's success linked to their remuneration.
- Ensure that their boards of directors review and discuss progress on the nutrition strategy on at least an annual basis.

3 Disclose

- Report publicly on the implementation of their nutrition strategies, using quantitative metrics, covering all key elements.
- Publicly report on the proportion of their overall sales derived from 'healthier' products on an annual basis, covering all relevant product categories and all markets.
- Publish all key details of the governance accountability arrangements for their nutrition strategies.

CATEGORY REPORT

AFFORDABLE NUTRITION (15%)

Packaged, industrially produced foods and beverages constitute an ever-increasing proportion of consumers' diets, globally. Many of these products tend to have high saturated fat, sugar, or salt content and be highly- or ultra-processed; all factors associated with adverse health outcomes.[XII]

In low- and middle-income countries (LMICs),[XIII] such outcomes include rapidly increasing rates of malnutrition, including overweight and obesity; while micronutrient deficiencies remain an unsolved concern.[XIV]

To improve their diet quality, lower income consumers must have access to nutritious products at affordable prices. Food tends to represent the largest share of expenditures in lower income households, meaning they typically spend a disproportionate amount of their budget on food. [XV] In 2022, 2.8 billion people were unable to afford a healthy diet, [XVI] with COVID, the war in Ukraine, and rising energy and commodity prices exacerbating this further; for example, by triggering price increases of up to 30% for staple foods.[XVII] This inflation particularly affects households in LMICs, where 52.6% are unable to afford a healthy diet, relative to 21.5% in upper-middle-income countries and 6.3% in high-income countries.[XVIII]

WHAT DOES GOOD PRACTICE IN AFFORDABLE NUTRITION LOOK LIKE?

The company has a global affordable nutrition strategy which:

- **APPLIES SPECIFICALLY TO PRODUCTS THAT MEET A DEFINITION OF 'HEALTHY' according to an internationally recognised/government-endorsed nutrient profiling model (NPM).**
- **INCLUDES A CLEAR APPROACH FOR DEFINING/DETERMINING WHETHER THE PRICE OF A PRODUCT IS 'AFFORDABLE', ideally linked to a formal classification of 'lower-income consumers' it reaches.**
- **QUANTITATIVELY TRACKS AND REPORTS PUBLICLY on its progress in all markets, and sets specific and timebound targets to drive performance.**
- **MEASURES THE AVERAGE PRICING OF ITS 'HEALTHIER'**

This category assesses whether companies have developed strategies or approaches to ensure that a growing part of their 'healthier' product portfolios are made affordable to lower-income consumers through commercial channels (i.e., an 'affordability strategy'). The scope, robustness, and transparency of these approaches are also evaluated.

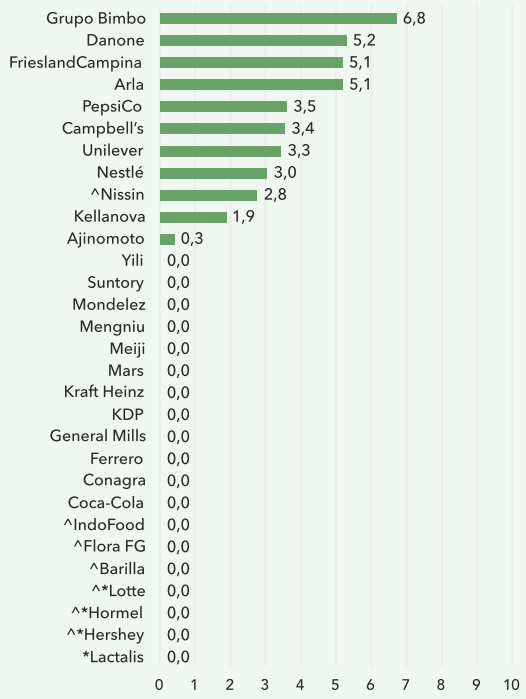
MAIN FINDINGS

The majority of the 30 companies assessed did not share evidence of having any form of an affordability strategy specifically for 'healthier' products through commercial channels. Nine companies shared evidence of having some form of intentional strategy to affordably price at least part of their 'healthier' portfolios specifically for lower income consumers, as shown in Table C.1. Of these, the majority primarily focus on consumers in LMICs.

In most cases, few details about these strategies could be found on the companies' public domains. Lower scores in this category are also a result of companies using definitions of 'healthier' that are not government endorsed, companies applying their strategies to a limited range of products and/or markets, and limitations in the quality of evidence of implementation.

There are currently no internationally recommended best practices or standard definitions and metrics with regards to food and beverage manufacturers' role in delivering 'affordable nutrition' through their commercial operations. As such, companies' approaches to this topic are mostly exploratory in nature, potentially leading to limited inclination to report comprehensively.

COMPANY SCORES ON AFFORDABLE NUTRITION /10



** Did not provide information to ATNI*
^ Not assessed in 2021

ONLY NINE COMPANIES HAVE SOME FORM OF STRATEGY TO PRICE 'HEALTHIER' PRODUCTS AFFORDABLY FOR LOWER INCOME CONSUMERS.

TABLE C.1.
FEATURES OF COMPANIES' AFFORDABLE NUTRITION STRATEGIES TARGETING LOWER INCOME CONSUMERS

Company name	NPM used to define 'healthier'	Product scope/reach	Market-focus	Defining 'Affordable'
Danone	HSR 3.5*	Broad range;	LMICs & high-income countries (HICs)	Price benchmarking
Grupo Bimbo	unclear per market	LMICs & high-income countries (HICs)	Price benchmarking	Price benchmarking, household penetration
Arla	Own (equivalent to HSR 3.5*)	1 powdered milk product per market;	Price benchmarking,	Price benchmarking
Friesland Campina	Own (specific to affordable nutrition)	Broad range per market;	Price benchmarking	Qualitative research
Kellanova	Own	Noodles, oats, and ready-to-eat cereal	Qualitative research	Price benchmarking,
Nestlé	Own	Broad range;	Price benchmarking,	% household food budget
Nissin	Own	Specific noodle/ready meal products	Japan (HIC) only	Price per calorie threshold
PepsiCo	Own (specific to affordable nutrition)	Maize, oats, dry vegetables and legumes, and bread products	Mexico & South Africa (LMICs)	% household food budget
Unilever	Own	Broad range; majority of sales	LMICs	Qualitative research

Defining 'healthier' and portfolio scope: Of the nine companies with an affordable nutrition strategy, Arla, Danone, and Grupo Bimbo use the Health Star Rating (HSR) – a government-endorsed nutrient profiling model (NPM) – as the basis for defining 'healthier' in their affordability strategies. Danone's affordability strategy is applied across its whole portfolio, which the company calculates to be 89% 'healthier' (by volume) according to HSR, and confidentially shared evidence of the percentage that meet its 'affordable' definition. Grupo Bimbo shared evidence of a range of HSR-compliant products being priced according to the company's definition of 'affordable' per market, while Arla demonstrated that its 'affordable' products are above HSR 3.5 stars.

The other six companies each use their own company-developed NPMs, of which FrieslandCampina and PepsiCo have developed specific criteria for the purposes of affordable nutrition. As shown in Table C.1., the extent of application of companies' affordable nutrition strategies varies significantly per company and per market.

Definitions of 'affordable' and 'lower income': Successfully meeting the needs of lower income consumers relies heavily on products being priced appropriately, so those with limited incomes can purchase them regularly. Despite the absence of a clear international best practice in this regard, companies should have a clear definition of the 'lower income consumer' they are trying to reach and have processes in place to determine what is 'affordable' to these groups.

To define lower income groups, companies shared evidence of either using daily income thresholds, often in relation to a relative poverty line – as defined by the World Bank or national institutions – or socioeconomic classification systems, such as the Living Standards Measure, India's SEC (Socio Economic Classification) system, or other local governmental data to define lower income groups.

There was variation among companies in how 'affordability' is defined, as shown in Table C.1. Three companies determine affordability through price

benchmarking; i.e., as a relative price to the market or portfolio average. Meanwhile, two base their affordability definitions on qualitative research into what lower income consumers consider to be 'affordable' price points in their respective markets. Nissin uses daily food expenditure estimates and recommended calorie intake to approximate the average price per calorie for a 'lower income' individual in Japan, and ensures some of its 'healthy' products are priced within or close to this threshold. PepsiCo's and Kellanova's approaches are based on estimates of lower income household expenditures on specific food categories within specific markets.

Arla, PepsiCo, and Nestlé are the only companies to publicly disclose information about their definitions of 'affordability' and/or lower income populations. Data from other companies was shared directly with ATNi.

Affordable nutrition targets: Five of the nine companies have some type of forward-looking target in place to drive progress on their affordable nutrition strategies. These targets vary in form and include: increasing the share of affordable nutritious products in their lower-income markets (FrieslandCampina); increasing the number of consumers/households reached with affordable nutritious products (Arla, Grupo Bimbo, and PepsiCo); and expanding the scale of last-mile distribution programmes (Unilever).

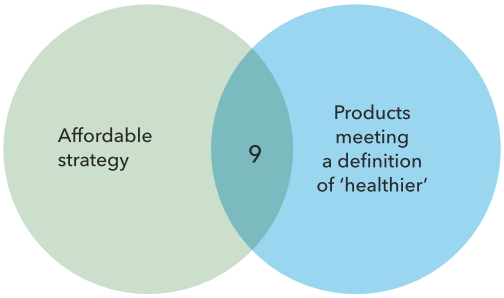
Of these, only Arla and FrieslandCampina's targets are specific, measurable, and time-bound. FrieslandCampina, Grupo Bimbo, and PepsiCo apply their targets globally, and only Arla, FrieslandCampina, and PepsiCo publicly disclose their targets.

Tracking and reporting on progress: Four companies (Arla, FrieslandCampina, Nestlé, and PepsiCo) shared quantitative evidence of outcome level progress on their affordability strategies across multiple markets, mostly in terms of increased sales volumes from products classified as 'affordable nutrition' and/or an increase in market penetration among lower income consumers. Of these, Arla, FrieslandCampina, and Nestlé publicly report on their progress.

The other companies did not report on their progress and primarily provided evidence to ATNi regarding the number of 'affordable nutrition' products launched or their lowering the price of specific products.

FIGURE C.1.

9 OUT OF 30 COMPANIES HAVE A STRATEGY TO EXPAND SALES OF PRODUCTS MEETING THEIR DEFINITION OF 'AFFORDABLE NUTRITION'



Relative affordability: While making affordable 'healthy' products available is an important step, this positive impact can easily be offset if the company continues to offer a range of unhealthy products at more affordable prices. Companies should examine the relative pricing of their 'healthy' products versus their general portfolio, and take steps to improve this price differential.

Four companies (Campbell's, Danone, Grupo Bimbo, and Nissin) have taken steps to measure the relative affordability of their 'healthier' portfolio vs their general portfolio in at least one market. Grupo Bimbo demonstrated the most comprehensive assessment (although this is not publicly reported), tracking the relative affordability of its 'healthier' products against other products in the same category, those of its competitors, and the market average price, per market. They also assess the changes in these price differentials over time.

Campbell's has calculated the average per serving price of all its products that meet the company's own 'healthier' criteria ('Nutrition Focused Foods') and compared this to the average price of its overall portfolio, publicly reporting the results. However, comparisons at the overall portfolio level could mask differences at the category level, where some product categories might be more affordable by nature.

Other companies, such as Ajinomoto, Danone, and Nissin, shared evidence of comparable products or brands that are 'healthier' versus unhealthy for multiple markets. However, this is not publicly reported and, given the specific nature of the evidence, it is not clear how representative these examples are across the companies' portfolios.

KEY RECOMMENDATIONS FOR THE SECTOR

THERE IS A LACK OF CLEAR INTERNATIONAL GUIDANCE REGARDING MEASURING THE 'AFFORDABILITY' OF HEALTHY PACKAGED FOODS

In the absence of clear international guidance on this topic, 30% of the companies assessed have taken steps to ensure that at least part of their 'healthier' portfolio is 'affordable' (by some definition) to lower-income consumers, especially in LMICs. These nine companies have significant scope to improve upon the robustness of their approaches, and other companies are encouraged to follow their example.

Therefore, all companies are encouraged to:

1 Evaluate

- Calculate the percentage of their portfolios that meet a clear definition of 'affordable nutrition'; i.e., products classified as both:
  - 'Healthier', according to an internationally recognised NPM;
  - 'Affordable', as determined by a formal process – ideally one that is market-specific and linked to a definition of 'lower income consumer' the company is aiming to reach.

- Measure the relative affordability of their 'healthier' products (according to an internationally recognised NPM), vis-à-vis their overall portfolio, on a category-by-category basis.

2 Transform

- Set specific, measurable, and time-bound targets to grow sales of their 'affordable nutrition' products and outline concrete plans for how they intend to achieve these targets.

- Develop policies and processes to improve the relative affordability of their 'healthier' products, vis-à-vis their overall portfolio.

3 Disclose

- Report on the proportion of their portfolios that meet their definition of 'affordable nutrition', as well as on progress against targets and the relative affordability of their 'healthier' products against their overall portfolio.

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CATEGORY REPORT

PORTFOLIO IMPROVEMENT (10%)

Companies should set targets to address levels of key nutrients of concern (sodium, saturated fats, and total/free sugars) in their portfolios; the use of minimally processed fruits, vegetables, nuts, and legumes (FNVL) as ingredients; the use of whole grains as ingredients; and ensuring the elimination of industrially-produced trans fats (iTFAs).

Establishing such targets makes the companies' commitments to improving the healthiness of their portfolios more concrete and enhances internal and external accountability. For transparency, it is also important for companies to systematically track and publicly report quantitatively on their reformulation progress at portfolio and/or category level.

Targets should be specific, measurable, and time-bound, with all details publicly available. Where relevant, they should align with the latest available international benchmarks and definitions, such as the World Health Organization's (WHO) sodium benchmarks (2021),[XIX] WHO's REPLACE initiative for trans fats elimination (2018),[XX] and WHO's 'Carbohydrate intake for adults and children' guideline (2023).[XXI]

WHAT DOES GOOD PRACTICE IN PORTFOLIO IMPROVEMENT LOOK LIKE?

The company has a portfolio imrpovement strategy which:

- **SETS TARGETS TO REDUCE NUTRIENTS OF CONCERN – which are specific, measurable, and time-bound – to reduce levels of sodium (aligned with World Health Organization (WHO) sodium benchmarks), saturated fats, and free/total sugars across all applicable product categories, in all markets.**
- **SETS TARGETS TO INCREASE FRUITS, VEGETABLES, NUTS, AND LEGUMES (FVNL) AND WHOLE GRAINS – which are specific, measurable, and time-bound – to increase the levels of un-/minimally-processed FVNL and whole grains in its portfolio, and report quantitatively on its progress on positive ingredients.**
- **MEASURES AND REPORTS ON REFORMULATION PROGRESS for each of the nutrients of concern, FVNL, and wholegrains, across all applicable product categories, in all markets, through quantitative metrics.**
- **ELIMINATES THE PRESENCE OF INDUSTRIALLY-PRODUCED TRANS FATS (ITFAs) from its entire applicable portfolio in all markets or sets a time-bound target to do so, and has formal processes in place to prevent the incidental reintroduction of iTFAs in relevant products.**
- **ESTABLISHES A POLICY TO ONLY FORTIFY PRODUCTS THAT ARE DEFINED AS 'HEALTHIER' by an internationally recognised/government-endorsed nutrient profiling model (NPM), while strictly adhering to the CODEX CAC/GL 9-1987 and/or WHO/Food and Agricultural Organization (FAO) guidelines on food fortification with micronutrients.**

ATNi encourages companies to only fortify foods in accordance with the CODEX CAC/GL 9-1987 and/or WHO/Food and Agricultural Organization (FAO) guidelines on food fortification with micronutrients, and select products or categories with intrinsic nutritional quality or defined as 'healthier' according to formal nutrition criteria. Fortifying products that contain high levels of nutrients of concern can result in a 'health halo effect', which leads consumers to misunderstand and overestimate their nutritional quality and healthfulness. This results in higher consumption of such products, thereby enhancing consumers' risk of experiencing adverse health effects.

MAIN FINDINGS

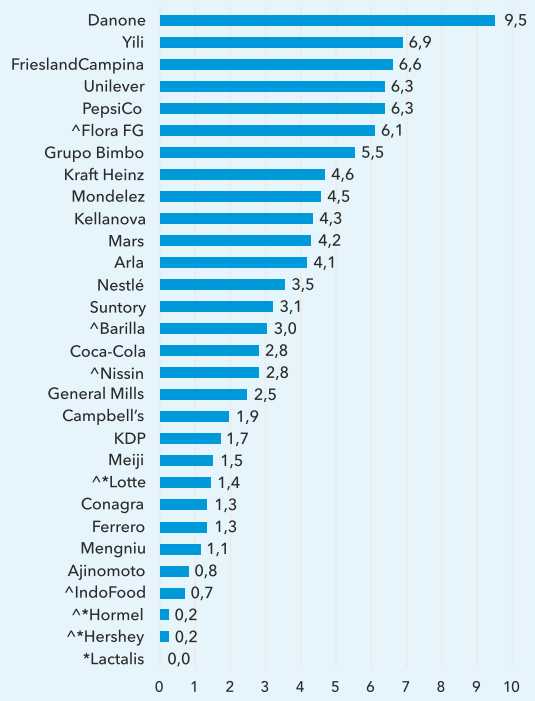
More than half of the companies assessed have set at least one time-bound target relating to the reduction of sodium, saturated fats, and/or sugar levels (i.e., nutrients of concern) within their portfolios, with 11 companies assessed in the 2021 Global Index adopting at least one new target since then.

Encouragingly, more companies are recognising the need to lower sodium and sugar levels in their portfolios. The majority of companies (73% with sodium-relevant portfolios and 57% with sugar-relevant portfolios) have global targets in place (a substantial increase since the 2021 Global Index). However, there is significant variation in the comprehensiveness and transparency of these targets, including how companies report against them. Only three companies have sodium targets that are aligned with or stricter than WHO's sodium benchmarks, and just over half of companies with sugar targets use the WHO-recommended definition for free/total sugars (rather than 'added sugars').

Relatively fewer companies have set targets to reduce saturated fats or increase positive components, such as FVNL or wholegrains. For five companies, no evidence was found that they have comprehensively eliminated iTFAs from their portfolios, nor do they have targets in place to do so.

Just two companies have a policy in place to only fortify a product if it meets a definition of 'healthier' according to an internationally recognised NPM. A further eight use other criteria or considerations of 'healthiness' when determining which products to fortify.

COMPANY SCORES ON PORTFOLIO IMPROVEMENT /10



** Did not provide information to ATNI*
^ Not assessed in 2021

Sodium reduction targets and reporting: Of the 26 companies with portfolios for which sodium reduction is relevant, 19 have some form of sodium target in place (six of these are part of broader targets to meet the company's criteria for multiple nutrients of concern). Twelve have been introduced since the 2021 Global Index, either for the first time (Conagra, General Mills, Mondelez, and Yili) or are replacing expired targets. All but one of these targets are global in scope, and 12 apply to all applicable product categories. For example, as part of the 2021 Tokyo N4G Summit, members of the International Food and Beverage Alliance (IFBA) committed to a common set of global targets for 2025 and 2030, which set maximum salt content levels in 40 sub-categories of products.

Only three companies (Mars, PepsiCo, and Yili) have targets that are aligned with or are stricter than WHO's sodium benchmarks, of which only PepsiCo's applies to all applicable product categories.

TABLE B2.1.

OVERVIEW OF COMPANIES WITH REFORMULATION TARGETS IN PLACE AND WHICH SHARED QUANTITATIVE EVIDENCE OF PROGRESS, PER NUTRIENT OF CONCERN

Company	Nutrition criteria *	Sodium	Sugar	Saturated fat
Ajinomoto			#	#
Arla		^ #	• #	#
Barilla		•	• #	
Campbell's	#	^ #	/	
Coca-Cola		N/A	^ #	N/A
Conagra		^ #		
Danone	• /	N/A		
Ferrero		•		
Flora FG		^ #	• #	• /
FrieslandCampina	^ /	^ /		
General Mills		•	#	
Grupo Bimbo	• /		^	^
Hershey			#	
Hormel		#		
IndoFood		#	#	#
Kellanova	/	• /	#	
KDP		N/A	•	N/A
Kraft Heinz	• /			
Lactalis				
Lotte		^	^ /	
Mars	^ #	^ + #	^ #	^ #
Meiji			/	#
Mengniu			/	
Mondelez	^ #	• /		
Nestlé		• /	#	
Nissin		^ #	^ #	
PepsiCo		• + /	^ #	• /
Suntory		°	^ #	
Unilever	• /		^ #	•
Yili		^ + /	• /	• /

* The company has a proportional target/reporting to comply with nutrient criteria, i.e. set of thresholds for each nutrient of concern that must be met simultaneously for a product to be in 'compliance'. A symbol in this box therefore, in effect, applies to each of the nutrients of concern. Some companies with such criteria may also have additional targets/reporting specific to a nutrient of concern on top of their targets/reporting nutrition criteria.

• Target that applies to all markets and applicable product categories
^ Target that only applies to specific markets and / or applicable product categories
\+ Aligned with/stricter than WHO's sodium benchmarks
/ Reports or confidentially shared quantitative evidence of progress across all markets and applicable product categories
Reports or confidentially shared quantitative evidence of progress for specific markets and/or applicable product categories

Of the 19 companies with sodium reduction targets (including those that relate to broader targets to meet the company's criteria for multiple nutrients of concern), 14 have published theirs in full in the public domain. Of these, six (Ferrero, FrieslandCampina, Grupo Bimbo, Kraft Heinz, PepsiCo, and Unilever) publicly report on progress against these targets; two (Mars and Kellanova) report on sodium reduction using a different metric; and six (Arla, Barilla, General Mills, Lotte, Mondelez, and Nestlé) do not report against their publicly available targets. Conagra and Yili have partially disclosed targets and report on their progress against them. The remaining three companies (Campbell's, Flora FG, and Nissin) have sodium-related targets in place, but neither publish nor report on progress on them.

Of the 19 companies with sodium reduction targets (including those that relate to broader targets to meet the company's criteria for multiple nutrients of concern), 14 have published theirs in full in the public domain. Of these, six (Ferrero, FrieslandCampina, Grupo Bimbo, Kraft Heinz, PepsiCo, and Unilever) publicly report on progress against these targets; two (Mars and Kellanova) report on sodium reduction using a different metric; and six (Arla, Barilla, General Mills, Lotte, Mondelez, and Nestlé) do not report against their publicly available targets. Conagra and Yili have partially disclosed targets and report on their progress against them. The remaining three companies (Campbell's, Flora FG, and Nissin) have sodium-related targets in place, but neither publish nor report on progress on them.

Sugar targets and reporting: 17 of the 30 companies assessed (57%) have some form of target in place to reduce levels of sugars (of which eight are part of a broader target to meet the company's overall criteria for multiple nutrients of concern). Since 2021, 11 sugar-related targets have been introduced.
Nine of the 17 companies have set targets in terms of free/total sugars (the definition of 'sugar' recommended by WHO), of which all are global in scope. However, only three of these companies (Danone, Kraft Heinz, and Yili) apply such targets to all relevant product categories, with while FrieslandCampina, Lotte, Mondelez, Nissin, and Unilever limited to specific product categories.

MONITORING ITFA ELIMINATION BY IFBA MEMBERS

In 2023, ATNI was commissioned by WHO to monitor progress on the 2019 commitment made by 11 companies of the IFBA to eliminate iTFA in products, using data from 14 markets. The results can be found here.

No levels above the WHO iTFA recommendation (iTFA <2 g per 100 g of total fat) were found, reinforcing that reformulation and replacement of harmful iTFA in food products is feasible.

ATNi, supported by Resolve to Save Lives, is continuing its work on this topic by looking into the role of global suppliers of edible fats and oils in eliminating iTFAs from food supplies.

The remaining eight companies' targets are in terms of 'added sugars' only, of which only Arla, Flora FG, and Keurig Dr Pepper (KDP)'s cover all markets and product categories.

Of the 17 companies with sugar reduction targets (including those that relate to broader targets to meet the company's criteria for multiple nutrients of concern), 13 have published theirs in full in the public domain. Of these, seven (Danone, FrieslandCampina, Grupo Bimbo, Kraft Heinz, PepsiCo, Suntory, and Unilever) publicly report on progress against these targets, while six (Arla, Barilla, Coca-Cola, KDP, Lotte, and Nestlé) do not report specifically against their public sugar-related targets. Four companies (Mondelez, Nissin, Flora FG, and Yili) have not published their sugar-related targets.
Five companies (Campbell's, Kellanova, Lotte, Meiji, and Mengniu) report quantitatively on their sugar reduction efforts, but do not have targets in place.

Saturated fats targets and reporting: Of the 27 companies with saturated fats-relevant portfolios, 10 (37%) have some form of target to reduce saturated fats levels (of which six are part of a broader target to meet the company's criteria for multiple nutrients of concern).

Seven targets have been introduced since 2021. While each of the 10 companies' saturated fats targets are global in scope, six are applied to all applicable product categories, while four are applied to specific product categories.

Of the 10 companies with saturated fats reduction targets (including those that relate to a broader target to meet the company's criteria for multiple nutrients of concern), seven have published theirs in full in the public domain. Of these, five (Danone, FrieslandCampina, Grupo Bimbo, Kraft Heinz, and PepsiCo) publicly report on progress against these targets. Three companies (Campbell's, Flora FG, and Yili) have not published their saturated fats-related targets.

Elimination of iTFAs: Of the 20 companies with portfolios that are at risk of containing iTFAs, 12 state they have eliminated or reduced iTFAs in line with the WHO threshold of 2g per 100g of total fat; while Nissin shared that it has done so according to the Japanese government's recommendation (0.3g/100g of product). Of these 12, seven (Grupo Bimbo, Mars, Mondelez, Nestlé, PepsiCo, Unilever, and Flora FG) provide information about their processes to ensure compliance and prevent the reintroduction of iTFAs, primarily through supplier specifications. PepsiCo, for example, stated it also works with suppliers to implement best practices to prevent incidental iTFA formation, while three companies indicated that they conduct 'audits' of their products.

In addition, two companies (IndoFood and Meiji) have time-bound targets in place to eliminate or limit iTFAs in specific product categories globally.
However, five companies (Ajinomoto, Hershey, Hormel, Kraft Heinz, and Lotte) have not publicly stated or shared evidence that they have eliminated iTFAs from their portfolios, nor publicly set any ambitions to do so in the future.

Targets and reporting for FVNL and whole grains: Of the 20 companies with relevant portfolios, a total of seven have set targets relating to FVNL (four companies) and whole grain (six companies) content.

PepsiCo and Unilever have targets in place to increase levels of a range of 'positive' ingredients, among which both FVNL and whole grains are included, across all markets. However, in both cases, the targets can be achieved without increased FVNL or whole grain content by a specific amount. Only Mars has a global target for increasing sales of products using FVNL as ingredients, while Nestlé and General Mills, through their joint venture Cereal Partners Worldwide, have a target to ensure that 100% of their cereals will have whole grains as the first ingredient. Barilla and Nissin have set separate targets specifically to increase levels of FVNL and wholegrains, although neither company applies their targets across all applicable product categories and markets.

Only Kellanova has started reporting progress on increasing their use of FVNL across all relevant product categories globally, while Nestlé shared evidence of doing so for whole grains across all relevant categories (although this is not publicly reported). Five companies (Ajinomoto, Campbell's, General Mills, Mars, and Nissin) provide quantitative evidence of progress in increasing FVNL use across specific categories, and three companies (Barilla, General Mills, and Nissin) do so for increasing whole grain content. While PepsiCo and Unilever report on their overall progress against their 'positive nutrition' targets, they do not report specifically in terms of FVNL or whole grain content.

No company specifically relates their targets and/or reporting to the use of unprocessed or minimally processed FVNL (which is acknowledged by WHO to be preferable), nor are they explicit about how this content is defined. Regarding whole grains, only Nissin's target includes a definition which aligns with The Whole Grain Initiative's definition of 'whole grain products' (i.e., must contain at least 50% whole grain ingredients based on dry weight); although this target is not in the public domain.

Responsible fortification practices: 13 companies state that, when fortifying products, they follow the CODEX CAC/GL 9-1987 and/or WHO/FAO guidelines on food fortification with micronutrients, which provide international guidance on the appropriate selection and levels of micronutrients to use in fortification.

Ten companies limit the kinds of products that they choose to fortify, based on a consideration of their healthiness. Two companies (Arla and Grupo Bimbo) only fortify products considered 'healthier' according to the thresholds of an internationally recognised/

government-endorsed Nutrient Profiling Model (NPM) (in each case, this is the Health Star Rating (HSR) score of 3.5 or above), thereby ensuring that unhealthy products are not fortified. Danone also uses the HSR for this purpose, using a threshold of 2.5 stars instead of 3.5.

Meanwhile, two companies (FrieslandCampina and PepsiCo) use their own nutrition criteria (which have maximum thresholds for each key nutrient of concern, but are less strict than an internationally recognised/ government-endorsed NPM). Five companies (Flora FG, Kellanova, Mars, Mondelez, and Unilever) shared evidence that they take into consideration the overall healthiness of a product when deciding whether to fortify or not, but do not require compliance with specific nutrition criteria.

LEVELS OF FOOD PROCESSING AND HEALTH EFFECTS OF HIGHLY- AND ULTRA-PROCESSED FOODS (UPFS)

ATNi has been closely monitoring the debates and policy developments regarding UPFs and, in April 2024, we published a discussion paper on the topic. For this index, ATNi did not assess levels of processing of products, but asked companies about their position on the link between highly processed foods and adverse health impacts, and whether they have strategy to address this link.

Ten of the 25 engaging companies responded to ATNi regarding a statement on the link between highly- or UPFs and adverse health outcomes. In each case, these companies emphasised that the evidence on cause and effect is weak, and stressed the benefits of food processing for the nutritional quality, adequacy, and safety of products. These responses are similar to industry sentiments that ATNi heard at the end of 2023, when it proposed to include an assessment on levels of processing in the product profile assessment.

As more than one third of the engaging companies provided a statement, ATNi considers this a clear sign that the food industry has realised that the scientific debate and policy discussions on highly-/UPFs cannot be ignored. ATNi aims to support any efforts from policymakers to develop clear standards and regulations on this topic. Following this, a constructive dialogue should be organised between industry and other stakeholders on the options for industry actors to comply with new standards and regulations. In the interim, ATNi believes companies should ramp up efforts to reformulate towards healthier portfolios.

KEY RECOMMENDATIONS FOR THE SECTOR

ONLY THREE COMPANIES HAVE SODIUM TARGETS THAT ARE ALIGNED WITH OR STRICTER THAN WHO'S SODIUM BENCHMARKS

It is encouraging that an increasing number of companies have set time-bound reformulation targets, particularly with regards to sodium and sugar reduction. However, there is still scope for most companies to improve the comprehensiveness, specificity, and consistency of their targets and reporting, as well as their alignment with the latest international guidance and benchmarks. There is also considerable scope for companies to adopt responsible fortification practices.

To this end, all companies are encouraged to:

1 Evaluate

- Assess the healthiness of their entire portfolios to identify key risk areas regarding nutrients of concern, as well as opportunities for improvement by reformulation – with particular reference to the latest international guidance and benchmarks, such as WHO's sodium benchmarks.
- Explore opportunities to increase the amounts of minimally processed FVNL and wholegrains used as ingredients across their product portfolios.
- Monitor their portfolios for the presence of iTFAs, beyond the WHO threshold of 2g per 100g of total fat.

2 Transform

- Develop a comprehensive reformulation strategy and set ambitious targets that are specific, measurable, and time-bound, to reduce nutrients of concern, eliminate iTFAs, and increase positive ingredients across their product portfolios.
- Ensure that new product developments do not exceed set nutrient thresholds.
- Develop a policy to only fortify products that are defined as 'healthier' according to an internationally recognised NPM, while strictly adhering to the CODEX CAC/GL 9-1987 and/or WHO/FAO guidelines on food fortification with micronutrients.

3 Disclose

- Report on reformulation progress using consistent and comprehensive quantitative metrics for each nutrient of concern and positive ingredient, and publish the results annually.

NOTES AND REFERENCES

[XIX] World Health Organization (2021) WHO Global Sodium Benchmarks for Different Food Categories. Geneva: World Health Organization. Available at: https://www.who.int/publications/i/item/9789240025097 (Accessed: 28/10/2024).

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[XXIII] Global Nutrition Report (GNR) (2021) IFBA Global Sodium Reduction Commitment. Available at: https://globalnutritionreport.org/resources/naf/tracker/commitment/ifba-global-sodium-reduction-commitment/ (Accessed: d28/10/2024).

[44] 'Relevant portfolio' in the context of this chapter means that the company has a significant amount of products in product categories that typically contain the nutrients/food components discussed.

[45] Sodium was not considered to be a nutrient of concern for Coca-Cola, Danone, KDP, and Suntory's portfolios.

[46] According to WHO, 'free sugars' refers to all sugars added to foods and beverages by the manufacturer, as well as those naturally occurring in honey, syrups, fruit juices, and fruit juice concentrate. 'Total sugar' also includes intrinsic naturally occurring sugars (e.g. part of the cell structure of fruits and vegetables). The term 'added sugar' typically excludes those sugars naturally occurring in honey, syrups, fruit juices, and fruit juice concentrate.

[47] Saturated fats was not considered to be a nutrient of concern for Coca-Cola, KDP, and Suntory's portfolios.

[48] FVNL and wholegrains were not considered to be relevant for the following portfolios: Arla, Coca-Cola, Danone, Flora FG, FrieslandCampina, Lactalis, KDP, Mengniu, Suntory, and Yili.

CATEGORY REPORT

NUTRIENT PROFILING MODELS FOR REPORTING PURPOSES (5%)

To enable stakeholders to hold companies to account for their impact on consumers' diets and to further motivate companies to make improvements in the healthiness of their portfolios, it is important that companies publicly disclose the proportion of their sales that meet a robust definition of 'healthier'.

To date, there is no single agreed-upon way to define and report on the healthiness of food and beverage products, which hampers stakeholders' efforts to interpret, understand, and compare companies' product portfolios.

However, a nutrient profiling model (NPM) – a tool used to classify or score food products according to their nutritional composition and impact on health – can be used to evaluate the nutritional quality of foods and highlight what food choices contribute to a healthy diet.

There are numerous internationally recognised/ government-endorsed NPMs[49] that can be used to define 'healthier' products.[XXVI] These NPMs are based on independent, scientific evidence regarding healthy diets and food components' impact on public health; undergo thorough and extended peer-review processes; and include comprehensive documentation on the way they are governed, which is available in the public domain.

WHAT DOES GOOD PRACTICE LOOK LIKE?

The company uses an internationally recognised/ government-endorsed nutrient profiling model (NPM):

- **AS THE PRIMARY REPORTING METRIC for disclosing its proportion of 'healthier' sales (i.e., published annually in its annual reporting and website).**
- **TO COVER ALL APPLICABLE PRODUCTS IN ALL MARKETS**
- **IN PUBLISHING ITS SALES RESULTS BY PRODUCT CATEGORY AND BY REGION AND/OR COUNTRY, including the percentage of products classified as 'healthier' and 'less healthy'.**
- **THAT INCLUDES THE METHODOLOGY APPLIED, including details on:**
  - **Which product categories (and any other relevant products) were included/excluded;**
  - **Which markets were included/excluded;**
  - **How products were categorised using the model's product classification system;**
  - **Whether scores are calculated 'as sold' or 'as prepared/consumed' (and, if so, how);**
  - **Whether the reporting/comparison is in terms of sales value, sales volumes, or other;**
  - **Any deviations from the NPM guidelines.**

SECTOR ALIGNMENT ON NPM USE:

Sector alignment on NPM use: To spur greater alignment on the use of NPMs, ATNi conducted a three-round Delphi process in 2023 and 2024. Involving 86 experts from 14 countries, the aim was to bring increased understanding and harmonisation to the food and beverage sector on the NPMs used to define, measure, and report on healthy foods. Three NPMs were found to be most appropriate for public reporting on the healthiness of companies' product portfolios: the Health Star Rating (HSR), Nutri-Score, and the UK 'Traffic Light' NPM. Full details of this process can be found here. The Delphi process also identified a range of elements that should be part of a standardised reporting framework, most of which received high levels of agreement between industry actors, investors, and academia/civil society. These are outlined in the Proposed Reporting Guidelines.

While most government-endorsed NPMs include clear guidelines specifying how they should be applied, it is also important that companies reveal full details on how they apply them, including any deviations and/or assumptions made and other factors that can influence their reporting. This ensures that external stakeholders can understand precisely how the results were calculated and, in theory, replicate the company's approach and come to the same results.

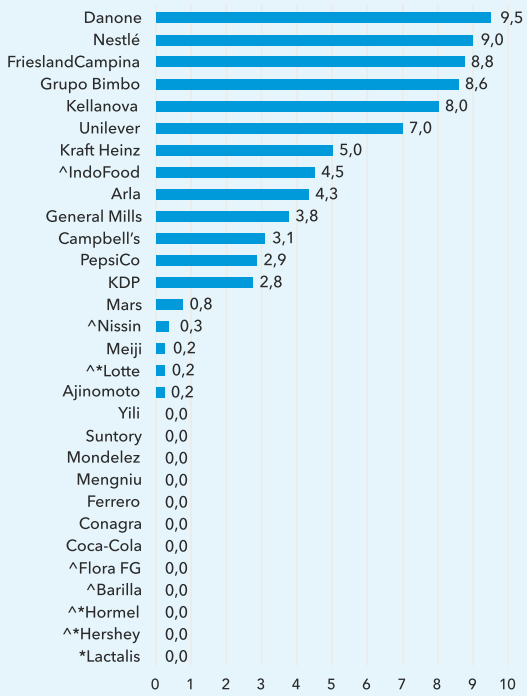
MAIN FINDINGS

Nine of the 30 companies assessed use government-endorsed NPMs to report on the healthiness of their portfolios in some way (Table B3.1.). Although there is variation between them in the quality, coverage, and transparency of reporting, along with significant scope to improve, this is a major development – as more companies are signalling a willingness to report on healthiness using international models.

A further nine companies report on the healthiness of their portfolios using their own models (three) or other ways of defining 'healthier' (six), although the value of reporting with such models is limited for external stakeholders, especially investors and policymakers.

However, 60% of the companies assessed now publicly report on the healthiness of their portfolios in some way, compared to only 44% in the 2021 Global Index, indicating that this practice has become more mainstream among food and beverage manufacturers. Yet, given the significant variability in reporting quality, there is a substantial need for a standardised framework for reporting on portfolio healthiness.

COMPANY SCORES ON PORTFOLIO IMPROVEMENT /10



** Did not provide information to ATNI*
^ Not assessed in 2021

Use of a government-endorsed NPM:
Six companies (Arla, Danone, Grupo Bimbo, Nestlé, FrieslandCampina, and Unilever) use a government-endorsed NPM to annually report on the relative percentage of their total (global) sales revenue derived from products defined as 'healthier' (Table B3.1.). All have adopted this practice since the 2021 Global

Index.
PepsiCo, Indofood, and Kellanova were also found to use a government-endorsed NPM for reporting purposes, respectively using Nutri-Score, the Indonesian government's 'Healthier Choice' criteria, and HSR (>4 star, rather than typically used >3.5 stars). However, their reporting was more limited, covering only certain geographies (PepsiCo and Indofood), portfolio scope (PepsiCo), and/or being published on a less than annual basis (Kellanova).

The reporting metrics were also not easily comparable: PepsiCo reports in terms of the absolute value of retail sales, Kellanova reports in terms of the percentage of its product portfolio, and Indofood reports the absolute number of products.

Prominence of reporting: Six companies that report using a government-endorsed NPM – Arla, Danone, Grupo Bimbo, Indofood, Kellanova, and Nestlé – do so in their annual reports, prominently on their main 'Nutrition' webpages, and/or using it as the basis of their healthy sales targets, indicating that this is one of their primary metrics for reporting on portfolio

TABLE B3.1.
OVERVIEW OF COMPANIES' USE OF NPMS FOR REPORTING PURPOSES

	NPM used for reporting	Reporting metric	Scope (geographic/ portfolio)	Methodo-logical transparency
Arla	HSR	% sales volume	Global / complete	Limited
Danone	HSR, Nutri-Score	% sales volume	Global / complete	Full
Grupo Bimbo	HSR	% sales (not clear)	Global / complete	Medium
Nestlé	HSR	% sales value	Global / complete	Medium
FrieslandCampina	Own criteria (per 100g/ml) HSR	% sales volume	10 markets / complete	Full
Unilever	Own criteria (per serving) HSR & 5 others[50]	% sales volume & value	Global / complete	Limited
Kellanova	Own criteria (per 100g/ml) HSR	% portfolio	Global / complete	Limited
PepsiCo	Nutri-Score	Sales value	EU markets / snacks	Medium
IndoFood	Healthier Choice (ID)	No. of products	Indonesia / complete	Limited
Campbell's	Own criteria (per 100g/ml)	% sales value	US & Canada / complete	Medium
Mars	Own criteria (per serving)	% sales volume	Global / 'Mars Food & Nutrition' (10% overall sales)	Medium
Kraft Heinz	Own criteria (per serving)	% sales volume	Global / complete	Full

healthiness.
Meanwhile PepsiCo's reporting using Nutri-Score is published on a third-party website, which can be accessed via the company's main 'Nutrition' webpage. FrieslandCampina and Unilever's sales reporting using the HSR is currently only found in separate 'benchmarking' reports, in which they compare the sales percentages of products that meet their own nutrition criteria against government-endorsed NPMs (a practice also conducted by Arla, Danone, Grupo Bimbo, Kellanova).

While this is useful for transparency and demonstrates a commitment to reporting on healthiness in a standardised way, it is important that companies publish the results more prominently in their overall reporting to ensure accessibility for stakeholders.

Transparency in applying the model: Of the nine companies found to apply a government-endorsed NPM for reporting purposes, two (Danone and FrieslandCampina) clearly publish (or make available upon request) all the key methodological details needed to understand how the model was applied to their portfolios. This includes which product categories and markets were included, how products were categorised, whether calculations are as sold or as consumed, and the reporting units.

At least one key detail was missing in each of the other seven cases, and for Arla and Indofood, limited details were disclosed. This lack of key methodological information reduces the replicability, and therefore the

GRANULARITY OF REPORTING USING A GOVERNMENT-ENDORSED NPM:

The granularity of reporting was not specifically covered within ATNi's 2024 Global Index questioning and methodology. However, it is worth noting that many of the companies using government-endorsed models already offer additional layers of granularity in their reporting, in addition to publishing the overall result. These were identified in the NPM Alignment Proposed Reporting Guidelines:

Reporting against multiple different government-endorsed NPMs:
- **Danone: HSR and Nutri-Score**
- **Nestlé: 10 different models (only at market-level for the respective markets)**
- **Unilever: 6 different models**

Breakdown of results by market/product categories (using the same model):
- **Grupo Bimbo: all 12 regional/market subsidiaries; major product categories**
- **Unilever: top 16 markets**
- **Indofood: product categories (number of products)**

Distribution across the different healthiness ranges of a particular model:
- **Grupo Bimbo: HSR ≤2.5, 3, ≥3.5**
- **Kellanova: HSR 0.5-1, 1.5, 2-2.5, 3-3.5, 4-5**
- **Nestlé: HSR ≤1.5, 1.5-3.5, ≥3.5**
- **PepsiCo: Nutri-Score –A-B, and conversion of products classified E-D to C**

This demonstrates the feasibility of the Proposed Reporting Guidelines, since companies are already setting a precedent in using their own initiative, but also highlights the need for more standardised guidelines.

credibility, of the results.

Use of companies' own NPMs and other systems: Six companies – Campbell's, Mars,[51] and Kraft Heinz, as well as FrieslandCampina, Kellanova,[52] and Unilever, as previously mentioned – use their own NPMs as the primary reporting metric for portfolio healthiness. These include (at minimum) maximum thresholds for each nutrient of concern (sodium, saturated fats, and sugar), which must all be met. Each of these companies report on the healthiness of their portfolios in terms of sales, with the exception of Kellanova, which reports on the percentage of products in its portfolio. Campbell's, FrieslandCampina, and Kellanova use 'per 100g/ml/kcal' as the reference value for each threshold, whereas the other companies use 'per serving' (a measure often set by the company, which requires product labelling data to understand) for at least one nutrient of concern.

A further six companies were found to report on portfolio healthiness using other definitions of 'healthier'. They either do not require products to meet maximum thresholds for each key nutrient of concern in order to qualify (General Mills, KDP, Meiji, and Nissin), or publish insufficient details about their definitions of 'healthier' (Ajinomoto and Lotte). Reporting using their own definitions of 'healthier' may have value for the company, acting as a key performance indicator (KPI) to track improvement over time. However, given the lack of comparability and external validation of such models or approaches (relative to using international models), this approach has lesser value for external stakeholders, especially investors and policymakers.

KEY RECOMMENDATIONS FOR THE SECTOR

The findings of this category indicate that companies' reporting on portfolio healthiness has become a more mainstream practice, and that there is a greater appetite among them for using government-endorsed models to do so. However, standardised reporting is needed to ensure transparency, offer a level playing field, allow for comparisons of portfolios and reformulation efforts, and provide clear directions for nutrition-focused reporting and investment.

60% OF THE COMPANIES ASSESSED NOW PUBLICLY REPORT ON THE HEALTHINESS OF THEIR PORTFOLIOS IN SOME WAY, COMPARED TO ONLY 44% IN 2021

Therefore, as per ATNi's Proposed Reporting Guidelines, companies are encouraged to:

1 Evaluate

- Adopt a government-endorsed NPM and measure the 'healthiness' of its full portfolio by each product category and country.

2 Transform

- Commit to annually reporting on the healthiness of their full global sales and portfolios using at least one government-endorsed model. In doing so, ensure that relevant systems are in place to capture all nutrient, micronutrient, and sales data, by product category and by country.
- Appoint external auditors to ensure the NPM is correctly applied to their portfolios, and that results are accurate.

3 Disclose

- Publicly report the sales value and volume results for all products eligible to be assessed according to the NPM, within their overall portfolios globally.
- Set an example by also disclosing results regarding the percentage of products classified as healthier and less healthy, by product category and by market. A distribution of results classifying healthiness should also be applied.
- Reveal all key details of how the NPM guidelines were applied, the data sources used, missing values, relevant inclusion/exclusion of products, and any deviations from the NPM guidelines.

NOTES AND REFERENCES

49 World Internationally recognised/government-endorsed models are NPMs that have been developed or endorsed by governmental or intergovernmental organisations as part of their nutrition-related policies and regulations. Henceforth, where we use 'government endorsed NPM' in the text, we are referring to both internationally recognised and government-endorsed NPMs.

50 Unilever annually benchmarks its Unilever Science-based Nutrition Criteria (USNC) against six government-endorsed models: the UK 'Traffic Light' NPM, Nutri-Score, HSR, Chile's 'Warning' logo, Choices International, and the Healthy Choice Symbol (HCS) used in Singapore.

51 Only its 'Mars Food and Nutrition' segment, which represents around 10% of the company's 'human food' sales, according to EMI estimates.

52 Kellanova's reporting against the Kellanova Global Nutrition Criteria (KGNC) was considered its primary metric, given that it reports using this annually (only using HSR for reporting in one report) and has set a healthy sales target using this model.

CATEGORY REPORT

WORKFORCE NUTRITION (5%)

Workforce nutrition programmes have been identified by the World Health Organization (WHO) as a key means of addressing malnutrition at scale, given that 58% of the global population spends at least one-third of their adult lives in the workplace.[1]

Studies have found returns on investment of 6:1 for workforce health programmes that incorporate nutrition – finding positive associations with productivity and cognitive ability, along with reduced absenteeism, medical costs, and rates of accidents/ mistakes.[2]

Workforce nutrition programmes have also been shown to increase employee morale and motivation, improve employer/employee relations, and reduce staff turnover. In addition, such programmes can help facilitate a company culture with a greater focus on nutrition in its business practices.

The Workforce Nutrition Alliance, a partnership between the Global Alliance for Improved Nutrition (GAIN) and the Consumer Goods Forum (CGF), established in 2019, has identified four main types, or 'pillars', of effective workforce nutrition interventions for companies' employees:

WHAT DOES GOOD PRACTICE IN WORKFORCE NUTRITION LOOK LIKE?

The company has the following in place, across all its markets:

WORKFORCE NUTRITION PROGRAMME:
That is available to all employees, including manufacturing workers, and includes outcome-focused targets or key performance indicators to measure progress covering the following elements:

- **Healthy food at work**
- **Nutrition education**
- **Nutrition focused health checks.**

MATERNITY LEAVE OF AT LEAST SIX MONTHS
(as recommended by the World Health Organization (WHO)), and paid secondary caregiver leave beyond legal requirements.

BREASTFEEDING PROVISIONS IN THE WORKPLACE Such as private, hygienic, safe rooms; paid breaks to express breast milk; refrigerators to store breast milk; and other flexible working arrangements to support breastfeeding mothers.

PROGRAMMES TO IMPROVE NUTRITIONAL OUTCOMES FOR WORKERS IN ITS SUPPLY CHAINS
that are at heightened risk of experiencing malnutrition, such as farmers in low- or middle income countries (including smallholders), across multiple supply chains.

Healthy food at work: programmes that focus on increasing employees' access to healthy and safe foods at work – either through direct provision or subsidy, or by increasing the availability of healthy food options in the setting.

Nutrition education: programmes aiming to change the nutrition and/or lifestyle behaviours of employees by increasing their knowledge of healthy nutrition.

Nutrition-focused health checks: offer employees periodic, one-to-one meetings with a health or nutrition professional to assess, and usually discuss, the employee's nutritional health.

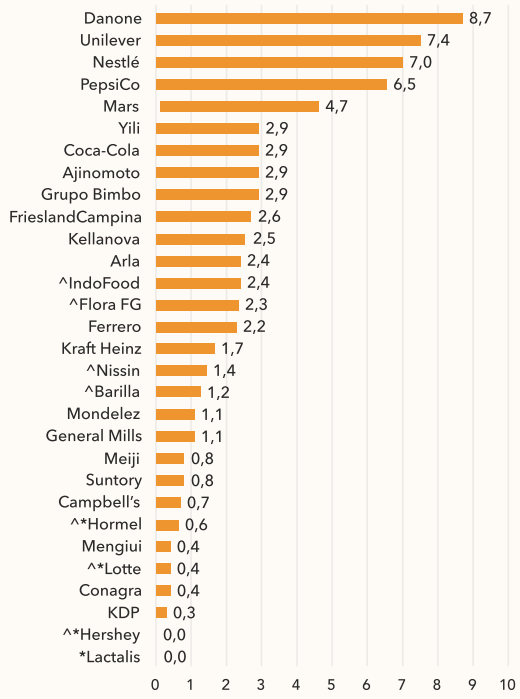
Breastfeeding support: programmes and company policies (such as paid caregiver leave and facilities in the workplace) that enable working mothers to breastfeed exclusively for six months and continually for up to two years.

While breast milk is the ideal food for infants and one of the most effective ways to ensure child health and survival, breastfeeding is also associated with health benefits for the mother.[3] WHO and the United Nations Children's Fund (UNICEF) recommend that children be exclusively breastfed for the first six months of life, after which they should receive complementary foods with continued breastfeeding up to two years of age or beyond.[4]

Given that longer maternity leave is associated with a longer duration of breastfeeding, it is crucial that employers play a supporting role.[5]
There is evidence that paternity leave indirectly supports extended breastfeeding: studies have found that fathers who take paternity leave are more involved in childcare and other unpaid labour at home, which supports mothers' breastfeeding and reduces their likelihood of post-partum depression, in turn benefitting infant health.[6]

This category assesses the extent to which companies offer these measures for their employees globally, beyond minimum legal requirements, as well as whether companies support the health and nutrition of workers in their supply chains.

WORKFORCE NUTRITION SCORES
PER COMPANY (/10)



** Did not provide information to ATNI*
^ Not assessed in 2021

MAIN FINDINGS

Fourteen of the 30 companies assessed shared evidence of having a formal programme or policy in place for at least one of the first three workforce nutrition pillars listed above, while a further 11 companies shared evidence of addressing these pillars in a more limited way (Table E.1.).

Whereas 60% were found to offer nutrition support to employees in the 2021 Global Index, this has increased to over 80% in this iteration, with at least 14 companies having improved their practices across one or more of these three pillars.

Meanwhile, 26 companies offer some form of support for breastfeeding mothers in their workforce beyond regulatory requirements – an increase from 72% to 87% since the 2021 Global Index.

However, only four companies (Ajinomoto, Danone, Nestlé, and Unilever) offer a clearly defined workforce nutrition programme or policy that covers all four workforce nutrition pillars, and also has targets or key performance indicators (KPIs) in place per pillar. Just one company, Danone, offers the full range of support measures to all its employees, across all markets.
As indicated by the scores in this category, the majority of companies did not share evidence of consistently offering workforce nutrition benefits across all their markets and worksites (including manufacturing sites), nor do they comprehensively address all pillars. In most cases, companies' reporting on their progress on implementing these measures was also limited.
Only four companies (Danone, Mars, PepsiCo, and Unilever) have taken the step to extend their workforce nutrition support to at-risk workers in their supply chains.

Healthy food at work: Nine of the 30 companies assessed shared clear evidence of systematically offering healthy food in the workplace across multiple markets, as part of a workforce nutrition programme, for example, by systematically offering healthy meal or snack options and/or fruits at subsidised prices or free-of-charge. Danone and Grupo Bimbo shared evidence of offering such benefits in nearly all their markets. Only Danone, Mars, Nestlé, and Unilever shared evidence of doing so for all employees, including manufacturing workers, in each market that their nutrition programme is offered.

Nutrition education: 11 companies shared evidence of offering nutrition education across multiple markets, as part of a workforce nutrition programme. For example, they offer e-learning modules on nutrition, seminars led by nutrition professionals, healthy cooking sessions, and lifestyle coaching. Of these, Coca-Cola, Danone, Nestlé, and PepsiCo shared evidence that this is offered to at least some employees in almost all their markets. Unilever also offers its programme to all employees where currently available, indicating it is in the process of scaling up the programme to all markets.

Nutrition-focused health checks: Nine companies shared evidence of systematically offering nutrition-focused health checks, beyond regulatory requirements, across multiple markets. These were usually integrated into more general health checkups offered by the company. Of these companies, eight offer checks to all employees, including manufacturing workers, in each market this benefit is offered; with Coca-Cola, Danone, Mars, Nestlé, and PepsiCo doing so in almost all of their markets.

Targets and KPIs: 10 companies shared evidence of measuring and driving performance on at least one workforce nutrition pillar through the use of targets and/or KPIs, with Ajinomoto, Danone, Nestlé, and Unilever doing so for each pillar. In the majority of cases, targets and/or KPIs related to tracking the percentage of onsite locations and/or markets which provide the workforce nutrition benefits, or the percentage of employees who have access to or participate in these benefits.

Only a few companies (PepsiCo, for example) were found to measure the 'outcomes' of their programmes, such as health-related results (for example, changes in BMI and blood pressure), behavioural changes, benefits to the company (such as reduced absenteeism, healthcare costs, and increased productivity), or other indicators of impact. This is recommended to evaluate the effectiveness of their programmes, both for their employees and the company.

Only Danone and Nestlé publicly report on each of their workforce nutrition targets and KPIs. In the majority of cases, the specific targets and KPIs, and progress made against them, are kept internal.

Paid maternity and secondary caregiver leave: 12 companies offer at least 14 weeks of paid maternity (or primary caregiver) leave to their employees (the minimum length recommended by the International Labour Organization (ILO)), in at least one market, beyond minimum regulatory requirements.

Of these, Kraft Heinz and PepsiCo are the only companies that voluntarily offer the WHO-recommended leave of 26 weeks in a select number of their markets. Seventeen companies offer paid secondary caregiver leave of 10 days or above (beyond minimum regulatory requirements)* in at least one market, of which 11 offer four weeks or more. Five companies (Campbell's, Conagra, Ferrero, Kraft Heinz, and PepsiCo) were found to have improved their primary- and secondary caregiver leave policies since the 2021 Global Index.

Only six companies (Arla, Danone, Ferrero, Nestlé, PepsiCo, and Unilever) have set a minimum standard for maternity and secondary caregiver leave across all

their markets that exceeds 14 weeks of maternity and 10 days of secondary caregiver leave. In the majority of cases, companies were found to determine the length of maternity and secondary caregiver leave on a market-by-market basis. Without a consistent global minimum standard, they often only follow the regulatory minimum requirements, or have a minimum standard that is less than 14 weeks of maternity leave or 10 days of secondary caregiver leave.

Measures to support breastfeeding in the workplace: Four companies (Danone, Kellanova, Nestlé, and Unilever) state that they provide: 1) private, hygienic, safe rooms for breastfeeding; 2) paid breaks for the expressing of breast milk; 3) refrigerators to store breast milk; and 4) other flexible working arrangements to support breastfeeding mothers. Notably, all four companies provide all of these measures across all their markets, although only Danone shared evidence that these are applied in every worksite per market, including manufacturing sites. The other three companies either do not specify thee extent to which they are offered in each market, or only provide physical measures (1 and 3) in sites with a minimum number of female employees.

While a further 21 companies shared evidence of providing at least one of these four measures (private and hygienic rooms being the most common), they mostly only shared evidence of doing so in specific markets (most commonly their home market), and rarely in all worksites per market. Eleven companies in total shared evidence of providing at least one of these measures in low- and middle-income countries.

That said, at least nine companies were found to have increased their support for breastfeeding mothers in the workplace since the 2021 Global Index. Conagra, Grupo Bimbo, Kellanova, Mondelez, and Yili have either introduced new practices or expanded the scope of existing measures across three of the four aforementioned measures.

* Many countries have mandatory minimum parental or maternity leave requirements that exceed 14 weeks, for which ATNi assumes that companies comply. ATNi only assesses whether companies offer leave that goes beyond regulatory requirements in all markets in which the companies have employees.

TABLE E.1.

COMPANIES OFFERING HEALTHY FOOD AT WORK, NUTRITION EDUCATION, AND NUTRITION-FOCUSED HEALTH CHECKS

Company	Healthy Food at Work	Nutrition Education	Nutrition Focused Health Checks
Ajinomoto	# /	# /	# /
Arla	*	*	
Barilla	#	#	
Campbell's	*	*	
Coca-Cola		• /	•
Conagra			
Danone	• /	• /	• /
Ferrero	*	*	*
Flora FG	*	*	*
FrieslandCampina	#	#	*
General Mills		*	
Grupo Bimbo	• /	# /	# /
Hershey			
Hormel		*	*
IndoFood	# /	# /	
KDP		*	
Kellanova	*	*	*
Kraft Heinz	*	#	*
Lactalis			
Lotte			*
Mars	# /	*	• /
Meiji	*	*	
Mengniu	*		
Mondelez	*	*	
Nestlé	# /	• /	• /
Nissin	*	*	
PepsiCo	*	• /	• /
Suntory	*		*
Unilever	# /	# /	# /
Yili	# /	*	# /

• Clear programme, globally
Clear programme, multiple markets
/ With KPIs and/or targets
* Some evidence in at least one market, but not part of a clear programme

Supporting workforce nutrition in companies' supply chains: Of the 30 companies assessed, four shared evidence of having programmes or initiatives in place that include an explicit goal of improving the health and nutrition of workers in at least one of their supply chains.

For example, Unilever is implementing scaled-up programmes in its tea supply chain across India, Kenya, and Malawi, and its vanilla supply chain in Madagascar; PepsiCo has a large scale programme in place across its agricultural supply chains that includes a specific focus on increasing famers' food security; Danone is supporting strawberry-producing smallholder farmers in Mexico and farmers' families in Bangladesh through nutrition education and provision of healthy food; and Mars and Danone co-fund (with other companies) a programme to improve the livelihoods of cocoa farmers in their supply chains, which includes a focus on developing kitchen gardens.

Although Nestlé was noted for having multiple pilot projects underway in different markets in 2021, as noted in ATNi's Action Research project, it did not share evidence that these have been continued or new projects developed.

KEY RECOMMENDATIONS FOR THE SECTOR

THE MAJORITY OF COMPANIES DID NOT SHARE EVIDENCE OF CONSISTENTLY OFFERING WORKFORCE NUTRITION BENEFITS ACROSS ALL THEIR MARKETS AND WORKSITES

It is encouraging that there has been progress in this area over the last three years. Of the companies assessed, 80% offer some form of workforce nutrition support to their employees, indicating that this practice is becoming more mainstream as companies realise the value of doing so. However, few companies offer the full range of measures available to them, and even fewer do so in all markets and for all their employees. These findings show there is a considerable need for the majority of companies to improve the comprehensiveness, scope, and consistency of their efforts.

To fully leverage the potential that workforce nutrition can offer, companies are recommended to:

1 Evaluate

- In each market in which they have operations, use the Workforce Nutrition Alliance self-assessment scorecards to assess what activities they currently have in place for each workforce nutrition pillar, including the length of paid maternity and secondary caregiver leave and measures to support breastfeeding mothers.

- Conduct needs assessments of the nutrition and health status of workers and smallholder farmers across their supply chains to identify those (at greatest risk of) experiencing malnutrition.

2 Transform

- Develop global workforce nutrition programmes to provide access to healthy food at work, nutrition education, nutrition-related health checks, and breastfeeding support, and make these available to all employees, including those at manufacturing sites. For each of the four pillars, establish measurable targets and/or KPIs to track and drive progress. Ideally, these programmes should become company policy as a minimum standard across all the companes' markets.

- Develop comprehensive global parental policies, offering a minimum standard of at least 18 weeks of paid maternity leave (ILO), and ideally 26 (WHO-recommended) across all markets. Further, the company is also encouraged to extend secondary caregiver leave that exceeds current national regulations.

- Engage and work with suppliers to develop multifaceted and tailored programmes to support the nutrition and health of supply chain workers at highest risk of experiencing malnutrition.

3 Disclose

- Annually publish details of their workforce nutrition programmes and the progress made in implementing each of the four pillars – including the percentage of workers reached and markets offering a defined minimum standard, as well as progress on any additional targets or KPIs that have been set.
- Publish information about their workforce nutrition programmes in their supply chains – in terms of overall progress and what went well and what went wrong – to promote cross-learning and inspire and inform other initiatives.

NOTES AND REFERENCES

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4 World Health Organization (n.d.) Breastfeeding. Available at: https://www.who.int/health-topics/breastfeeding#tab=tab_1 (Accessed: 29/10/2024).

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CATEGORY REPORT

RESPONSIBLE LABELLING (5%)

Providing transparent, comprehensive, and easily understandable information about the nutritional composition and relative healthiness of companies' products, through government-endorsed labelling, can help guide consumers' choices towards products that contribute to healthier diets; help ensure fairer practices in the food trade; and incentivise companies to reformulate their products to compete on healthiness.[1]

Providing comprehensive back-of-pack (BOP) information that adheres to Codex Alimentarius Guidelines on Nutrition Labelling (CAC/GL 2-1985) is a minimum standard expected of food and beverage companies. The World Health Organization (WHO) also recommends the inclusion of interpretive front-of-pack (FOP) labelling, which makes it easier for consumers to quickly and easily understand, at-a-glance, a product's relative healthiness without requiring extensive nutritional knowledge.[2]

However, there is currently a lack of international endorsement for a specific standardised FOP labelling system. An appropriate system should be underpinned by a nutrient profiling model (NPM) that has been developed or adopted by independent government actors, rather than an industry body. Consumer education, led by non-industry actors, is also key.

WHAT DOES GOOD PRACTICE IN RESPONSIBLE LABELLING LOOK LIKE?

The company has the following in place, across all its markets:

COMPREHENSIVELY ADOPTS ALL GOVERNMENT ENDORSED FRONT-OF-PACK (FOP) LABELLING SYSTEMS across its (applicable) portfolio in markets in which it is active, where these labels are endorsed for voluntary adoption.

PROVIDES COMPREHENSIVE BACK-OF-PACK (BOP) NUTRITION INFORMATION according to the Codex Alimentarius guidelines (CAC/GL 2-1985), including expressing nutrients per 100g/ml, on all products in all markets where regulation is less strict and this action is allowed.

REPORTS ON ITS BOP AND FOP COMMITMENTS and the status of implementation per market.

FOLLOWS THE CODEX ALIMENTARIUS GUIDELINES FOR USE OF NUTRITION AND HEALTH CLAIMS and publishes its commitment. This includes only placing nutrition/health claims on products that meet the definition of 'healthy' according to an internationally recognised government-endorsed nutrient profiling model (NPM).

WHO recommends that, ideally, FOP labels be mandatory[3] – yet the organisation has counted at least 28 governments that have formally endorsed an interpretive FOP labelling system for voluntary adoption by companies.[4]

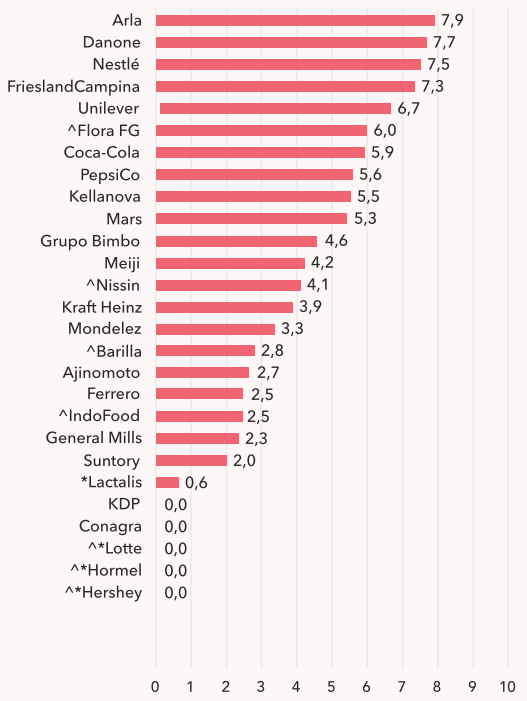
FOP labelling systems take a number of different forms. 'Endorsement' systems, the most common type of voluntary government-endorsed FOP labelling system (adopted by 16 governments*) – such as the Nordic 'Keyhole' and 'Healthier Choice' in various South-East Asian markets[5] – only signpost products that meet a binary 'healthier' threshold. As such, they may be interpreted like health or nutrition claims.[6] On the other hand, warning labels, such the 'stop sign warnings' in Chile, indicate that products are 'unhealthy' if they exceed a threshold for one or more negative nutrients. Such labels are currently mandatory in all markets in which they have been adopted.[7]

Other FOP labelling systems indicate a spectrum of relative healthiness, combining both positive and negative signposting. These include 'summary' systems, combining a range of nutrient criteria, which have been government endorsed in 10 markets on a voluntary basis. For instance, Nutri-Score in Belgium, France, Germany, Luxembourg, Netherlands#, Spain, and Switzerland; the Health Star Rating (HSR) in Australia and New Zealand; and the Traffic Light system in the United Arab Emirates.
Another type is the multiple (nutrient-specific) Traffic Light FOP labelling, which has been endorsed, for voluntary adoption, by four governments (Mongolia, Russia, Saudi Arabia, and the UK).[8] When the adoption of 'negative signposting' FOP labelling systems is voluntary, there is evidence that companies frequently choose not to comprehensively adopt such systems across their portfolios, or at all, given that they would negatively signpost products that contain excessive amounts of nutrients of concern.[9]

Another important element of responsible labelling is the use of health and nutrition claims. These are often used on product packaging and in marketing communications to suggest or imply a relationship between a food (or a constituent of that food) and health, to influence purchasing behaviours and food preferences.[10]
When claims are used on products with high levels of nutrients of concern, this can result in a 'health halo effect', which encourages consumers to misunderstand and overestimate a product's nutritional quality and healthfulness. This leads to higher consumption of such products, and thereby greater risk of adverse health effects.[11]

The responsible labelling category assesses the extent of companies' uptake of voluntary government-endorsed FOP labelling systems – especially those that include 'negative signposting' elements – as well as their alignment with Codex for BOP labelling and approach to health and nutrition claims.

RESPONSIBLE LABELLING SCORES PER COMPANY (/10)



** Did not provide information to ATNI*
^ Not assessed in 2021

THE ADOPTION OF VOLUNTARY FOP LABELS BY COMPANIES IS LIMITED AND INCONSISTENT

MAIN FINDINGS

Fourteen governments have formally endorsed, on a voluntary basis, the use of an FOP labelling system that involves an element of 'negative signposting'. The evidence shared by the 26 companies active in these markets revealed varying degrees of adoption that, overall, is limited and inconsistent. The lack of uptake by a number of major industry players risks reducing the effectiveness of these voluntary FOP schemes in enabling consumers in these markets to make better-informed choices.

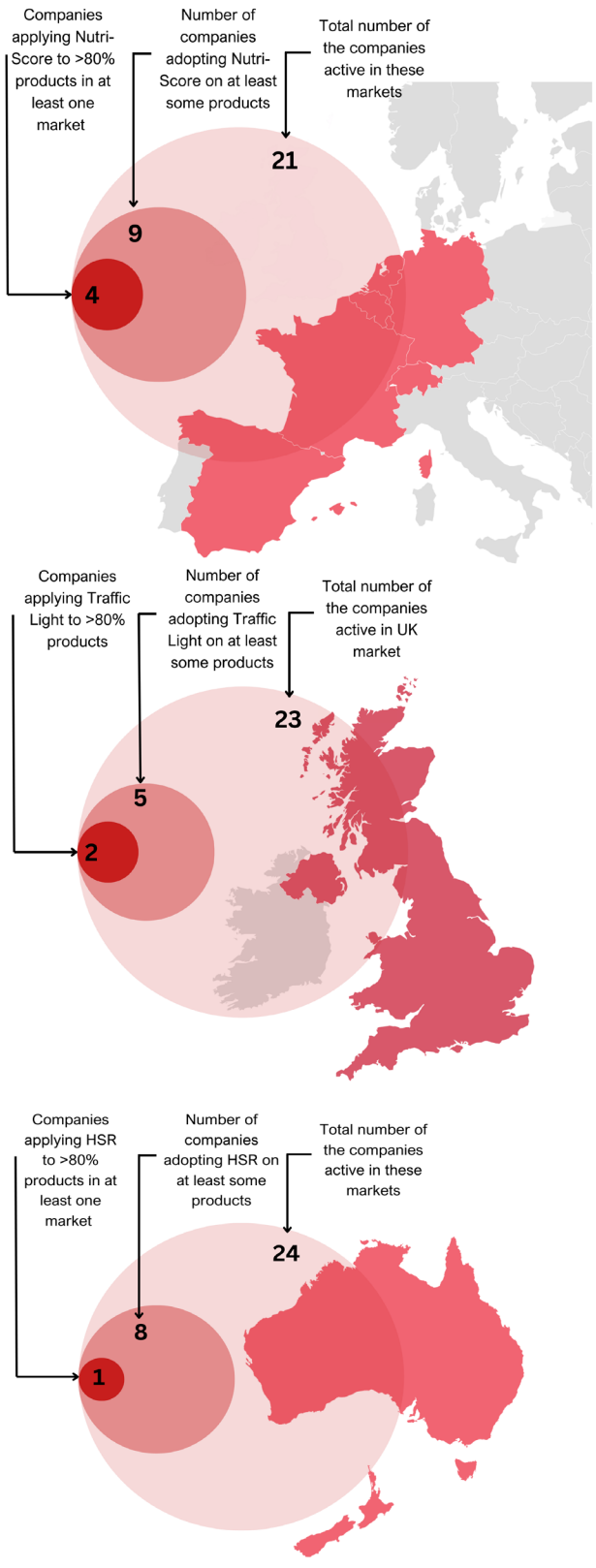
Around two-thirds of the companies assessed have committed to displaying comprehensive BOP nutrient information, in line with Codex Alimentarius Guidelines, where regulation is less strict and this is allowed. However, many of these choose to display figures as 'per serving' rather than 'per 100g/ml', which makes it more difficult for consumers to compare product healthiness across products.

Twenty-five of the 30 companies assessed do not have a policy to prevent health and nutrition claims being made on products that are considered 'unhealthy' according to formal nutrition criteria. Of the five that do, only Arla bases its definition of 'healthier' on nutrition criteria that are aligned with an internationally recognised/government-endorsed NPM.

Uptake of voluntary government-endorsed FOP labelling systems: Of the 26 companies present in the 14 markets with government-endorsed voluntary FOP labelling systems involving a 'negative signposting' element, 11 provided evidence that they implement at least one of these labels in at least one market, for at least part of their portfolios. Most evidence of participation was found for Nutri-Score, HSR, and the UK Traffic Light. The majority of companies active in these markets did not share evidence of participating in any systems, as shown on the right. Seven additional companies shared evidence of only participating in voluntary FOP 'endorsement' systems.

Only seven companies shared evidence of comprehensively applying FOP labelling with 'negative signposting' across their portfolios in at least one market, and none shared evidence of doing so comprehensively in all such markets. For example, only three companies shared evidence of applying Nutri-Score to >80% of their products in three or more of the seven European markets that have endorsed the FOP labelling system; this figure was one company for HSR in Australia (none in New Zealand); and two for the Traffic Light system in the UK.

FIGURE F.1.



In many cases, companies indicated that they do not apply the FOP label to their entire portfolio in a market, instead applying them to select ranges of products or specific brands. In other cases, there was a lack of evidence of comprehensive implementation, with some companies indicating that this is not tracked by them.

BOP nutrition information: The Codex Alimentarius Guidelines (CAC/GL 2-1985) stipulate that key nutrients (energy value, protein, total carbohydrates, total sugars, total fat, saturated fat, and sodium) should be displayed on a per 100g/ml basis (with 'per serving' being an optional addition), to enable consumers to better compare products and inform their purchasing decisions. Nine of the 30 companies assessed publicly state or provided evidence that they provide BOP nutrition information according to, or in line with, these guidelines, across all markets where regulation permits.

A further 10 companies commit to providing information on all key nutrients according to Codex Guidelines, but on a per serving basis (and on a 100g/ml basis only in specific markets (beyond regulation)).

For example, whereas the seven assessed companies that are members of the International Food and Beverage Alliance commit to displaying these key nutrients either 'per 100g/ml' and/or 'per serving', of these, only Coca-Cola shared evidence of providing per 100g/ml information across all applicable markets, and Grupo Bimbo and PepsiCo in some. Others shared evidence that they only apply per 100g/ml in markets where this is a legal requirement, such as the European Union.

The responsible use of nutrition and health claims: 12 companies commit to follow the Codex Alimentarius Guidelines for Use of Nutrition and Health Claims – the international standard for ensuring that claims are accurate, evidence-based, and not misleading – in all markets for which such claims are not regulated or regulation is less strict. Of these, Conagra, Danone, and Meiji have implemented this commitment since the 2021 Global Index.

Just four out of 26 companies have a policy stipulating they will only place claims on products that meet a definition of 'healthier', according to the company's definition (Arla, Danone, FrieslandCampina, and Kraft Heinz). Of these, Danone and FrieslandCampina have introduced or formalised this practice since the 2021 Global Index. While Arla uses its own nutrition criteria, it's benchmarked against the HSR 3.5 cut-off (a government endorsed definition of 'healthier'), and the company has found that its own model can be considered to be overall as strict. Danone uses the HSR NPM to determine which claims can be placed on products, but uses the threshold of 2.5 stars, instead of the commonly accepted 3.5 stars, to consider a product 'healthier'.

KEY RECOMMENDATIONS FOR THE SECTOR

4 COMPANIES HAVE A POLICY STIPULATING THEY WILL ONLY PLACE CLAIMS ON PRODUCTS THAT MEET A DEFINITION OF 'HEALTHIER'

An increasing number of governments are adopting mandatory nutrition labelling requirements regarding BOP and FOP nutrition labelling and health and nutrition claims. However, all companies have significant scope to adopt (or improve their) minimum global standards for labelling across all markets where such labelling requirements have not been enacted.

Companies are strongly encouraged to:

1 Evaluate

- Map all markets in which they are active that have government-endorsed FOP labelling systems, including those that negatively signpost unhealthy products, and the extent to which they currently apply these FOP systems to their portfolios in these markets.

- Map all markets they are active in whereby BOP labelling requirements are less strict than the Codex Alimentarius Guidelines (CAC/GL 2-1985) and additional BOP labelling is permitted.

2 Transform

- Adopt a comprehensive nutrition labelling policy, which includes a commitment to:
  - Display all BOP nutrition information according to Codex Alimentarius Guidelines (CAC/GL 2-1985), including displaying all key nutrients per 100g/ml, wherever permitted;
  - Adopt all voluntary government-endorsed FOP labelling systems comprehensively across their portfolios;
  - Refrain from adding additional FOP elements that might distract or confuse consumers, and modify the effectiveness of the government-endorsed label, in all markets with mandatory or voluntary labels.

- Adopt a policy to not use nutrition or health claims on products that are not considered 'healthier' according to an internationally recognised or government-endorsed NPM, while also following the Codex Alimentarius Guidelines for Use of Nutrition and Health Claims.

3 Disclose

- Publish their labelling policy and annually disclose the company's implementation progress for both BOP and voluntary FOP labelling, including at the market-level for voluntary government-endorsed FOP labelling systems.

NOTES AND REFERENCES

1 Without an additional mandatory FOP labelling system also in place, such as Singapore and Thailand.

2 As of 1 January 2024, according to the Dutch National Institute for Public Health and the Environment (RIVM) (Arla (2024) Arla's Health Star Rating. Available at: https://www.rivm.nl/en/food-and-nutrition/nutri-score (Accessed 29/10/2024)) As of 23 October 2024, this has not been counted in WHO's Global database on the Implementation of Nutrition Action (GIFNA) (World Health Organization (2024) Front-of-pack and other interpretive nutrition labelling. Available at: https://gifna.who.int/summary/FOPL. (Accessed: 29/10/2024))

3 Campbell's, Keurig Dr Pepper (KDP), Mengniu, and Yili do not have significant presence in any markets with voluntary FOP systems.

4 These findings are based on evidence shared by the companies or found on their websites, and have not been independently verified. This means that the absence of evidence should not be considered as definitive proof of companies' non-participation in FOP labelling schemes per market.

5 Campbell's, Nissin, Mengniu, and Yili indicated that the use of health and nutrition claims are regulated in all of their markets.

6 Arla measured the share of its sales volume from 'healthier' products using their own model (Arla's nutrition criteria) at 71.5%, and at 75.9% using HSR ≥3.5 (Arla (2024) Arla's Health Star Rating. Available at: https://www.arla.com/498b37/globalassets/pdf-files/nutrition/arlas-health-star-rating.pdf (Accessed: 29/10/2024)).