



# Global Index 2021

Custom Report

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ATNI is pleased to present the fourth iteration of the Global Access to Nutrition Index, following on from editions published in 2013, 2016, and 2018.



**“As the 25 largest food and beverage manufacturers, each must take responsibility to deliver healthy product offerings to consumers across the globe and not leave nutrition behind. That’s no small task – but it’s one that requires action urgently if we are to deliver on the Sustainable Development Goals to end world hunger and ensure good health and well-being. We’ve seen the fragility in supply chains in the last three years, but we’ve also seen some companies using this as an opportunity to innovate. With an increasing demand from consumers for healthy products, there is an opportunity for manufacturers to take on this new-found responsibility, to use the new post-COVID-19 reality to enable healthier diets for all.”**

**Inge Kauer**  
Executive Director Access  
to Nutrition Foundation

This Index, like its predecessors, assesses how the world’s largest global food and beverage (F&B) manufacturers contribute to addressing malnutrition in all its forms: overweight and obesity, undernutrition, and micronutrient deficiency. Together, the Global Indexes are an important tool to advance ATNI’s vision of a world in which no one goes to bed hungry, and everyone eats a healthy, affordable diet that has all the nutrients and food groups needed to grow and develop fully in good health. As a result, death and illness from diets low in essential vitamins and minerals would be confined to history.

Twenty five leading F&B manufacturers are included in the 2021 Global Index. All have been assessed on their commitments, practices, and disclosure – with regards to governance and management; the production and distribution of healthy, affordable, accessible products; and how they influence consumer choices and behavior.

There are several changes compared to the previous Global Index. In 2018, undernutrition was presented in a separate section; now, policies and actions targeting priority populations at high risk of malnutrition are woven throughout. Also added into the Index this year (as criteria B1) is a section assessing and scoring the healthiness of companies’ product portfolios, their performance within product categories among peers, and changes over time. You can find the full methodology, and details on the changes, [here](#).



Furthermore, previous Global Indexes incorporated a sub-ranking that assessed the marketing policies and practices of the world's largest makers of breast-milk substitutes (BMS). For the 2021 edition, ATNI has published this assessment as a stand-alone Index and extended it to include an evaluation of the marketing of complementary foods (CF). The BMS/CF Marketing Index 2021 has been expanded from the six largest to the nine largest companies in this sector, by global revenues. Six of these companies are constituents of the Global Index 2021, and their final Global Index score depends in part on their BMS/CF Marketing Index 2021 score.

The Global Index is used by an increasing number of interested parties (policymakers, investors, international and non-governmental organizations (NGOs), and others) to hold the private sector accountable in delivering on commitments to tackle growing nutrition challenges worldwide. These challenges have never been more evident, as the COVID-19 pandemic has widened inequities, increased poverty, and impacted on malnutrition in all its forms. Despite the progress made over the last two years, as shown by this Index, companies still need to do much better by putting in place even stronger commitments to improving food systems and fighting malnutrition. With 2021 being the Nutrition for Growth Year of Action, now is the time for F&B manufacturers to step up, scale up, and make a difference to healthier diets for everyone, everywhere.

ATNI invites you to share the Global Index 2021 across your networks – and please do not hesitate to get in touch if you have any questions.

# Ranking

Overall, the 2021 results show that companies need to enhance their efforts to encourage healthier diets for all. The average score remained the same as 2018, at 3.3 out of 10. All 10 leading companies, except for Arla, scored lower than in the 2018 iteration, while most companies in the middle and lower rankings scored slightly higher. Similar to 2018, Nestlé leads the 2021 rankings with a score of 6.7 out of 10. The company achieves a top-three rank in all categories of the Index and rates first in 'Governance' and 'Engagement'. Unilever comes second with 6.3, and FrieslandCampina third with 5.9. Arla showed a big improvement from 3.3 in 2018 to 5.1 in 2021, securing a rank of fifth in the Index; in part due to a new labeling policy, responsible marketing policies, and an improvement in healthiness of its product portfolio. Meanwhile, Meiji rose five places in the Index, partially due to its incorporation of a nutrition strategy in its CSR vision and new policies aimed at marketing to children and labeling.

**A** Governance **B** Products **C** Accessibility **D** Marketing **E** Lifestyles **F** Labeling **G** Engagement

BMS Assessed in the BMS/CF Marketing Index 2021. An adjustment based on the BMS/CF Marketing Index score is incorporated into the overall Global Index 2021 score.

\* Did not provide information to ATNI

## Methodology

The findings of this Index regarding companies' performance rely to a large extent on information shared by companies, in addition to information that is available in the public domain. Several factors beyond the companies' control may impact the availability of information such as differences in disclosure requirements among countries or capacity constraints within companies, amongst others the Covid-19 pandemic. Therefore, in the case of limited or no engagement by such companies, this Index may not represent the full extent of their efforts.

Please find more information on our methodology and changes in this on the Methodology page.

**Methodology:** <https://acesstonutrition.org/index/global-index-2021/methodology/>

# Company scorecards

The 25 largest global food and beverage manufacturers were selected for inclusion in the 2021 Global ATNI based on 2018 companies' publicly reported and self-reported sales revenues combined with estimated retail sales of packaged food and beverage products worldwide.



Ajinomoto



Arla



BRF



Campbell



Coca-Cola



Conagra



Danone



Ferrero



FrieslandCampina



General Mills



Grupo Bimbo



Kellogg



KDP



Kraft Heinz



Lactalis



Mars



Meiji



Mengniu



Mondelez



Nestlé



PepsiCo



Suntory



Tingyi



Unilever



Yili

# The Global Context

## The Malnutrition Crisis

The triple burden of malnutrition indicates the tragic coexistence of these three conditions: overweight and obesity, undernutrition and micronutrient deficiencies.

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The report explores impact of Covid-19 on: overweight and obesity, micronutrient deficiencies and undernutrition.

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In 2019, only two in five children globally were exclusively breastfed at the crucial age of 6 months.

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Overweight and obesity, undernutrition and micronutrient deficiencies represent a heavy burden to economic development globally: their material cost is estimated at 5% of global income or US\$3.5 trillion per year.

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# The state of overweight and obesity in the world

Overweight and obesity are the most widespread forms of malnutrition globally: these conditions, defined by a body mass index (BMI) equal to or greater than 25 and 30, respectively, are associated with a greater number of deaths worldwide than undernutrition. In every region of the world, apart from sub-Saharan Africa and Asia, there are more people living with obesity than those who are underweight.

The number of people who suffer from overweight and obesity has nearly tripled since 1975 and keeps rising. In 2016, 13.1 percent of the global adult population was overweight or obese, an increase from 11.8 percent in 2012. Once thought to be a high-income country issue, today overweight and obesity affect most countries in the world, with over 70 percent of adults living with obesity found in low- or middle-income countries.

Child obesity is witnessing similar upward trends. In 2019, 5.6 percent of the world population under the age of 5 was overweight or obese, a slight increase since 2012. This trend represents a challenge for [Global Nutrition Target 4](#), which aims to put an end to the rise of overweight children by 2025. Only four years away from this target date, the world is not on track to deliver on it.

According to estimates by the Potsdam Institute for Climate Impact Research, by 2050, 45 percent of the world population will be overweight or obese. Several reasons can account for the dramatic increase in the prevalence of obesity. Increasingly sedentary lifestyles have been accompanied by a greater availability of calorie-rich foods without increased access to healthier food options: food supply chains have been geared to supply quantity calories rather than nutrients. As a result of rising consumption of energy-dense, nutrient-poor diets, overweight and obesity today are also associated with poorer micronutrient status. This calls for actions that target overweight and obesity not as stand-alone issues, but as the result of systemic failures in the global provisioning of healthy diets.

## The nutrition transition

Originally theorized by American academic Barry Popkin in the 1990s, the nutrition transition indicates changes of dietary patterns – determined by economic developments and food processing techniques – from 'collecting food' to 'famine', 'receding famine', 'degenerative diseases' and finally to 'behavioral changes', the last pattern being defined by the desire to improve health.

Plenty of evidence today supports the concept of a nutrition transition towards global diets with high intakes of increasingly available and affordable nutrient-poor, calorie-rich foods (i.e. the 'degenerative diseases' phase). This transition, the result of income growth, demographic changes, urbanization and new patterns of food distribution, is associated with rising proportions of the global population suffering from overweight, obesity, and diet-related non-communicable diseases.

There is initial evidence suggesting that diets rich in ultra-processed foods (UPFs) – which are rapidly rising in low- and middle-income countries and are already a significant proportion of the diets in some high-income markets such as the US, Canada and the UK – are associated with higher risk of obesity, diabetes and other diet-related diseases. The rising consumption of these highly palatable and cheaply available foods denotes the current stage of the nutrition transition. A better understanding of the relationship between the level of food processing and product healthiness, as determined by a robust Nutrient Profiling Model (NPM), is needed to establish which characteristics of UPFs of low underlying nutritional value can represent a risk to public health.

There is yet no evidence, however, to support the theory of a widespread, global transition to dietary patterns aimed at improving health outcomes. To ensure that the last stage of the transition does occur, there is a need to ensure that nutrient-rich foods are not only available, but also affordable, appealing, and aspirational.

## The impact of COVID-19 on overweight and obesity

The relationship between COVID-19 and obesity has been extensively researched since an association between obesity and worse health outcomes of the novel coronavirus was first detected in early 2020. A March 2021 study by the World Obesity Federation provides a detailed account of how overweight and obesity have been significant factors in determining risks of hospitalization, intensive care, and death from COVID-19 globally. In countries where less than half of the national population is overweight, the likelihood of dying from COVID-19 has been about a tenth of that seen in countries where the majority of the population is overweight.

The COVID-19 and overweight/obesity relationship, however, is not unilateral. As a result of lockdown restrictions worldwide, new trends such as increased snacking, stress eating and reduced exercise have triggered experts' warnings about potential increases in adult obesity.

Similarly, all forms of child malnutrition, including obesity, are expected to worsen as a result of the pandemic: lockdown eating and school closures have significantly deprived children of healthy eating and exercising routines. A closer monitoring of obesity trends post-pandemic will be needed to fully understand the magnitude of this impact.



# The state of undernutrition in the world

In 2019, 690 million people, or 8.9 percent of the global population, were undernourished, and 2 billion people were food insecure – these numbers have been rising since 2014 and will continue to rise, partly as a result of the COVID-19 pandemic.

Amongst the categories of people most vulnerable to undernutrition are children: in 2019, 21.3 percent of children under 5 years of age were stunted, or too short for their age, and 6.9 percent were wasted, or too thin for their height. Stunting and wasting are two different manifestations of undernutrition and can, respectively, lead to impaired physical and mental development and heightened risk of death.

The growth in global prevalence of undernourishment, as well as in food insecurity witnessed in recent years, marks the continuation of the trend of rising hunger which started in 2014, when decades-long progress towards achieving [SDG2 Zero Hunger](#) started being reversed. As a result of conflict, poverty, and climate change, the world was not on track to achieve SDG2 by 2030 before Covid-19.

Compounded by the economic fallout of the pandemic, conflict and climate extremes are exacerbating the already dire state of undernutrition globally. In March 2021, a joint statement by the United Nations Food and Agriculture Organization (FAO) and the World Food Programme (WFP) warned that 34 million people are in the emergency phase of food insecurity, or 'one step away from starvation'.

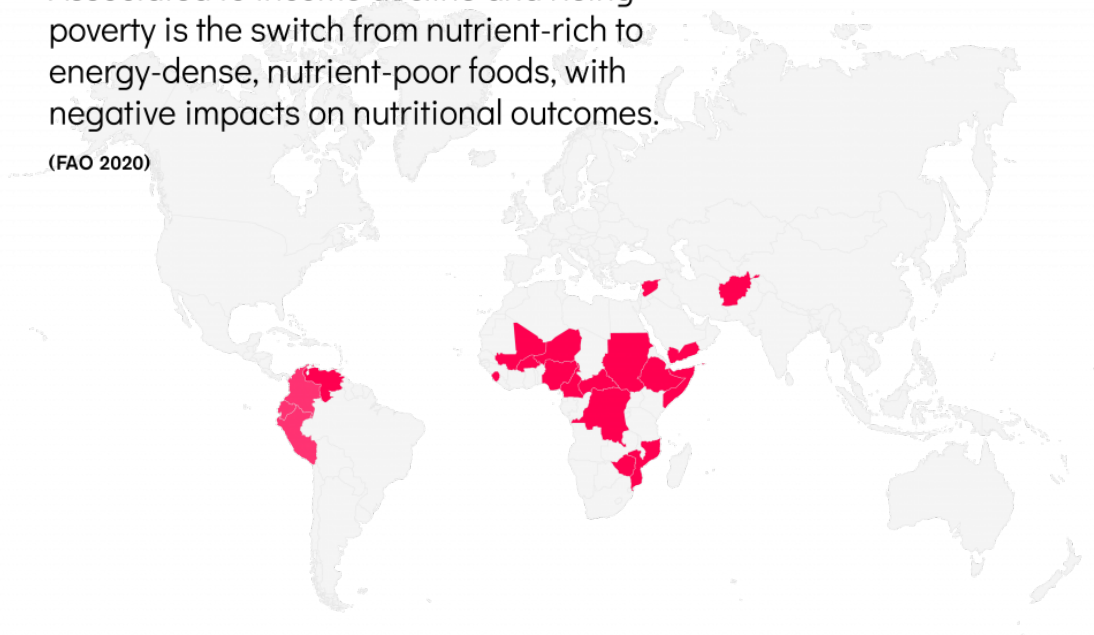
To fulfil the global [sustainable development agenda](#) and meet the [Global Nutrition Targets](#), efforts to combat undernutrition must increase significantly.

The Covid-19 pandemic would result in approximately 150 million more people falling below the extreme poverty line. Associated to income decline and rising poverty is the switch from nutrient-rich to energy-dense, nutrient-poor foods, with negative impacts on nutritional outcomes.

(FAO 2020)

Map of acute food insecurity hotspots

● acute food insecurity hotspots



## The cost of a healthy diet

Several metrics exist that assess hunger worldwide: The Prevalence of Undernourishment, the Food Insecurity Experience Scale, the Integrated Food Security Phase Classification and many more. Whilst measures of hunger are necessary to understand the scope of undernutrition, in recent years new metrics have been used to assess the scope of malnutrition as a whole. Among these is the cost of a healthy diet.

A healthy diet is not only one that provides sufficient energy, but also one that balances energy intake with energy expenditure through an active lifestyle, one that provides all nutrients and micronutrients needed to nourish the human body and one that has a certain degree of dietary diversity.

The FAO estimates that healthy diets cost 60 percent more than diets which meet bare minimum nutrient requirements and almost 5 times as much as energy-dense diets which meet dietary energy requirements only – this trend is witnessed in all regions of the world, although it affects a greater percentage of the population in low- and middle-income countries where people spend a greater proportion of their income on food. At the global level, this has resulted in 3 billion people not being able to afford a healthy diet and 1.5 million people not being able to afford a merely nutrient-adequate diet.

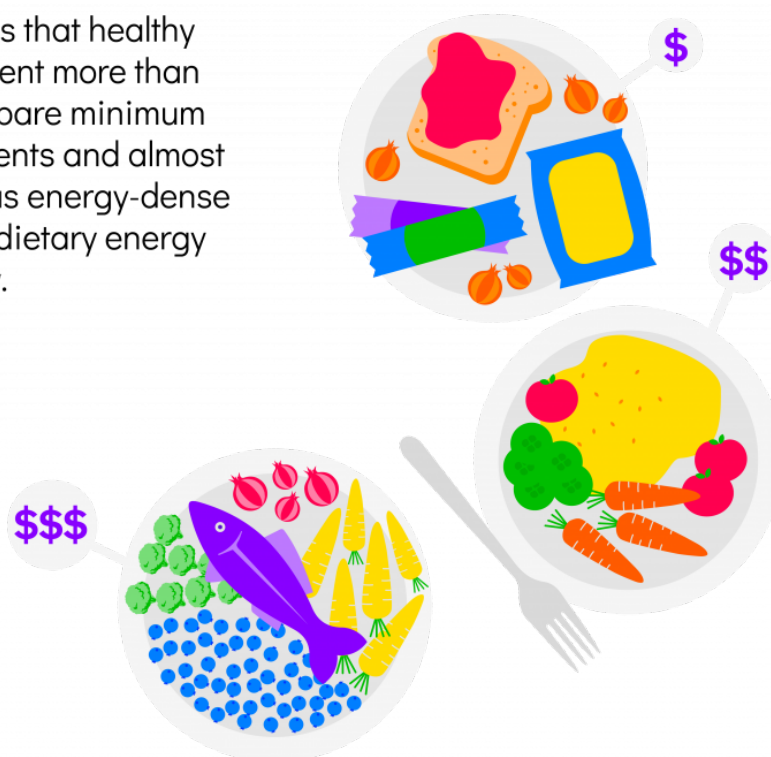
## The impact of COVID-19 on undernutrition

The dramatic effects of the COVID-19 pandemic on food and nutrition security are, by now, well documented.

In July 2020, the FAO estimated that COVID-19 might increase the number of undernourished people in the world by anything between 83 and 132 million, depending on prospects for global economic recovery. Estimates made at the early stages of the pandemic, however, may no longer be accurate, as new evidence shows that pandemic effects might reach further than expected. A December 2020 study by the International Food Policy Research Institute (IFPRI), for instance, estimated that the COVID-19 pandemic would result in approximately 150 million more people falling below the extreme poverty line. The switch from nutrient-rich to energy-dense, nutrient-poor foods is associated with income decline and rising poverty with negative impacts on nutritional outcomes.

As the economic and health consequences of the pandemic continue to unfold, it becomes clearer that women and children are especially vulnerable and increasingly likely to be affected by a deteriorating nutritional status. It is estimated that, by 2022, the pandemic might lead to a 9.3 million and a 2.6 million increase in wasted and stunted children, respectively, as well as 168,000 additional child-deaths and 2.1 million maternal anemia cases. Significant investments will be needed to minimize the effects of the pandemic.

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## The state of micronutrient deficiencies in the world

Micronutrients such as iron, vitamin a, vitamin d, iodine, folate and zinc are fundamental to full physical and mental development, yet they are missing from the diets of many in the world: over 2 billion people globally suffer from micronutrient deficiencies. Micronutrient deficiency, also known as hidden hunger, is especially common amongst low-income populations and more prevalent in regions and countries with low dietary diversity. Hidden hunger affects people who suffer from overweight or obesity and people who are undernourished.

Amongst the populations most vulnerable to hidden hunger are women and children. At least 1 in 2 children globally lacks essential micronutrients in their diets, and as many as 528 million women, including both pregnant and non-pregnant women, suffer from iron deficiency alone.

Large-scale food fortification (LSFF), either through bio-fortification of crops or through the fortification of food products ready for human consumption, has proved to be a cost-effective tool to tackle micronutrient deficiencies. It is estimated that for every dollar spent on fortification there is a US\$27 return from outcomes of improved nutrition.

## Salt iodization: the public health success of public-private partnerships

Iodine is a diet-derived mineral that contributes to the well-functioning of the body by creating thyroid hormones which are necessary throughout life and especially during pregnancy and infancy for full brain development. Preventable mental impairment, such as loss of learning ability and cretinism, as well as disorders such as stillbirth and miscarriages, can result from even low levels of iodine deficiency.

Salt iodization is a form of large-scale food fortification, whereby food-grade salt for human consumption is fortified with iodine. Thanks to public-private partnerships aimed at universal salt iodization, iodine deficiency has been greatly reduced: 86% of the world's households now have access to iodized salt, 129 countries worldwide have adopted mandatory salt iodization programs, and only 20 countries globally have insufficient iodine status, compared to 113 in the 1990s.

The successes of universal salt iodization programs has been one of the first signs indicating that food fortification can be an efficient and cost-effective tool to tackling malnutrition globally, and it would not have been possible without public-private partnerships involving the food industry: 'Universal salt iodization has been one of the great public health success stories of the last 25 years' – Werner Schultink, Executive Director, Iodine Global Network.

## The impact of COVID-19 on micronutrient deficiencies

The impact of COVID-19 on access to micronutrients is at least threefold.

Firstly, as a result of the economic fallout caused by the pandemic, people worldwide have switched from nutrient-rich to energy-dense, nutrient-poor foods, thus reducing their dietary diversity and access to foods rich in micronutrients.

Secondly, by negatively affecting global food supply chains and international trade, which food fortification programs inevitably rely on, through export restrictions and rising costs of freight, COVID-19 has reduced the reach and scope of food fortification programs in low- and middle-income countries, as reported by the Global Alliance for Improved Nutrition (GAIN).

At the same time, lockdown restrictions have hindered nutrition services, including services providing micronutrient supplementation: as many as 100 million children have missed a dose of vitamin A supplementation in 2020 as a result of pandemic management measures.

# Micronutrient deficiency

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# The importance of a healthy start in the first 1,000 days

Optimal nutrition during the time between conception and the second birthday of a baby – the first 1,000 days – are fundamental to children’s development, in terms of their health, and physical and cognitive abilities. With breastmilk being a free, safe source of all necessary nutrients and antibodies, breastfeeding has long been understood to be the best and most effective way to nourish infants while also reducing their susceptibility to overweight and obesity.

The World Health Organization (WHO) and the United Nations Children’s Fund (UNICEF) recommend that infants be exclusively breastfed for the first six months of their lives, when appropriate complementary foods can be introduced, while breastfeeding continues for two years or beyond. However, the world is currently not on track to meet [Global Nutrition Target 5](#) which is to increase the global rate of exclusive breastfeeding in the first six months to 50% by 2025. In 2019, only two in five children globally were exclusively breastfed at this crucial phase of their lives. The 2019 Cost of Not Breastfeeding tool shows as many as 593,379 childhood deaths (0 to 23 months) from diarrhea and pneumonia are attributable to not breastfeeding according to the global WHO and UNICEF recommendations, and that optimal breastfeeding has the potential to prevent an additional 98,243 deaths of mothers annually from cancer and type II diabetes.

The WHO identifies inappropriate marketing of breast-milk substitutes (BMS) as one of many factors that negatively impacts breastfeeding rates worldwide. To limit the impact of BMS marketing, in 1981, the World Health Assembly (WHA) adopted the [International Code of Breast-milk Substitutes](#) (known as The Code), that makes a series of recommendations to member states and BMS manufacturers and distributors. Since that date, 18 further WHA resolutions have been passed that reinforce, revise or extend the provisions of the 1981 Code (collectively referred to as The Code). However, as of 2020, 30% of countries still have none of its provisions in their law and only 31 countries have legal measures that implement the full breadth of The Code’s recommendations.

ATNI’s research on the extent to which major manufacturers of BMS and complementary foods comply with The Code can be found [here](#).

## The BMS/CF Marketing Index 2021

The [BMS/CF Marketing Index](#), published in June 2021, assessed the marketing practices of the world's nine largest BMS and CF manufacturers, six of which are also part of the Global Index 2021 (Danone, FrieslandCampina, KraftHeinz, Mengniu, Nestlé, and Yili).

The assessment examines the extent to which these companies market their BMS and CF products in line with The Code. The research entails two components: i) BMS/CF 1: an analysis of companies' BMS/CF marketing policies, management systems and disclosure and ii) BMS/CF 2: two in-country assessments of companies' marketing practices on the ground (the Philippines and Mexico in 2020). The total possible overall BMS/CF Marketing Index score is 100%. The higher the score, the closer the company has come to achieving full compliance with The Code. An adjustment proportionate to this score is then calculated to be applied to each of the six companies' Global Index score, reflecting the importance of corporate focus on infant and young child nutrition. The adjustment depends on which elements each company has been scored on. For Danone, FrieslandCampina, KraftHeinz, and Nestlé the maximum adjustment that can be made is -1.5, as in the 2018 Global Index. The maximum adjustment to the Global Index 2021 score for Mengniu and Yili is -0.75 as it was only possible to assess these two companies on BMS/CF 1.

Overall, the findings reveal that 40 years after the adoption of The Code, the world's largest baby food manufacturers continue to fall short of meeting its recommendations.

## Impact of COVID-19 on breastfeeding

Initial uncertainty about the safety of breastfeeding during the COVID-19 pandemic led to concerns about whether mothers could transmit the virus to their infant through breastfeeding. In June 2020, however, the WHO issued a statement encouraging mothers to continue breastfeeding, even when suspected or confirmed with COVID-19 infection.

With experts warning about the consequences of the spread of misinformation, initial concerns and uncertainty are likely to have had a negative impact on breastfeeding rates. A study of 33 national guidelines for infant care by Alive & Thrive (A&T) found that none of the documents analyzed fully aligned with the WHO breastfeeding and COVID-19 guidelines. Similarly, a January 2021 study by (A&T) and FHI 360 of nine companies in 14 countries found instances of violations of The Code in the wake of the pandemic.

The long-term impacts of less breastfeeding during this time could be significant: estimates indicate that a mere five percent reduction in breastfeeding could lead to an additional 16,469 child deaths in low- and middle-income countries. It is therefore of the utmost importance to support breastfeeding and monitor compliance with The Code throughout the COVID-19 pandemic, and beyond.

# Infant and Young Child Nutrition

The WHO identifies inappropriate marketing of breast-milk substitutes, also known as BMS products, as one of the factors negatively impacting rates of breastfeeding worldwide.

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# A compelling case for the food and beverage industry

Malnutrition in all its forms is a leading cause of death worldwide: in 2017, 11 million deaths and 255 million disability-adjusted life years were attributable to dietary risk factors. Globally, 45 percent of deaths among children under the age of 5 are linked to undernutrition. Tackling malnutrition is thus a moral imperative, which is necessary to reduce diet-related illnesses and deaths.

Tackling malnutrition is also an economic imperative. Overweight and obesity, undernutrition and micronutrient deficiencies, indeed, represent a heavy burden to economic development globally: their material cost is estimated at 5% of global income or US\$3.5 trillion per year. The economic cost of malnutrition differs widely by country and by region. Whilst undernutrition is significant in world regions such as Africa and Asia, where it accounts for an 11% loss of GDP each year, overweight will lead to an annual 3.3% reduction in GDP in Organisation for Economic Co-operation and Development (OECD) countries and will constitute as much as 8% of national health expenditure.

## The state of the packaged food industry

The largest global food and beverage manufacturers were facing a number of challenges even before the COVID-19 pandemic with mounting evidence of consumer demand increasingly shifting towards smaller challenger brands with a purpose-driven outlook, as well as towards cheaper private label brands – trends which are predicted to continue after the pandemic. Anticipating changes emerging from both consumer pressure and regulatory measures, CEOs of food and beverage companies worldwide had acknowledged the need for their industry to play a role in promoting healthier lifestyles even prior to the COVID-19 pandemic.

In the rapidly-evolving context of the pandemic, food and beverage manufacturers have been faced with new challenges, including the responsibility of feeding the world at a time of crisis. As an essential industry, the packaged food industry has benefitted from the pandemic, registering a year-on-year retail value growth of over 5% between 2019 and 2020. On the one hand, indeed, food companies – from small to large, from local to transnational – have been struggling with disruptions in distribution channels, transport restrictions and changing consumer demand.

The COVID-19 pandemic has exacerbated the cost of malnutrition, with estimates indicating that, by 2022, COVID-19 will have resulted in US\$29.7 billion worth of productivity losses derived from increased rates of childhood stunting, wasting and mortality.

What cannot be determined with exact precision, however, is the social cost of malnutrition. Poor diets negatively impact neurodevelopment, with dramatic consequences on children's academic performance, careers and earning prospects. General well-being, including mental health, is also hindered by malnutrition. Children who are overweight, for instance, are more likely to be bullied, which can result in adverse mental health outcomes.

On the other hand, in many instances, they have been able to adapt to this challenging environment and to innovate rapidly. As highlighted in recent IFPRI research, the pandemic has outlined both fragility and resilience in food supply chains. The ability of the food and beverage sector to innovate has resulted in significant changes in food environments. E-commerce in food retail, for instance, has witnessed a nearly 50% growth worldwide and has increased by over 100% in several middle-income countries.

The reach and market penetration of the packaged foods industry – with a retail value of nearly US\$2.5 trillion in 2020 – speaks for the magnitude of the impact the industry could have on nutrition globally: food and beverage manufacturers reach virtually every individual on the planet. Further, the rapid expansion of the industry in emerging markets in the Asia-Pacific, Latin America, and Middle East and Africa regions – which represent the main drivers of growth for the industry – presents the opportunity to reach populations who are vulnerable to malnutrition.

## Risks and opportunities for global food and beverage manufacturers

There are several business risks linked to the production of products that contribute to poor diets: reputational risks, litigation risks, risks of losing out on emerging markets for healthier products, and regulatory risks. The latter have been increasingly brought under the spotlight by nutrition stakeholders in the past years. As the evidence about the drag of poor diets on national health spending increases, governments continue to regulate food environments. To date, for instance, 44 sugar taxes exist globally. In addition, several governments worldwide have implemented, or are considering implementing more stringent regulations with regards to matters such as front-of-pack food labelling and advertising of unhealthy food products. This represents a strong material risk for investors with holdings in global food and beverage manufacturers, insofar as companies with a product portfolio rich in foods that are high in fat, salt and sugar (also known as HFSS foods) could see decreasing sales and revenues.

The cost of malnutrition represents a burden not only for national governments worldwide, but also for the private sector more directly. A July 2020 report by Chatham House shows that multinational corporations, across different sectors, lose, annually, an estimated US\$8–38 billion from reduced worker productivity due to undernutrition, an estimated US\$4–27 billion due to overweight and obesity and an additional 0.8 percent of GDP due to anemia (in the countries where the condition was studied). Thus, tackling malnutrition in all its forms can be viewed as a tool to achieve business growth.

However, food and beverage manufacturers are becoming more engaged with the topic of nutrition as the number of private sector accountability mechanisms increases, as business risks linked to malnutrition become more evident, and as opportunities arising from promoting healthier diets become more visible.

## COVID-19 enhances the business case for nutrition

The COVID-19 pandemic has brought the role of the food industry in tackling obesity and other diet-related diseases, which are risk factors for COVID-19 infection and mortality, under the spotlight and has highlighted the relevance of healthy diets for public health.

On the one hand, the pandemic has resulted in a greater level of awareness of nutrition, amongst both governmental bodies and consumers. Governments around the world are rolling out stricter regulations for less healthy foods as a preventive healthcare policy, particularly aimed at tackling obesity. At the same time, sales data shows that COVID-19 has accelerated rising demand for healthy food products by relatively affluent consumers. As highlighted in [ATNI's second COVID-19 report](#), the COVID-19 pandemic is accelerating the increase in the demand of healthier products: affluent consumers are becoming increasingly engaged with the topic of nutrition and wellbeing. Analysis from Euromonitor International shows that ethical concerns are becoming increasingly important to consumers, who expect businesses to perform well both on environmental and social issues such as health.

As a result of COVID-19, the health and wellness packaged food category witnessed an almost unprecedented single-digit value growth at the global level, which is forecast to last beyond the pandemic.

On the other hand, as outlined throughout this chapter, the COVID-19 pandemic is resulting in reduced access to healthy and nutritious foods for poorer populations and, in some cases, to increased demand for less healthy food products such as snacks and comfort foods.

At the intersection of the trend outlined above lies a unique opportunity, and responsibility, for food and beverage manufacturers to grow and innovate by putting the well-being of their consumers first – a process which the Global Access to Nutrition Index aims to facilitate.

# Global Index 2021 Findings

Similar to the 2018 Index, the company leading the ranking in the 2021 Global Index is Nestlé, with an overall score of 6.7 out of 10. Unilever is in second place (6.3), followed by FrieslandCampina (5.9).

This Index expanded the scope of the Product Profile assessment, with nutrition information available for more products (38,176 products assessed in 2021 compared to 20,865 in 2018) across 25 different markets relevant for the companies (in 2018, only nine markets were included). This significantly improves the quality of the assessment and its representativeness of companies' sales in the global market.

Nine companies improved the healthiness of their product portfolios and increased the mean HSR in the markets selected. At overall portfolio level, 11,797 products, or 31% of 38,176 distinct products, meet the independent healthy threshold (an HSR of 3.5 stars or more). For all products assessed for all companies, the mean HSR is 2.4 stars. In 2018, the mean HSR for 20,865 products assessed was also 2.4 stars. Five companies were found to have 50% or more of products assessed meet the healthy threshold.

## Highlights of improvement in nutrition policies and practices include:

- Thirteen companies have improved their score in nutrition governance, reflecting strengthened nutrition policies and management systems.
- Nine companies showed improved healthiness of their products at portfolio level.
- Fourteen companies apply some form of company-specific nutrient profiling model (NPM) to monitor the healthiness of their products, while 19 companies make commitments on the (re)formulation of products at nutrient level.
- Nine companies commit to follow international guidance by Codex and WHO/the Food and Agriculture Organization (FAO) to ensure food fortification delivers clear health benefits. In 2018, only four companies assessed did so.

The 2021 methodology gives more weight to the Products category, applies stricter evidence requirements, and has an increased focus on companies' commercial efforts to address malnutrition. With these changes, the average score across all the companies remains the same in this Index as in 2018: 3.3 out of 10. When only taking into consideration the 22 companies that were assessed in both 2018 and 2021, the average score is 3.6. This indicates that, overall, these companies are doing slightly better than in 2018. However, the 10 leading companies of the 2021 ranking, except for Arla, score slightly lower than in the 2018 iteration, while most companies in the middle and lower rankings score slightly higher. ATNI calls on all companies, especially the leading companies, to step up their efforts to improve healthy diets. All companies should seize this opportunity to make healthy products affordable to consumers globally and thus maintain competitiveness given consumers' changing needs and preferences.

- In 2018, no companies applied interpretive nutrition labeling front-of-pack (FOP), which provides consumers with a qualification of the (relative) nutrition quality of the product. However, by 2021, six companies had introduced it to some or all products globally.
- This index shows 12 companies disclose lobbying positions on important nutrition topics, whereas, in 2018, only two companies did so (notably FOP labeling and health claims regulation). Plus, more companies have made commitments and/or provided examples of supporting governments in their efforts to prevent and address malnutrition.
- Three of the six companies assessed in the BMS/CF Marketing Index 2021, also included in the Global Index, have increased their scores since 2018. Danone and Nestlé retained first and second place on that Index respectively, and Kraft Heinz came third, because it shared its BMS marketing policy for the first time and performed relatively well in ATNI's in-country assessment, carried out in Mexico.

**The companies that improved the most in the overall ranking are Arla (rising six places) and Meiji (rising five places):**

Arla's greatest improvement has been in labeling and marketing: Since 2018, it has adopted a new labeling policy, with commitments to display nutritional information on both FOP and back-of-pack (BOP), and the company has also introduced a government-endorsed interpretive labeling on some of its products. Arla's responsible marketing policy improved through tailored marketing of healthy products for groups experiencing, or at high risk of, malnutrition in low- and middle-income countries. Meiji's score changed from 0.8 to 3.1, mostly due to the Meiji Group Sustainability 2026 Vision – a new strategy that includes a focus on nutrition (including addressing undernutrition and micronutrient deficiencies among women and older people in Japan) – and the introduction of several new basic policies relating to responsible marketing, labeling, and employee health.

### **Category A: Governance**

Nestlé and FrieslandCampina rank first and second in **Nutrition Governance**, which addresses nutrition strategies, management systems, and reporting. Thirteen of the 22 companies that were assessed in 2018 have since strengthened their nutrition policies and management systems. Kraft Heinz has shown the greatest improvement, increasing its score by 2.8 points after adopting global nutrition guidelines in 2020, and Grupo Bimbo moved up furthest (by seven places) in this Category.

Although Governance remains the highest-scoring category on the Index, there has been only a small increase in average score (4.5 to 4.6).

ATNI welcomes this overall (albeit slight) improvement on three years ago. Despite these efforts, however, considering the overall average score of 3.3, there are still many aspects of company performance that urgently require investment and improvement. **2021 is both the era of COVID-19 and the Nutrition for Growth Year of Action: There has never been a greater need and opportunity for food and drink manufacturers to step up the positive changes needed to ensure healthier diets for all.**

### **Selected Best Practices**

- Among the companies assessed, Nestlé demonstrates the most comprehensive nutrition strategies, management systems, and reporting.
- FrieslandCampina has updated its 'Nutrition Policy', published a 'Better Products Program' with nutrition criteria, and the company's 'Broadening Access to Nutrition' policy aims to make foods and beneficial nutrients available to more people, especially those with lower incomes.



## Category B: Products

Danone leads in **Formulating Appropriate Products**: The company ranks first in the Product Profile and has updated its NPM, which is used to guide reformulation and innovation initiatives. Arla, Kraft Heinz, Mars, and Grupo Bimbo have made significant progress in their scores and rankings because of their adoption of new company specific NPMs and/or new commitments on (re)formulation.

This Index expanded the scope of the Product Profile assessment, with nutrition information available for more products (38,176 products assessed in 2021, compared to 20,865 in 2018) across 25 different markets relevant for the companies (in 2018, only nine markets were included). This significantly improves the quality of the assessment and its representativeness of companies' sales in the global market.

Nine companies show an increased mean HSR of products in the markets selected. This is one of three scored components of the Product Profile. Nestlé showed the highest improvement (0.8 Health Stars change), followed by Ferrero (0.5 Health Stars change). Both companies received a maximum score for this component.

However, the mean HSR score, a second scored element of the Product Profile, for all companies and all products was 2.4, the same as in 2018. Only five companies had half or more of their distinct products included in this research meet the healthy threshold (achieving an HSR of 3.5 stars or more out of 5). Four of these companies are estimated to derive 50 percent or more of their retail sales from these healthy products, showing most other companies are falling short in providing nutritious options globally. Of the 38,176 products assessed across all companies, 11,797 (31%) meet the healthy threshold – the same percentage as in 2018.

Danone achieved the highest mean healthiness score (6.9 out of 10). An indication of the nutritional quality of the company's products in best-selling categories across major markets, it was the only company to achieve the healthy threshold of 3.5 HSR at portfolio-level when results were sales-weighted.

Danone and Mars received the highest score on the relative healthiness of their products within product categories, a third scored component of the Product Profile assessment. Mars is assessed across eight product categories in which it competes with one or more peers. The company ranks first in 'Confectionary' and 'Ready meals', and second in 'Rice, Pasta, and Noodles'. Danone achieves a top rank in the categories 'Bottled Water' and 'Dairy'.

Fourteen companies have adopted some form of NPM, compared to 13 in 2018. While ATNI learned of more companies planning to use independent NPMs or already using government-endorsed systems to validate their own/company-specific models, only three companies provided evidence that their definition of healthy products corresponds with the HSR healthy threshold.

Nine companies, four more than in 2018, indicate that their approach to the fortification of products, to help address undernutrition, is based on international guidance shared by FAO (Codex) and/or WHO (Guidelines on Food Fortification with Micronutrients). Just six commit to only fortify products of high underlying nutritional quality, or which meet certain nutrition criteria.

More than half of the companies have not made significant progress in this Category since the 2018 Index – particularly when it comes to the nutritional quality of products in their portfolios, adopting/improving NPMs, disclosing the number of products that meet healthy criteria, and developing healthy, appropriate products to address undernutrition and micronutrient deficiencies.

### Selected Best Practices

- Ajinomoto and Kellogg adopted a full NPM. Grupo Bimbo has published new nutritional guidelines and an NPM which are validated by a government-endorsed system.
- Kellogg upgraded its model, which is now considered a full internal NPM (that calculates overall scores of ratings of the nutritional quality of its products). In addition, the company stands out in reporting by using an independent, government-endorsed NPM (Nutri-Score) as a tool to (re)formulate its products.
- As part of its newly released 'Future Foods' strategy, Unilever has made a commitment to double the number of products sold that deliver 'positive nutrition' by 2025. The company defines this as foods which "contain significant, impactful amounts of crucial ingredients and macronutrients, like vegetables or proteins, and/or micronutrients, like vitamins and minerals." The company is in the process of updating its NPM.
- Arla, FrieslandCampina, and Danone showed evidence that their definition of healthy products corresponds with the HSR  $\geq 3.5$  definition of healthy.
- Both FrieslandCampina and Nestlé have published commentaries on their investments to develop products specifically for priority populations experiencing, or at risk of, all forms of malnutrition (including overweight/obesity and diet-related noncommunicable diseases (NCD's)).

Compared to 2018, more companies define targets for at least one of the following nutrients – sodium, trans fat, saturated fat, and sugar/calories – but only Unilever defines a target on foods delivering ‘positive nutrition’ for all products globally.

### Category C: Accessibility

When it comes to **Accessibility and Affordability** of healthy products, FrieslandCampina and Nestlé have the most comprehensive approaches to pricing and distribution, including for products designed to address micronutrient deficiencies. Overall, companies perform better on accessibility (i.e., geographical access and distribution of healthy products) than on affordability (i.e., healthy product pricing). However, the average score for this category remains the lowest of the Index at 1.9, a decrease from 2018 when it was 2.5. This is partly because of a more demanding methodology in terms of requiring recent evidence and public disclosure on commitments. ATNI has also applied a heavier focus to the way companies improve their accessibility of healthy products commercially. ATNI does take note of the actions companies take non-commercially, but these efforts (such as donations and other philanthropic programs) hold less weight in the end score.

Most low-scoring companies made broad, stand-alone commitments that were not part of a formal policy. At times, these companies demonstrated ad hoc actions in some (but not all) markets and/or for some of their products.

There was also little evidence of a strategic, global approach to the pricing and distribution of healthy products that address micronutrient deficiencies to populations experiencing, or at high risk of, malnutrition. Despite a clear need for action to improve the affordability and accessibility of healthy products, particularly as COVID-19 has further threatened access to nutritious foods and increased micronutrient deficiencies, companies’ practices show limited progress in this area.

### Selected Best Practices

- In ensuring Accessibility and Affordability of products, FrieslandCampina was the only company with objective, measurable targets, linked to its ‘Broadening Access to Nutrition’ policy for improving the pricing and distribution of its healthy products. One of its objectives is to increase the share of affordable nutrition products in its lower-income markets (Nigeria, Pakistan, Ivory Coast, Indonesia, Vietnam, and the Philippines) to at least 15% of sold volume in 2025. Additionally, the company aims to increase the percentage of affordable nutrition products that complies with its own nutrition criteria, ‘Affordable Nutritional Standards’, in these markets to at least 50% in 2025.

## Category D: Marketing

FrieslandCampina again ranks first on **Responsible Marketing** (a score of 7.9 compared to an average of 3.5), consistently scoring high in general marketing policies, policies for children specifically, and auditing and compliance. In addition, it is one of the few companies to explicitly commit to developing and delivering marketing strategies to reach low-income groups at risk of undernutrition and micronutrient deficiencies with healthy and/or fortified products. Mars and Nestlé came second and third, respectively. The largest improvement (moving up five places) was made by Arla, which saw major improvements in its auditing of, and compliance with, marketing policies; including joining the EU pledge on advertising to children and initiating internal auditing of policies for all audiences to complement the auditing required by the EU pledge.

In general, companies score highest on the criterion assessing the quality of marketing policies for children. Most companies (20) have a specific marketing policy for this age group. However, many aspects of these policies could be improved in areas such as age ranges, and to cover all settings where children gather, along with digital spaces.

The lowest score is found in general aspects of responsible marketing, with a clear need for action to address in-store/point of sales and sponsorship marketing. Another issue, which has become even more evident and urgent as COVID-19 widens health inequalities globally, is for companies to commit to developing and delivering marketing strategies for healthy products that prioritize vulnerable populations.

An unscored element of the Index's research assesses whether products are suitable to be marketed to children, according to WHO criteria. In total, only 3493 out of 38,852 assessed products were deemed suitable to be marketed to children based on the criteria of relevant WHO regional NPMs. This equates to nine percent of distinct products assessed, which together also represent nine percent of the sales value of packaged foods of all companies combined. In 2018, ATNI found that 14% of 22,137 products assessed met the criteria of the WHO Regional Office for Europe Nutrient Profile Model.

### Selected Best Practices

- FrieslandCampina was the only company to make explicit commitments on marketing strategies that reach priority populations and provide evidence of steps taken to reach these populations with products which address their specific nutrition needs through tailored marketing, on a global scale.
- Mars, Nestlé, and Unilever demonstrate leadership in their general marketing policies for all audiences. All three have publicly available responsible marketing policies that are fully aligned with the principles of the International Chamber of Commerce (ICC) general marketing code and make commitments beyond the ICC Code. They each apply their policy to all media channels covered by the ATNI methodology and implement it globally.
- Arla remains the only company specifically to use a definition of 'child' as being those aged under 18 (as defined in the UN Convention on the Rights of the Child), and to set out which aspects of its responsible marketing policy applies to under-18s and which to under-12s.



## Category E: Lifestyles

Global food and beverage manufacturers have a significant impact on the **Lifestyles** of their employees and consumers. Overall, most companies (20) have a commitment to the health and wellness of their employees and implement programs designed to improve physical health and/or nutrition – with Unilever leading the field.

However, despite the need for action to support employee health and wellbeing – a factor that has been particularly evident during the COVID-19 pandemic – companies' efforts in this category achieved an average score of just 2.7. Only eight companies state their intention to address health and wellbeing in their wider value chain, which has been shown to be vitally important for supply-chain resilience during crises such as COVID-19. Most companies still do not provide support consistently across all their markets for breastfeeding mothers in the workplace. And, while most companies have programs on nutrition education that are healthy diet and active lifestyle orientated, these would be better designed, and more effective and appropriate, were they clearly evidence-based, aligned with relevant national or international guidelines, and (co-)implemented by independent third parties with relevant expertise.

## Category F: Labeling

Unilever leads in the Category of **Product Labeling and Health and Nutrition Claims**, improving its score and rising three places in the ranking thanks to its front-of-pack (FOP) and back-of-pack (BOP) labeling commitments, transparency, and adherence to international guidelines. An important step forward in this Category is that, in 2018, none of the companies had introduced interpretive labeling (e.g., using color-coding, a traffic light system, or a star or similar rating system instead of only quantitative information) – but, by 2021, six companies had done so for some or all their products. Since 2018, there has also been an increase in the products and markets to which companies apply their BOP labeling commitments. However, the number of companies disclosing their overall BOP and FOP labeling commitments has not improved.

Overall, the average score of this Category (3.6) has remained low. Less than a third of all companies assessed in this 2021 Global Index adhere to (inter)national guidelines regarding the use of labeling claims. There is additional room for improvement regarding transparency, with some companies scoring very poorly overall on the disclosure element of product labeling.

## Selected Best Practices

- Unilever's 'Lamplighter Program' combines health risk appraisals with physical activity opportunities, good nutrition, and mental resilience to improve employee health and wellbeing.
- Nestlé's new Global Parental Support Policy foster a gender-neutral approach to childcare, promoting paid leave, non-discrimination, and flexible working, and requiring breastfeeding rooms in all company locations with at least 50 employees.

## Selected Best Practices

- Nestlé has a public commitment to use interpretive labeling on its products, globally. It is the only company that commits to not use nutrition and health claims in countries where local or national regulations are less strict than the Codex Alimentarius Guidelines, and it also uses an NPM to inform the use of claims. Meanwhile, Danone has extensive public commitments regarding the use of both FOP and BOP labeling on its products.
- Danone is also the only company that commits to display nutrition information online which specifically takes into account differences in product composition (which often varies between markets) for over 90% of its products globally; in turn providing consumers with accurate, country-specific nutritional information about its products.

## Category G: Engagement

When it comes to **Engaging with Governments and Policymakers**, it is encouraging that 10 more companies than in 2018 are now disclosing lobbying positions on relevant nutrition topics, notably FOP labeling and health claims regulation. Meanwhile, almost all companies were found to have anti-corruption measures and whistleblowing mechanisms in place, and 15 companies either assign Board oversight of their lobbying positions or carry out internal audits of their lobbying activities. More companies are also making commitments and/or providing examples of supporting government efforts to prevent and address malnutrition, including obesity.

However, with an average score of just 2.9 across all the companies, there is still considerable room for improvement – particularly on disclosure of trade association membership, paid lobbyist activity, and governance conflicts of interest. Just two companies publicly commit to lobbying in support of measures to improve health and nutrition. A key concern is that only three companies were found to publish a commentary on lobbying measures to prevent and address all forms of malnutrition, and most companies focus primarily on supporting governments in their home market. There is significant scope for companies to invest in more comprehensive and structured engagement with domestic and international nutrition stakeholders, in order to inform, develop, and improve their nutrition strategies, policies, and programs.

## Selected Best Practices

- Danone and PepsiCo are the only companies with a public commitment to engage with governments and policymakers with the intention to only support measures that prevent and address malnutrition. PepsiCo was found to be the most transparent in disclosing its lobbying positions across several topics, including responsible marketing and advertising legislation.
- Kellogg states that it actively engages in ongoing conversations with multilateral organizations, governments, and NGOs, to identify risks and opportunities and inform its strategies, new programs, and food innovations. It has also engaged with governments to address hunger and malnutrition among children from low-income households.

# Marketing of breast-milk substitutes (BMS) and complementary foods (CF)

Manufacturers of BMS and CF have a significant impact on infant and young child (IYC) nutrition globally; influencing optimal breastfeeding and complementary feeding practices which not only have direct impacts on IYC health but, ultimately, affect the health of future generations. The International Code of Marketing of Breast-milk Substitutes and all subsequent relevant World Health Assembly (WHA) resolutions, including WHA 69.9 (collectively referred to as 'The Code'), urges and guides BMS and CF manufacturers to market their products responsibly to protect and promote exclusive breastfeeding in the first six months, and continued breastfeeding up to two years of age and beyond. ATNI expanded the coverage of the BMS Index in 2021 to include the nine largest companies in the global baby food segment: Abbott, Danone, Feihe, FrieslandCampina, Kraft Heinz, Mengniu, Nestlé, Reckitt, and Yili.

Danone – the company with the second highest sales in the baby food segment in 2019 at \$8.5 billion – once again leads the BMS/CF Marketing Index 2021, with a score of 68%. This result is a substantial improvement from its 2018 score of 46%. Nestlé – the market leader with sales of just over \$15 billion in this segment in 2019 – comes second, with a score of 57%, also a substantial improvement on its 2018 score of 45%. These two companies' performances increased principally due to the relatively high levels of compliance ATNI found with The Code, and local regulations that go beyond this in the Philippines and Mexico; compared to lower levels of compliance found in similar studies that ATNI carried out in Nigeria and Thailand for the 2018 assessment (BMS/CF 2). However, their scores fell on the BMS/CF 1 element of the Index, which assesses the alignment of their policies, management systems, and disclosure with the International Code on the Marketing of Breast-milk Substitutes and all subsequent, relevant WHA resolutions up to and including WHA 69.9 in 2016. This is because neither company has revised its marketing policy since the 2018 Index, and the fact they were assessed for the first time on their compliance with WHO guidance related to WHA 69.9 on ending inappropriate marketing of foods for infants and young children.

Kraft Heinz increased its ranking to third in the BMS/CF Marketing Index 2021, with a score of 38%, up from zero percent in 2018. This improvement was driven by having shared with ATNI for the first time a BMS marketing policy, as well as achieving a better result in the Mexico study compared to the study carried out in Nigeria in 2017. This company is substantially different to the others assessed in the BMS/CF Marketing Index, as it is the smallest (with global sales in 2019 of \$512 million) and because it generated most of those sales from CF, whereas the majority of the other companies generated most of their sales from formulas.

While some of the companies' policies align to the 1981 Code recommendations and associated WHA resolutions to some extent, most make significant exclusions in relation to certain products and markets. None apply in full, globally. Moreover, none of the six companies whose policies could be assessed for this Index have yet extended them to incorporate the 2016 WHO guidance.

The companies assessed in both the Global Index and the BMS/CF Index are Danone, FrieslandCampina, Kraft Heinz, Mengniu, Nestlé, and Yili, and their scores in the Global Index are adjusted based on their scores in the BMS/CF Index. The methodology for the BMS/CF Marketing Index 2021 is available [here](#), and the Index report is available [here](#).

# Selected Best Practices



FrieslandCampina's programme, 'Broadening access to nutrition', aims to make foods and beneficial nutrients available to more people, especially those with lower incomes. Seanuts II and ANI research projects provide the company with information for products and fortifications needed to help combat undernutrition and micronutrient deficiencies in children up to 12 years old and women of reproductive age in markets in Asia and Africa. The studies' results are published in the public domain.

A



Danone disclosed its benchmark on alignment of its definition of healthy categories with HSR. Danone's 'healthy categories' are benchmarked against the HSR and the information is publicly disclosed. The percentage of healthy products in Danone's portfolio is 90% according to the company's own criteria, and accounts for 88.3% of sales (water represents about two-thirds of Danone's total sales in volume) when utilizing the HSR healthy threshold (HSR  $\geq 3.5$ ). In the Product Profile, a total of 1,626 products across 10 markets were assessed for Danone, and 997 (61 percent) met the 'healthy' threshold. The company uses volume data excluding plant-based products, whilst the Product Profile utilized retail sales including the plant-based segment- one of the reasons the company's figures differ from those of the Product Profile.

B



Nestlé has developed and updated its commercial strategy, known as Popularly Positioned Products (PPP), to address the affordability of products meeting its own nutrition criteria, including those aimed at addressing micronutrient deficiencies across all its market operations. To appropriately price healthy products whilst considering the needs of low-income consumers, the company has an Integrated Commercial Planning process in place. This aims to review pricing of Nestlé's healthy products falling within the scope of its Popularly Positioned Products strategy, globally. The company also demonstrated examples of its application in various markets. In terms of distribution, the company shares evidence from Bangladesh through which it reaches "deep rural marginal outlets" to ensure the availability and accessibility of healthy Nestlé products to rural consumers. Its focus on priority populations is substantiated with examples of various products designed to address micronutrient deficiencies (e.g., the Bear Brand in South-East Asia).

C



D F

Arla is the only company to specifically refer to children as persons under the age of 18 years, as defined by the Convention on the Rights of the Child (CRC). In its policy, the company includes all children under the age of 18 and specifies which part of the policy applies to all children below 18 years and which part to children below 12 years. No other company extends the age range of its policy so high as under the age of 18.

The company stands out because of its broad commitment and public disclosure on the appropriate use of claims. The 'Arla Foods' labelling policy' aims to "create a uniform approach to packaging labelling with regards to the use of illustrations and information, including nutrition and health information, on all Arla Foods amba branded products, globally, to ensure simple and accurate product information to enable consumers to make informed dietary choices."

Arla has company specific nutrition criteria and states that they only allow the use of nutrition and health claims on products that meet these. The company commits to use national systems or guidance to get approval for nutrition and health claims and, if none exist, will only use claims in line with the Codex standards.



E

Unilever's award-winning Lamplighter Program is an innovative approach to employee wellness, using health risk appraisals alongside exercise, nutrition, and mental resilience to improve employees' health and wellbeing. Aggregated review results show that the Lamplighter programs offer a high return on investment, indicating that good health really is good for business. Unilever states this program is key to addressing the top three health risks across their business: mental wellbeing; lifestyle factors (such as exercise, nutrition, smoking, obesity); and ergonomic factors (such as repetitive strain injury).

Unfortunately, during the COVID-19 pandemic, Unilever has had to run the Lamplighter program at reduced capacity. In 2020, 42 countries ran the Lamplighter employee health program, reaching around 32,000 employees, and the "Employee Assistance Program" also supported employees through the pandemic.

Unilever is one of eight companies that demonstrated a commitment to improving the health and wellness of groups across the wider food supply chain. These groups are not direct employees (such as smallholder farmers, factory workers, and small scale vendors). The company's partnership in the 'Seeds of Prosperity', with GAIN and the Sustainable Trade Initiative (IDH), is helping tea workers and their families improve their health and wellbeing through more nutritious, diverse diets. The findings of this program will be utilized by all three groups to develop the next generation of workplace nutrition programs, with the aim of developing an approach which can be adapted to suit different businesses and contexts.

ATNI strongly encourages other food and beverage manufacturers to step up their efforts in this field.



In their latest 'Wellbeing Milestones' report, Kellogg describes in detail its engagement with numerous governments in the US, Latin America, and Europe to address hunger and malnutrition among children from low-income households. Kellogg also states that it actively engages in ongoing conversations with multilateral organizations, governments, and NGOs to identify risks and opportunities, inform new programs and food innovations, and further inform its Wellbeing Strategy, commercial strategy, and corporate policies on undernutrition.



## Recommendations

### Category A: Governance

Companies that scored highly on governance tended to score better across other Categories, too – suggesting that nutrition activities are likely to be better sustained where commitment starts at the top, and are integrated into core business strategy and publicly and comprehensively reported on.

Therefore, ATNI recommends that global F&B manufacturers continue to integrate nutrition considerations into core business functions, including linking executive pay to performance on nutrition objectives. These commitments could then be translated into specific action, and research conducted into how best to use commercial opportunities to address specific needs of priority populations.

### Category B: Products

Companies can and must do much more to develop and deliver a comprehensive strategy to improve the overall nutritional quality of their portfolios and within product categories. Product innovation, reformulation, diverging from unhealthy product lines, and/or acquiring healthier brand lines will improve company scores on all three components of the Product Profile assessment (portfolio healthiness, within category healthiness, and change in healthiness over time).

ATNI recommends that global F&B manufacturers disclose nutrient information (including micronutrients) for all products, to enable more robust independent assessments of the nutritional quality of products (such as ATNI's Product Profile). Companies must improve transparency on the proportion of sales from healthy products and ensure their targets on portfolio level healthiness (e.g., through divestment/ acquisition) and product (re)formulation are aligned with national and international standards.

ATNI also recommends that companies commit to only fortify products that are healthy and inherently of high quality in addressing undernutrition, and that strategies and R&D investments are strengthened to develop products addressing micronutrient deficiencies.

### Category C: Accessibility

ATNI recommends that global F&B manufacturers adopt a clear policy on affordability and accessibility of healthy products, including strong, unifying public commitments and SMART (specific, measurable, achievable, realistic, and timely) targets to guide their actions.

Most companies need to strengthen their current commitments by specifically addressing the needs of low-income consumers and/or those that lack physical access to nutritious food, across all markets. ATNI recommends regular in-country analysis to identify and target consumers who are affected by socioeconomic inequities and COVID-19-related disparities. Action to ensure the accessibility of healthy food to these groups should be accompanied by an explanation of how the healthiness of products is based on objective nutrition criteria that align with international standards.

#### **Category D: Marketing**

ATNI recommends that global food and beverage manufacturers invest in improving marketing policies that accelerate efforts to drive sales of healthy options. Commitments should align with the ICC marketing framework, widen the media channels to which policies apply, and explicitly address in-store/point-of-sale and sponsorship marketing in policies.

Developing and delivering marketing strategies appropriate to priority populations is also key to overcoming the inequities that have been exacerbated by COVID-19. ATNI recommends all companies adopt and apply WHO regional standards on marketing to children, increase the age covered by restrictions to under-18, and lower the audience threshold used to restrict advertising on all media to 25% or less. Marketing restrictions in primary schools could be extended to include secondary schools, other places where children gather, and areas surrounding these places.

ATNI also recommends that companies commission independent, annual marketing audits of their responsible marketing policies.

#### **Category E: Lifestyles**

COVID-19 has shown that safeguarding the health and resilience of those working in the food supply chain is key to food security in times of crisis. Hence, ATNI recommends that companies urgently improve and extend their health and wellness programs, including both nutrition and physical-activity elements and setting meaningful and quantifiable outcomes. These programs should be accessible to all employees and their families globally, and with an additional commitment to improving the health and wellness of groups across the wider food value chain that are not direct employees.

ATNI recommends companies that have not yet done so develop robust and publicly-available parental policies that apply equally in market operations worldwide, including support for breastfeeding at work and providing parental support/paid maternity leave (ideally for at least six months).

Additionally, ATNI recommends that consumer education and healthy eating and active lifestyle initiatives are evidence-based, aligned with relevant national or international guidelines, and (co-)initiated and developed by independent organizations with relevant expertise. Companies could take renewed steps to support programs that address the specific needs of those at high risk of micronutrient deficiencies, particularly in the wake of the COVID-19 crisis.

#### **Category F: Labeling**

To compensate for differences in local regulations around the world, ATNI recommends that global food and beverage manufacturers commit to providing comprehensive nutrition information on all product labels, in all countries. This includes strengthening commitments to display BOP nutritional information, including nutrients such as added sugars, fiber, and micronutrient content, and to provide interpretative FOP labeling.

ATNI also recommends companies commit to only using health and nutrition claims on products (including fortified foods) that are determined as being healthy by a relevant nutrient profiling system (NPS).

#### **Category G: Engagement**

The COVID-19 crisis has made clear the need for companies to take an active and constructive role in supporting government efforts to combat all forms of malnutrition, not only in their home countries, but in all markets in which they are active. ATNI recommends that global F&B manufacturers publicly commit to lobby responsibly, in-line with the Responsible Lobbying Framework, explicitly support only evidence-based measures that are designed to improve health and nutrition, and comprehensively disclose the extent of lobbying carried out.

ATNI also recommends that companies engage with a wide range of national and international stakeholders with specific expertise in nutrition-related topics during the design of their nutrition strategies, programs, and interventions, to maximize positive impact on public health.

### **Marketing of breast-milk substitutes (BMS) and complementary foods (CF)**

Forty years after the original International Code of Marketing of Breast-milk Substitutes (The Code) was adopted, the 2021 BMS marketing assessment provides clear evidence that the marketing practices of the world's nine largest manufacturers of formula and foods for IYC are far from aligned with its recommendations.

ATNI encourages all of the nine major companies that make BMS and/or CF, which were assessed in the BMS/CF Marketing Index 2021, to adopt marketing policies that are fully aligned to the wording and scope of the 1981 Code, including all subsequent and relevant WHA resolutions.

ATNI recommends these marketing policies are applied to all product types. None of the six companies that have a BMS marketing policy extend this to all types of formula (i.e., none include growing-up milks for older infants from one to three years of age). Moreover, companies that make and market CF for children aged six months to three years of age need to incorporate the WHO guidance recommendations, issued in 2016 and associated with WHA 69.9. These are in relation to adhering to established standards and guidelines on CF product formulation, ensuring the appropriate use of marketing messages to support optimal feeding, avoidance of cross-promotions, and of conflicts of interest within the healthcare setting. It is critical that companies commit to uphold their policies in all markets (i.e., in both higher- and lower-risk countries) and apply them where there are no relevant regulations or where regulations do not fully implement The Code.

As for the companies that sell BMS products but do not yet have BMS marketing policies, ATNI encourages them also to publish such policies in which they commit to not only uphold relevant national regulations, but also implement The Code, in full, across all markets in which they operate currently or aspire to enter.

All companies are recommended to adopt effective, company-wide governance and management arrangements to ensure their policies are effectively and consistently implemented in all markets in which they operate, and to publish more information on their BMS and/or CF marketing policies and practices to provide greater transparency to all interest groups.

## **Future Opportunities**

ATNI embraces the evolution of the methodology in this iteration of the Global Index, including the incorporation of the assessment of the healthiness of companies' product portfolios and the incorporation of policies and actions targeting priority populations at high risk of malnutrition, in both low- and high-income markets.

The COVID-19 crisis and its negative impact on malnutrition in the world has made it very clear, however, that more efforts at a faster pace are needed by the food industry to achieve the end of malnutrition in all its forms in 2030.

ATNI will share and reflect on the outcomes of this Index with the companies assessed, and with ATNI's investor signatories that engage with the companies, to discuss required follow-up action. The Index results will also be discussed with a wider group of interested parties in nutrition and food systems during various on-line events, to determine ways in which the industry response to malnutrition can and should be strengthened to ensure healthier diets



for all.

Moreover, ATNI is engaged in various working groups that are preparing for the United Nations Food Systems Summit (September) and for the Nutrition for Growth Summit (December). ATNI will disseminate the latest Index findings in these forums and share its experience on holding companies to account for their impact on nutrition. These events also provide all baby food companies with the ideal opportunity to make the commitments necessary to honor The Code.

The insights from the Index 2021 and the learnings from our 2020 COVID-19 project, in which F&B companies' responses to the pandemic in relation to nutrition were monitored, will be used to identify areas in our Index methodologies and other accountability tools that require further development to amplify ATNI's efforts to address malnutrition.

# Category findings

The Corporate Profile assesses companies' nutrition-related commitments and policies, practices and disclosure across seven categories. A product profiling exercise, assessing the healthiness of companies' product portfolios using the Health Star Rating model is also part of the Corporate Profile.



## Governance

Nestlé and FrieslandCampina rank first and second in Category A respectively, with the most comprehensive nutrition strategies, management systems, and reporting among the companies assessed. Since the Global Index 2018, where 22 of the current 25 companies were assessed, Kraft Heinz shows the most significant improvement after adopting global nutrition guidelines in 2020, and increased their score from 0.5 to 3.4. In terms of ranking, Grupo Bimbo shows the biggest improvement in this category, going up seven positions to rank in 5th place and moving from a score of 4.9 (2018) to a score of 6.4 (2021). This is partly due to the way the company includes nutrition challenges in its risk assessments and acquisition decisions, and because Grupo Bimbo's nutrition strategy is supported by its board and regularly audited.

\* Did not provide information to ATNI

\* Did not provide information to ATNI



### Products

Danone leads Category B, followed by Nestlé and FrieslandCampina. Besides their relatively high scores in the Product Profile, these companies have adopted nutrient profiling models to guide their (re)formulation strategies and have defined relevant targets for most nutrients of public health interest.

\* Did not provide information to ATNI



### Accessibility

FrieslandCampina and Nestlé rank first and second in Category C respectively, with the most comprehensive pricing and distribution approach for their 'healthy' products, including those products that are designed to address micronutrient deficiencies in groups experiencing and at high-risk of malnutrition. They are followed by Danone (third) and Unilever (fourth). Companies that show improvement in their scores are FrieslandCampina, Coca-Cola, Meiji, Mars, and Unilever. FrieslandCampina shows the greatest improvement in score (5.2 to 7.7), followed by Meiji (0.6 to 1.7).

\* Did not provide information to ATNI



### Marketing

FrieslandCampina ranks first in marketing with a score of 7.9. Reasons for the company's lead position are its consistently high scores in each criterion and its commitments and efforts to address nutrition challenges for priority populations. Mars and Nestlé come in second and third with scores above seven, reflecting advanced strategies in protecting consumers, including children, from irresponsible marketing. Arla has improved its ranking the most, by five places, due to improvements such as joining the EU pledge on advertising to children and initiating internal auditing for general audiences. Conagra has decreased its ranking position the most, by seven places. This was not due to a significant drop in Conagra's score, but rather increases in scores of other companies.

\* Did not provide information to ATNI



### Lifestyles

Unilever ranks first, followed by Nestlé. These companies have adopted a range of policies to support employee/consumer wellness and are involving some of their partners and suppliers throughout the value chain. Since the Global Index 2018, where 22 of the current 25 companies were assessed, Ferrero and Arla have shown the largest improvement which, in large part, can be attributed to improved commitments to support breastfeeding mothers in the workplace.

\* Did not provide information to ATNI



### Labeling

Unilever takes first place in the rankings with an improved score of 8.5, rising three places since 2018. It is followed by Nestlé (8.4) and Mondelez (7.0) in second and third positions. Arla (increasing from 2.5 to 6.2) and PepsiCo (increasing from 2.6 to 6.1) show the most improvement in their ranks.

\* Did not provide information to ATNI



### Engagement

Nestlé leads this category with a strong, well-structured approach to stakeholder engagement to gather feedback on its nutrition-related strategies and programs. FrieslandCampina and Unilever follow closely behind with strong commitments to, and examples of, supporting governments' efforts to address malnutrition, while also showing evidence of engaging with a wide range of stakeholders in developing their nutrition strategies, policies, and programs.

# BMS/CF

## Chapter

# Global Index

## 2021

The BMS/CF Marketing Index assesses the extent to which the world's nine largest manufacturers of breast-milk substitutes (BMS) and complementary foods (CF) market their products in line with WHO guidance.

### **About the BMS/CF Marketing Index and its link to the Global Index**

The BMS/CF Marketing Index assesses the extent to which the world's nine largest manufacturers of breast-milk substitutes (BMS) and complementary foods (CF) market their products in line with WHO guidance, as set out in the 1981 International Code of Marketing of Breast-milk Substitutes (BMS) and 18 subsequent relevant World Health Assembly (WHA) resolutions (collectively referred to as The Code). For the studies ATNI commissioned to assess the companies' marketing in the Philippines and Mexico, the scope extends to any national legal measures that go beyond The Code.

This Index is the only one of its kind. A score of 100% would indicate that a company's marketing policies, practices and disclosure are fully aligned with international recommendations.

Similar prior assessments were presented as a sub-ranking of ATNI's 2016 and 2018 Global Indexes. Now, to place greater emphasis on, and direct greater attention to the critical importance of the health and nutrition of infants and young children, ATNI published a stand-alone Index.

The results of the BMS/CF Marketing Index will again feed into the Global Index 2021, as in previous iterations and in the same way, for any company in the Global Index that generates more than 5% of its total global revenues from sales of formula and foods for infants and young children. Therefore, the scores of six of the nine companies assessed on the BMS/CF Marketing Index will be used to calculate a proportionate adjustment to these companies' Global Index scores. The six companies are Danone, FrieslandCampina, KraftHeinz, Nestlé, Mengniu and Yili.

# The importance of nutrition in early life

The critical importance of good nutrition and healthy diets has been underlined by the COVID-19 pandemic. Baby food companies can play a critical role in improving the health and life prospects of infants and young children by protecting and supporting breastfeeding. By following the recommendations of The Code, they can contribute to the realisation of several WHO 2025 nutrition targets and the Sustainable Development Goals. Specifically, to SDG 2 – by preventing child mortality and various forms of undernutrition – and SDG 3 – by decreasing children's risks of developing NCDs later in life.

Until such time as all countries have passed laws and regulations to give effect to The Code, baby food companies can contribute to health and nutrition by voluntarily marketing their products in line with WHO recommendations.

To date, only 31 countries have a Code-aligned legal framework to control the marketing of BMS and CF. While many factors have contributed in recent years to falling breastfeeding rates in many countries, and the concomitant increasing use of BMS, a principal driver has been the increasing and widespread marketing of these products. Breastfeeding has long been proven to provide myriad significant health benefits compared to BMS. These benefits are unique to breastfeeding and help both mother and infant. Positive long-term benefits for infants include protection against becoming overweight or obese, as well as against certain non-communicable diseases such as diabetes mellitus. Further, in areas of the world where hygiene is poor and the availability of, and access to, food is sub-optimal, breastfeeding is key to lowering infants' risk of undernutrition and infectious diseases.

# Methodology

The full methodology is available [here](#). In short, the Index scores and ranks companies based on two types of assessment that are given equal weight. The first – BMS/CF 1 – determines the extent to which the companies' own policies – adopted voluntarily – and their associated management systems and disclosure align fully to the recommendations of The Code. One section also assesses the stance companies take on lobbying governments in relation to adoption of legal measures to implement The Code. The companies' scores are based both on information in the public domain and – if they wish – unpublished internal documentation which they submit under a non-disclosure agreement to ATNI's online research platform. For those companies included in the Global Index 2021, the total possible adjustment made based on the Corporate Profile or BMS/CF 1 score is -0.75, 50% of the maximum possible adjustment of -1.5.

The second – BMS/CF 2 – aims to assess the extent to which companies market their products in line with The Code within two low or middle-income countries (called higher-risk countries). As for previous assessments, ATNI selected two countries in which to undertake research for this Index: the Philippines and Mexico. ATNI's summary reports, and those of Westat, the company which ATNI commissioned to undertake them, are available [here](#). For those companies included in the Global Index 2021, the total possible adjustment made based on the in-country assessment or BMS/CF 2 score is -0.75, 50% of the maximum possible adjustment of -1.5.

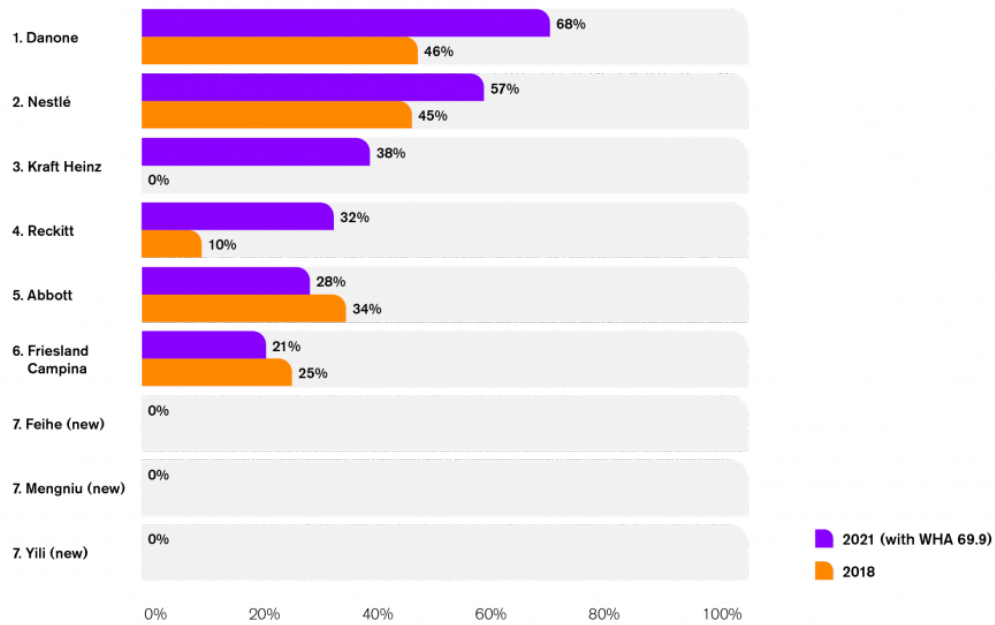
Numerous factors relating to the companies' own policies and practices, their market share, length of time in the market and the alignment of national legal measures with The Code, and others, influences how companies perform on the second element of the assessment. For the first time, ATNI provided data from this element of the research to FTSE Russell to use in its decisions about the suitability of Danone, Nestlé and Reckitt to continue to be constituents of its FTSE4Good Index Series.

Given that the final combined BMS/CF score represents the level of compliance with the ATNI methodology, for companies included in the Global Index 2021, the adjustment is based on the level of non-compliance. Therefore, the calculation for the adjustment is:  $-1.5 \times (100\% - \text{final combined score})$ . The maximum adjustment however for Mengniu and Yili is -0.75 given that they were only assessed on BMS/CF 1 as they have no market presence in the Philippines and Mexico; the calculation for the adjustment is:  $-0.75 \times (100\% - \text{final corporate profile score})$ .

One principal change to the previous methodology is the inclusion of an assessment, for the first time, of companies' marketing in accordance with 2016 WHO 'Guidance on ending the inappropriate promotion of foods for infants and young children', referenced in WHA Resolution 69.9 adopted at the 69th World Health Assembly. Another notable change is the inclusion of the next three largest companies in the baby food segment, which are all based in China. ATNI was unable to establish contact with these companies and therefore they did not engage in the research process. Their assessments therefore had to be based only on information in the public domain, as has been the case for other companies in the past.



# BMS/CF Marketing Index 2021 Ranking



# Key finding

Fully 40 years after the original International Code of Marketing of Breast-milk Substitutes was adopted, this Index provides clear evidence that the marketing practices of the world's nine largest manufacturers of formula and foods for infants and young children are far from being aligned with its recommendations. Similarly, despite the WHA having passed 18 related resolutions since 1981, including and having endorsed in 2016 new guidance on ending the inappropriate promotion of foods for infants and young children, none of the companies assessed yet abides by the recommendations made in, or associated with, all of these resolutions.

All BMS companies were addressed by a [BMS Call to Action](#) issued in June 2020 by WHO, UNICEF and several non-governmental organizations which urged them to publicly acknowledge The Code and to commit to delivering full Code compliance by 2030 at the latest. While 17 companies responded – including seven included in this Index, most did not make the requested commitments or action. The signatories to the Call to Action, in their [response to industry](#), stated that they were *'profoundly disappointed that no other company, including the largest global companies, took this crucial opportunity to commit to achieving compliance with internationally agreed health policy.'*

The UN Food Systems Summit, being held in September this year, and the Nutrition4Growth Summit being hosted by the Government of Japan in December, provide all baby food companies with the ideal opportunity to make the commitments necessary to honor The Code. We call on their investors and other stakeholders to encourage them to take this vital step. Those governments that have not yet adopted legal measures to fully implement The Code could also take this opportunity to do so. With less than a decade to go to realize the SDGs, now is the time for the companies ATNI has assessed – and all others in the sector, to commit to delivering on their responsibilities.

# Results by company

The table below shows the component scores on each element – BMS/CF 1 and BMS/CF 2 – and the impact on relevant companies' Global Index 2021 scores.

1. **Danone** retained first place, with a score of 68%, up substantially from its score of 46% in 2018 – the Global Index adjustment is therefore -0.48. It had the second highest sales in this segment in 2019 of US\$ 8.5 billion. Its higher score in 2021 was driven principally by higher levels of compliance with The Code and local regulations that go beyond The Code in the Philippines and Mexico compared to the levels of compliance found in previous studies carried out in Nigeria and Thailand for the 2018 Index. It therefore achieved a higher score on BMS/CF 2 than in 2018. Though it has not revised its policy since the last assessment, the company's overall score fell in relation to its policy, management systems and disclosure, i.e., on BMS/CF 1. While it provided evidence of slightly stronger management systems in some areas and scored slightly better on the lobbying section of the methodology, the deterioration in its BMS/CF 1 score overall was due to the company having not adopted any of the recommendations in the guidance associated with WHA 69.9 and as a result there being no related disclosure.

3. **KraftHeinz** increased its ranking to third, with a score of 38%, up from a score of zero in 2018 – the Global Index adjustment is therefore -0.93. This company is substantially different to the other nine assessed, as it is both the smallest, with global sales in 2019 of US\$ 512 million. It generated most of those sales from complementary foods, whereas all of the other companies generated most of their sales from BMS. The improvement in its score was driven by two factors. The company provided to ATNI for the first time its BMS Marketing Charter for assessment, and participated in the research process, which increased its BMS/CF 1 score. It also achieved a better result in the 2020 Mexico study compared to the one carried out in Nigeria in 2017. As a result, its BMS/CF 2 score also increased.

2. **Nestlé** is the market leader with sales of just over US\$15 billion from this segment in 2019. It retained its second place, with a score of 57%, up substantially from its score of 45% in 2018 – the Global Index adjustment is therefore -0.64. This increase was principally a result of the higher level of compliance with The Code and local regulations that go beyond The Code in the studies carried out in the Philippines and Mexico, compared to the results from the studies carried out in Nigeria and Thailand for the 2018 Index. It therefore achieved a higher score on BMS/CF 2 than in 2018. Nestlé's score fell in relation to its policy, management systems and disclosure as measured by BMS/CF 1, principally because the company has not adopted any new commitments to give effect to the guidance associated with WHA 69.9, nor any related management systems. As a result, it could not score on the relevant disclosure indicators.

4. **Reckitt** (previously called RB until it rebranded in March 2021, which owns the former Mead Johnson Nutrition brands), was the fourth largest company in this segment in 2019 with sales of US\$ 3.8 billion – Reckitt is not included in the Global Index 2021 as it is not classified as a food and beverage company. It increased its ranking to fourth, with a score of 32%, up from a score of 10% in 2018. This improvement is due to the company having developed and published a new BMS marketing policy, and having adopted associated management systems, as well as disclosing more. The company also engaged fully with ATNI's research process for the first time. These factors all contributed to its higher BMS/CF 1 score. Compared to the findings of the in-country studies carried out for the 2018 Index, Reckitt achieved higher levels of compliance with The Code and local regulations that go beyond The Code in one of the two countries, i.e., in Mexico, but not in the Philippines. Its BMS/CF 2 score therefore also improved.

5. **Abbott's** ranking fell to fifth, with a score of 28%, down from 34% in 2018. It is the third largest company in the segment, with sales of just over US\$4 billion in 2019 – Abbott is not included in the Global Index 2021 as it is not classified as a food and beverage company. The company revised its BMS marketing policy since the 2018 assessment. While it now commits to uphold its policy in markets where regulation is absent or less stringent than its policy, which is a positive development, the wording of the new policy is considerably less well aligned with The Code than the previous iteration. As a result, its score fell on BMS/CF 1. The company's levels of compliance found in the in-country studies did not change between 2018 and 2021. It had a high level of compliance with The Code and local regulations that go beyond The Code in the Philippines (as it did in Nigeria in 2018), and a low level of compliance with The Code in Mexico (as it did in Thailand in 2017). Its BMS/CF 2 score therefore did not change.

=7. **Feihe**, a new entrant to the Index, ranks equal seventh, with no score. The company does not appear to publish a BMS marketing policy or any other relevant documents. As it does not market its products in either Mexico or the Philippines, its score does not include any results from the in-country studies. Feihe is not included in the Global Index 2021 as it is not part of the 25 largest food and beverage companies.

=7. **Mengniu**, a new entrant to the Index, ranks equal seventh, with no score – the Global Index adjustment is therefore -0.75. The company does not appear publish a BMS marketing policy or any other relevant documents. As it does not market its products in either Mexico or the Philippines, its score does not include any results from the in-country studies.

6. **Friesland Campina** is the sixth largest company in this segment, with 2019 global sales of close to US\$1.5 billion. Its ranking fell to sixth, with a score of 21%, down from 25% in 2018 – the Global Index adjustment is therefore -1.18. The company has not changed its policy since the previous assessment; the wording is relatively well aligned to The Code. However, although the company commits to uphold its policy in markets with no relevant regulation, in markets where legal measures are in place, it defers to them, both in terms of the products within their scope and the provisions relating to marketing and labelling. The company has improved its management systems a little and improved its disclosure since 2018. Its lower score and ranking in this Index are principally due to a higher penalty being applied to its BMS/CF 1 score than previously, due to its stance in relation to local regulations, which is explained further in the report. The company's level of compliance in the one in-country study in which it was included – Mexico – was low, as it was in Nigeria in 2018, and therefore its BMS/CF 2 score did not change.

=7. **Yili**, a new entrant to the Index, ranks equal seventh, with no score – the Global Index adjustment is therefore -0.75. The company does not appear to publish a BMS marketing policy or any other relevant documents. As it does not market its products in either Mexico or the Philippines, its score does not include any results from the in-country studies.

## Company scores and rankings, 2021, and Global Index 2021 adjustment, where relevant

Rank	Company	Global Index adjustment	Max. potential adjustment	Increase or decrease in rank since 2018	Combined total BMS/CF marketing score (out of 100%)	BMS/CF 1: Corporate Profile score	BMS/CF 2: In-country assessment score (out of 100%)	Combined total BMS marketing score, 2018 (out of 100%)	% change, 2018-2021
1	Danone	-0.48	-1.5	=	68%	53%	83%	46%	+22%
2	Nestlé	-0.64	-1.5	=	57%	48%	66%	45%	+12%
3	KraftHeinz	-0.93	-1.5	↑	38%	11%	66%	0%	+38%
4	Reckitt	N/A	-	↑	32%	47%	17%	10%	+22%
5	Abbott	N/A	-	↓	28%	24%	33%	34%	-6%
6	Friesland Campina	-1.18	-1.5	↓	21%	42%	0%	25%	-4%
=7	Feihe	N/A	-0.75	New	0%	0%	N/A	N/A	N/A
=7	Mengniu	-0.75	-0.75	New	0%	0%	N/A	N/A	N/A
=7	Yili	-0.75	-0.75	New	0%	0%	N/A	N/A	N/A

# Ten key findings and recommendations

**1. Two companies have made significant improvements in their BMS marketing policies, management systems and/or disclosure – as illustrated in their BMS/CF 1 Corporate Profile scores.**

- Reckitt revised and published a comprehensive BMS marketing policy following the acquisition of Mead Johnson Nutrition in 2017. The policy however applies only to infant formula and follow-on formula (and excludes most of its formulas for special medical purposes, FSMPs).
- For the first time, KraftHeinz shared its BMS Marketing Charter with ATNI though it has substantial gaps compared to The Code and does not cover CF, which make up most of its sales.

ATNI welcomes these improvements.

**3. None of the six companies that have a BMS marketing policy fully incorporate the wording of all articles of The Code, i.e., the 1981 Code and all subsequent relevant WHA resolutions and related guidance and standards, up to and including WHA 69.9.**

- This is illustrated in their initial BMS/CF 1 scores falling well short of 100%.

All six companies are urged to update their existing policies to align their wording fully to The Code.

**2. Three companies achieved high or complete compliance with The Code, and national regulations that go beyond The Code, in the two studies conducted in Mexico and the Philippines during 2020. This is illustrated by their BMS/CF 2 scores.**

- Danone demonstrated complete compliance in the Philippines. It also achieved a high relative level of compliance in Mexico.
- Nestlé was found to have a high relative level of compliance in both Mexico and the Philippines during the study period. It is the market leader by sales value in both countries.
- KraftHeinz also achieved a high level of compliance in Mexico in relation to its CF products.

ATNI commends these results but encourages the companies to take action to eliminate all incidences of non-compliance as soon as possible.

**4. The three companies newly added to this Index – Feihe, Mengniu and Yili – have not yet published a BMS marketing policy.**

ATNI strongly encourages these companies to publish BMS marketing policies in which they commit both to uphold national regulation in China (and any other countries in which they currently do business or may do business in future) and to implement The Code in full in all markets.

**5. No company's BMS marketing policy covers all types of formula marketed as suitable for infants from birth to 36 months of age.**

- This is the most significant, common weakness in the companies' policies. While more include infant formulas and follow-on formulas within their scope, none extend to growing-up milks. Further, many companies state that some or all of their FSMP products (formulas for special medical purposes) are excluded from their policies and/or they follow national regulatory definitions of these products. Although not yet factored into ATNI's methodology nor the companies' scores, of particular concern is the exclusion from the scope of company policies some or all of their FSMPs. These products are BMS and have always been included in the definition of BMS products in the scope of The Code and should be included within the scope of companies' BMS marketing policies.

All companies must extend the scope of their policies to include all types of formulas, including growing-up milks and all FSMPs, to fully align them to The Code.

**7. The geographic application of companies' policies is not universal and therefore not fully aligned to The Code.**

- The Code is intended to be applied consistently in all markets. The Code does not make a distinction between 'higher-risk' and 'lower-risk' countries. This distinction was introduced by FTSE Russell's FTSE4Good Index Series in 2010.

All companies are urged to restate the geographic scope of their policies to be global, in respect of all product types and all provisions of The Code.

**6. None of the companies has a policy on marketing CF for young children aged 6-36 months that aligns to the recommendations the guidance associated with WHA Resolution 69.9**

- Despite this resolution and the associated guidance being adopted by the WHA five years ago, in May 2016, which inter alia made new and specific recommendations about marketing CF, none of the companies that make these foods have published a separate policy or amended their existing policy provisions to implement the recommendations in full.

All companies must revise their policies to incorporate commitments to implement in full the recommendations in the guidance associated with WHA Resolution 69.9 in relation to CF for children 6-36 months of age.

**8. Companies' approaches vary with regards to upholding their own policies in relation to local legal measures that implement The Code.**

- While all companies commit to uphold national laws, regulations and standards, and most pledge to uphold their policies in full where such legal measures are absent or less extensive than their own policies, not all companies do so.

ATNI calls on all companies that do not yet do so to commit not only to comply with local laws and regulations, but to go further and uphold their policies in full – adhering to the scope they establish for their policies in terms of products and types of marketing, and to do so in all countries where legal measures are weaker than The Code, or where they are absent altogether.

### **9. Gaps between the companies' policies and The Code were made clear by the in-country assessments in the Philippines and Mexico.**

- The critical importance of both strong national laws and regulations and of companies adopting global policies that align fully to The Code was made clear by the results of the studies in the Philippines and Mexico. While neither country's laws nor regulations fully implement The Code, those of the Philippines are much more closely aligned to it than those in Mexico. As a result, ATNI found far fewer incidences of non-compliance with The Code and the one aspect of local regulations relating to labelling in the Philippines (152) than in Mexico (325).
- Moreover, the compliance of the companies included in this Index was better in relation to product types covered by their policies (typically infant formulas and follow-on formulas) and worse in relation growing-up milks and CF (though these products are also less well covered by the national legal measures). This illustrates that when companies adopt policies aligned to The Code and put in place effective management systems to implement those policies, less inappropriate marketing occurs.

ATNI calls on all countries that have not yet done so to emulate the 31 countries that have to date adopted laws and regulations substantially or fully aligned with The Code. By doing so they will create a level-playing field for ALL companies.

However, given that it is likely to take many years for countries to pass such measures, in the meantime it is imperative that companies adopt marketing policies that fully align to the Code, in all dimensions, as already noted.

### **10. Some companies' have reasonably good commitments relating to lobbying in relation to legal measures and standards to implement The Code. Now is the time to strengthen them.**

- It is vital that all countries adopt national laws, regulations and standards that fully align to The Code. ATNI assessed the extent to which companies pledge to support such efforts by assessing the relevant commitments, management systems and disclosure, using a small number of indicators. However, a related report published in June 2021 entitled [Spotlight on Lobbying](#) – provides a more comprehensive picture.

Companies that make BMS and CF must make clear and unequivocal commitments to support – and not to undermine – the efforts of governments and international bodies to adopt Code-aligned legal frameworks. This will both provide the necessary protections to breastfeeding while also creating a level-playing field on which all companies can compete fairly. Without such measures, most companies are reluctant to make voluntary commitments due to the considerable impact such steps would have on their revenues and profits.

ATNI calls on all companies to implement the [Responsible Lobbying Framework](#) in full and to put in place rigorous systems to ensure that their interactions with policymakers and governments in all markets are governed by their public commitments. Much greater transparency about their lobbying positions and activity must also be provided. Investors are urged to use their influence with companies to encourage them to take these steps.



# Future Indexes

ATNI hopes that this Index will aid the work of all organizations and individuals committed to improving the health of infants and young children, particularly through increasing breastfeeding everywhere. ATNI encourages all stakeholders to use the Index and to provide feedback about how they have used it and how it could be improved in future.

From the autumn of 2021, ATNI will hold a series of consultations with a wide range of stakeholders to collate this input and inform the evolution of the methodology for the next Index.

The next BMS/CF Marketing Index – planned for 2023 – will be expanded to the world's 20 largest baby food manufacturers.

# Amplifying impact

Companies urgently need to deliver on the Sustainable Development goals:



**End hunger, achieve food security and improved nutrition**



**Ensure healthy lives and promote well-being for all**

In doing so, they can contribute to the realization of all the SDGs. ATNI encourages all stakeholders to actively use the 2021 Index results and provide their feedback to ATNI. We hope the rated companies will commit to make changes based on our recommendations, and that their investors will use the recommendations in their engagement with those companies to press for improvements in their policies, practices, and disclosure. Furthermore, we hope that governments and policymakers, NGOs, academics, and others can use our analysis and findings in their work to encourage better diets worldwide.

**The Global Access to Nutrition Index (ATNI) 2021 would not have been possible without the generous support of the Bill & Melinda Gates Foundation, Foreign Commonwealth and Development Office, and the Dutch Ministry of Foreign Affairs (DGIS).**

The Global Index 2021 was produced by the ATNI team, consisting of: Aline Kwizera, Aurélie Reynier, Babs Ates, Bo-Jane Woods, David Jerome, Efi Chatzinikolaou, Elena Schmider, Estefania Marti Malvido, Fiona Kirk, Inge Kauer, Julia Lladós i Vila, Marije Boomsma, Mark Wijne, Martina Asquini, Nadine Nasser, Osien Kuumar, Paul Vos, Sameea Sheikh, Will Sharp, and Yade Cosgun; and ATNI consultants: Amanda Berhaupt-Glickstein, Katy Cooper, Minqi Wang, and Rachel Crossley. 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, and this report benefited greatly from their input. The views expressed in this report, however, do not necessarily reflect the views of the group's members or of their institutions.



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Foreign, Commonwealth  
& Development Office

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## Research/ Implementing Partners

### The George Institute

Elizabeth Dunford and Fraser Taylor of The George Institute for Global Health (The George Institute), conducted the Product Profile assessment for the 16 companies in this 2020 Index and the analysis of changes in the nutritional profile of packaged food and beverage products from 11 large companies in India over a three year period for the Access to Nutrition Initiative.



The George Institute  
for Global Health

### Innova Market Insights

Innova Market Insights (Innova), a commercial knowledge supplier for the Food and Beverage industry, provided product composition data.



INNOVA  
MARKET  
INSIGHTS

**73BIT**

Development 73BIT, a British IT developer, set up the online data platform used to collect and process company data. It also developed automatic scoring sheets and reports that fed into the scorecards.

**Kummer & Herrman**

Kummer & Herrman based in the Netherlands, design for identity, website and reports.

**Studio September**

Studio September based in the Netherlands, website development.

**Ketchum**

Ketchum, an integrated communications agency in Germany, is ATNI's public relations partner for this index.

**WRENmedia**

WREN*media*, a UK communication company did the language and copy editing of the report and scorecards.

# Annex Global Index 2021

Members of the following groups have served in their personal capacities and in an advisory role. The views in this report do not necessarily reflect the views of these groups' members or of their institutions. The ATNI development team is responsible for the final scope and content of the Index.

## Board

### **Paulus Verschuren**

Chair of the Board of ATNI

Founder WorldFed NL; Former Special Envoy Food and Nutrition Security Ministry of Foreign Affairs, The Netherlands; Former Senior Director Unilever Global Health Partnerships; Former Executive Director International Life Sciences Institute – ILSI Europe

### **Lauren Compere**

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### **Inge Kauer**

Executive Director, Access to Nutrition Initiative

### **Marc Van Ameringen**

Former Executive Director Global Alliance for Improved Nutrition (GAIN)

### **Paula Luff**

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President and Chief Executive Officer, Helen Keller International; Board member of InterAction, International Agency for the Prevention of Blindness (IAPB), and the Bernadotte Foundation for Children's Eyecare

### **Susanne Stormer**

Vice President, Chief Sustainability Officer, Novo Nordisk, Denmark; Adjunct professor, Corporate Sustainability, Copenhagen Business School; Member of International Integrated Reporting Council.

# ATNI Expert Group

The function of the Access to Nutrition Initiative Expert Group is to provide input into the development of the company assessment methodology and to review the analysis and Index report. This group consists of members with expertise in various aspects of nutrition (including both undernutrition and obesity and diet-related chronic diseases) and the role of the food and beverage industry when it comes to nutrition.

**Chair of ATNI Expert Group: Shiriki Kumanyika**

Professor Emerita of Epidemiology, University of Pennsylvania; Research Professor in Community Health & Prevention, Drexel University Dornsife School of Public Health

**Boyd Swinburn**

Professor, Population Nutrition and Global Health at the University of Auckland and Alfred Deakin; Professor and Director of the World Health Organization (WHO) Collaborating Centre for Obesity Prevention at Deakin University in Melbourne

**Mike Rayner**

Director, British Heart Foundation Health Promotion Research Group, University of Oxford

**Linda Meyers**

Senior Director (retired), Food and Nutrition Board, National Academies of Sciences, Engineering, and Medicine

**Terry T-K Huang**

Professor, School of Public Health, City University of New York

**Mary Story**

Associate Director for Academic Programs, Duke Global Health Institute  
Director, Healthy Eating Research National Program, RWJF

# Ajinomoto

**Product categories assessed**

Processed Meat and Seafood|Concentrates|Confectionery|Ready Meals|Rice, Pasta and Noodles|RTD Coffee|Sauces, Dressings, Condiments|Soup

**Percentage of company global sales covered by Product Profile assessment**  
75-80%

**Headquarters**  
Japan

**Number of employees**  
34504

**Type of ownership**  
Public



**Product Profile** ⓘ

Rank 14 / Score 3

Rank 22 / Score 2.8

Rank 14 (2018)

Rank 18 (2018) ⓘ

**Important:**

The findings of this Index regarding companies' performance rely to a large extent on information shared by companies, in addition to information that is available in the public domain. Several factors beyond the companies' control may impact the availability of information such as differences in disclosure requirements among countries or capacity constraints within companies, amongst others the Covid-19 pandemic. Therefore, in the case of limited or no engagement by such companies, this Index may not represent the full extent of their efforts.

## Corporate Profile

Rank 14

Score 3

Commitment

Performance

Disclosure

The bar graph to the left shows company performance across the seven Index categories, which are key topic areas of assessment, and scores are shown for each category. The circles above provide an alternate view on the company's overall results, showing the score per indicator type. The Commitment, Performance, Disclosure score only applies to category scores and not to the BMS/CF Assessment.



## Main areas of strength

- **SCORES AND RANKS** Ajinomoto's score has increased from 2.4 in 2018 to 3 out of 10 in 2021, ranking 14th (as in 2018). Since 2018, the company has improved its performance in five of the seven thematic areas of the Global Index, with the most significant improvements being seen in Category D 'Marketing', followed by Category B 'Products'.

- **GOVERNANCE:** Ajinomoto continues to place a strategic focus on health and wellbeing as part of the wider Ajinomoto Group's 'Creating Shared Value' (ASV) growth strategy, and complemented by its 'Group Shared Policy on Nutrition'. Since 2018, Ajinomoto has publicly recognized the targets set out in the World Health Organization (WHO) Global Action Plan for the Prevention and Control of NCDs. It identifies the unmet needs of priority populations through market research and priorities defined by relevant health and/or social care authorities in some of the markets in which it is active (Japan, Indonesia, Vietnam, and the Philippines). Ajinomoto's nutrition-related reporting is subject to independent external review.

- **PRODUCTS:** Ajinomoto has reformulated some of its products in Japan to cut salt content by 50 percent (using monosodium glutamate and other low-sodium salt ingredients which the company classifies as umami, for products like Yasashio), aligning with national dietary intake standards. The company is commended for developing and adopting a new, formal Nutrient Profile Model (NPM), the 'Ajinomoto Group Nutrient Profiling System (ANPS)'. The scoring method is based on the Australian Health Star Rating (HSR) system to guide its (re)formulation efforts for some of its products. In Malawi, Ajinomoto has invested in research on the efficacy of ready-to-use therapeutic foods for children with severe acute malnutrition. The company has also taken measures to reduce food loss and waste along the food supply chain.

- **ACCESSIBILITY:** The company has offered promotions on its low-sodium miso soup in Japan at the same rate as its higher-sodium version. In Vietnam, it continues to utilize its network of women's associations, through which it disseminates fortified products to vulnerable groups.

- **MARKETING:** Since 2018, Ajinomoto has developed a new responsible marketing policy for all consumers, the 'Group Shared Policy on Marketing Communications', in which it adheres to some of the principles set out by the International Chamber of Commerce (ICC) Framework for Responsible Food and Beverage Marketing Communications. The policy also specifies that the company will take "responsible actions in marketing communications aimed at children", such as to not exploit children's imaginations by using fantasy/animation, or mislead about the benefits following the use of the product.

- **LIFESTYLES:** To support Ajinomoto Group employees, the company offers employees a robust self-care program – the 'A-Health Solution Program' – that focuses on health visualization and lifestyle disease prevention. It has also introduced 'Karada kawaru Navi' (Body change Navi), an app that assesses an employee's wellbeing across four

## Priority areas for improvement

- **GOVERNANCE:** Although Ajinomoto undertakes materiality assessments to identify opportunities to contribute to health and nutrition, it is encouraged to conduct specific nutrition-related business risk assessments and identify areas of concern to address in its global nutrition strategy. As in 2018, implementation of Ajinomoto's nutrition strategy is not audited by an internal audit department; a step the company could consider taking to assess the delivery of its strategy and commitments. The company is also advised to further report on its current performance against all objectives and commitments for tackling all forms of malnutrition.

- **PRODUCTS:** Ajinomoto is advised to set concrete product (re)formulation targets that are externally verifiable (does not rely on company-internal definitions or information for verification) for all relevant product categories. Although Ajinomoto has adopted a formal NPM based on the HSR, it has not provided evidence of how its own definition of healthy corresponds with the HSR definition of healthy (i.e., equal to a rating of 3.5 stars or higher). The company is encouraged to disclose the results of this benchmark, apply its ANPS to all product categories, and publish its full NPS. Ajinomoto can base its fortification approach on international guidance, such as Codex or WHO/Food and Agriculture Organization (FAO) Guidelines on Food Fortification, and only fortify products of high underlying nutritional quality or those that meet the nutrition criteria of its ANPS.

- **ACCESSIBILITY:** While Ajinomoto has adopted a 'Group Shared Policy on Product Accessibility', it could consider being explicit in referencing products that meet its nutrition criteria in its commitments. It is encouraged to develop concrete strategies with measurable targets to reach consumers with healthy products, particularly those with low-income and limited access, in all markets it is active in, and share evidence of actions taken. Currently, Ajinomoto does not extend its affordability and accessibility commitments to its fortified products aimed at addressing micronutrient deficiencies in priority populations. It is encouraged to do so and develop tailored strategies for reaching them in all its active markets.

- **MARKETING:** Ajinomoto can improve its public responsible marketing policy by explicitly covering all forms of marketing, such as point-of-sales or in-store and adhering to all the principles of the ICC Framework for Responsible Food and Beverage Marketing Communications. Although the company notes that it has a limited number of products that could be marketed to children, it is still encouraged to develop specific marketing commitments for children and teenagers, and/or explicitly state that it does not market to children at all in its responsible marketing policy. Furthermore, Ajinomoto is strongly urged to audit its compliance with its policy for all consumers.

- **LIFESTYLES:** Ajinomoto is encouraged to adopt a comprehensive parental leave policy that offers paid parental leave and appropriate working conditions and facilities to breastfeeding mothers in all markets it is active in. It is recommended the company commits to further improving the health and wellness of groups

axis (food, exercise, sleep, and stress) and provides health guidance based on an accurate picture of their lifestyle habits; and the impact of this program has been appraised via independent, third-party impact evaluations. Ajinomoto has also launched several consumer education programs adapted to the specific needs of priority populations in Japan and Malaysia (for the elderly), Vietnam (for school children, and Indonesia (for pregnant women); some of which have been co-implemented with stakeholder groups with relevant expertise.

- **LABELING:** Ajinomoto states its commitment to labeling nutrient information on the back-of-pack (BOP) in its 'Group Shared Policy on Package Description', adopted in 2017. The company has defined a labeling strategy with accompanying targets to reduce food loss and waste, and provides examples of initiatives taken. Furthermore, Ajinomoto states it will not place a nutrition and health claim on a product unless it meets the company's own formal internal Nutrient Profiling System (NPS).

- **ENGAGEMENT:** The company commits to play an active and constructive role in supporting governments' efforts to combat all forms of malnutrition, and provides examples of doing so in Vietnam and Japan. It also provides evidence of comprehensively engaging with scientific experts in developing its ANPS and nutrition policy.

across the food supply chain that are not its direct employees (e.g., small scale vendors) through nutrition-sensitive programs. To further enhance its consumer-oriented healthy eating and active lifestyle programs, Ajinomoto is advised to only support programs designed and implemented by independent expert organizations, and commission impact evaluations for them.

- **LABELING:** The company is advised to strengthen its FOP and BOP labelling commitments and policies to ensure that nutrition information is provided on all packaged food and beverage products according to the Codex Alimentarius guidance. ATNI recommends that Ajinomoto commits to not placing any health and nutrition claims on its products in countries where no national regulatory system exists, or is not as strict as Codex. Codex guidelines are in place to define the criteria that health and nutrition claims should meet prior to placing them on products. Therefore, in countries where no national regulatory system exists, Ajinomoto is advised to commit to using health and nutrition claims only when they comply with this Codex guideline.

- **ENGAGEMENT:** Ajinomoto is encouraged to develop a public responsible lobbying policy and commit to only lobby in support of measures designed to improve health and nutrition that have a solid grounding in independent, peer-reviewed science. It is recommended that the company increases transparency about its lobbying efforts on nutrition-related topics, and discloses its involvement in organizations that lobby on its behalf. To improve engagement on its nutrition strategy for addressing all forms of malnutrition, Ajinomoto could consider seeking a formal panel of experts with a broad knowledge base.

# Category Analysis

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- A1** Nutrition strategy
- A2** Nutrition management
- A3** Reporting quality

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- B1** Product Profile
- B2** Product formulation
- B3** Defining healthy products

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- C1** Product pricing
- C2** Product distribution

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- D1** Marketing policy
- D2** Marketing to children
- D3** Auditing and compliance

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- E1** Employee health
- E2** Breastfeeding support
- E3** Consumer health

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- F1** Product labeling
- F2** Claims

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- G1** Influencing policymakers
- G2** Stakeholder engagement

# Detailed Product Profile Results <sup>1</sup>

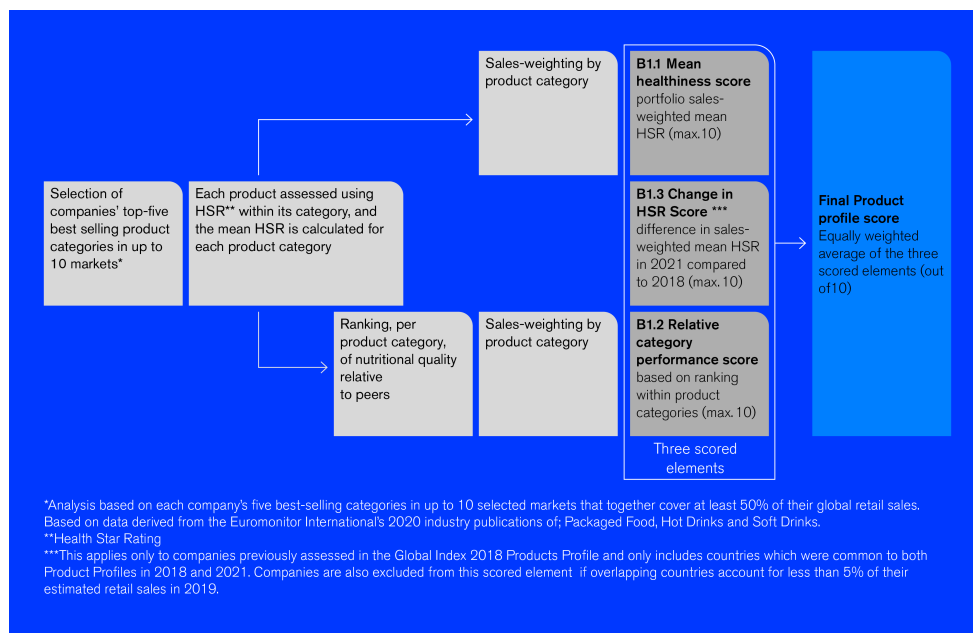


22

Rank 22 / Score 2.8

The Product Profile is an independent assessment of the nutritional quality of companies' product portfolios. For this purpose, ATNI uses the Health Star Rating (HSR) model, which rates foods from 0.5 to 5.0 based on their nutritional quality. ATNI uses the threshold of 3.5 stars or more to classify products as generally healthy. This assessment is undertaken in partnership with The George Institute for Global Health (TGI), with additional data input from Innova Market Insights.

The methodology for the Global Index 2021 Product Profile has been revised and now includes three scored elements. The overall Product Profile score reflects: B1.1, the mean healthiness of a company's product portfolio; B1.2, the relative healthiness within product categories compared to peers, and; B1.3, changes in the nutritional quality of product portfolios compared to the Global Index 2018 Product Profile. The steps taken to calculate the final Product Profile scores are visualized in Box 1. The next section further explains each of these three elements.



Ajinomoto has been assessed for the second time in the Global Index Product Profile. In the previous assessment, four of the company's markets were selected, and a total of 92 products analyzed – accounting for approximately 0-5% of global retail sales in 2017, excluding baby foods, plain tea, and coffee. In this Index, a total of 410 products have been analyzed across 4 of the company's major markets. Products from the top five best-selling product categories within each market are included. In 2019, these products accounted for 75-80% of the company's global retail sales, excluding baby foods, plain tea, and coffee.

Brazil, Japan, Thailand and the USA are new countries included in this iteration. China, Hong Kong, South Africa and the UK were included in the 2018 Index but have been omitted this time. In 2018, a total of 3 categories were covered by the assessment, compared to 7 categories in 2021. Products from the 'Concentrates', 'Processed Meats and Seafoods', 'RTD Coffee', and 'Soup' categories are assessed in 2021 but were not in 2018.

In this Product Profile assessment, Ajinomoto scores 3.3 out of 10 (B1.1) in the mean healthiness element and 2.2 out of 10 (B1.2) for the relative healthiness of its products within categories compared to peers. This results in Ajinomoto obtaining an overall score of 2.8 out of 10 and ranking 22 out of 25 in the Product Profile.

## B1.1 Portfolio-level Results

Average HSR (out of 5 stars) (sales-weighted)	4 Countries included	Range of global sales included i	Healthy products (HSR)				Products suitable to market to children (WHO regional models) - UNSCORED		
			No. products assessed	% products healthy ( $\geq 3.5$ stars)	% retail sales healthy 2019 ( $\geq 3.5$ stars) – assessed countries only	% estimated global retail sales healthy 2019 ( $\geq 3.5$ stars) i	No. products assessed	% products suitable	% sales from suitable
1.6	Brazil, Japan, Thailand, USA	75-80%	410	6%	8%	6%	403	2%	2%

- A total of 410 products manufactured by Ajinomoto, sold in 4 countries, covering 7 product categories, were included in this Product Profile (baby foods, plain tea and coffee were not assessed). The company's sales-weighted mean HSR is 1.6 out of 5. ATNI turns this value into a score between 0 and 10, resulting in a mean healthiness score of 3.3 out of 10 for Ajinomoto. The company ranks 20 out of 25 companies in this first scored element (B1.1).
- Overall, 6% of distinct products assessed were found to meet the HSR healthy threshold ( $HSR \geq 3.5$ ). Together, these products accounted for an estimated 8% of Ajinomoto's retail sales of packaged food and beverages 2019 in the selected markets (excluding baby food, plain tea, and coffee). Assuming the products and markets included in the assessment are representative of the company's overall global sales, ATNI estimates the company derived approximately 6% of its global retail sales from healthy products in 2019.
- WHO nutrient profiling models (unscored): Only 2% of products assessed were found to be of sufficient nutritional quality to market to children, according to the World Health Organization (WHO) regional nutrient profiling models. These products were estimated to generate 2% of the company's sales in 2019. More information on this part of the assessment can be found in the Marketing section (Category D) of the Index.

## B1.2. Product Category Results

	No. products analyzed	% products healthy (HSR>=3.5)	Company mean HSR	Mean HSR for all companies selling this product category	Company performance (rank in mean HSR compared to peers selling products in the same category) 1
Concentrates	38	0%	0.5	1.2	7th out of 7
Rice, Pasta and Noodles	14	0%	0.5	2.4	6th out of 6
Sauces, Dressings and Condiments	150	0%	0.9	2.5	11th out of 11
Soup	91	0%	0.9	2.5	7th out of 8
Processed Meat and Seafood	11	9%	2.2	3.1	7th out of 8
Ready Meals	99	21%	2.6	3	8th out of 9
RTD Coffee	7	14%	2.6	2.7	4th out of 6

- For Ajinomoto, 'Ready Meals' and 'RTD Coffee' were the best performing categories, where a total of 99 and 7 products respectively, obtained mean HSR of 2.6 out of 5. 'Concentrates' (0.5) and 'Rice, Pasta and Noodles' (0.5) had the lowest mean HSR of all product categories included for Ajinomoto.
- For seven out of seven categories assessed, Ajinomoto's products perform worse than the mean HSR of companies selling products in the same categories.
- Ajinomoto scores 2.2 out of 10 in this second scored element (B1.2) and ranks 25 out of 25 companies. This is based on its ranking compared to peers within the seven categories, using the scoring system set out in ATNI's methodology.

## B1.3. Change in mean HSR

	No. of products analyzed in 2018	No. of products analyzed in 2021	Sales weighted mean HSR 2018	Sales weighted mean HSR 2021
TOTAL	0	0	0	0

Not applicable for this company. This third scored element applies only to companies assessed in both Indexes and takes into account only those countries included in both assessments. Companies are also excluded from this scored element if overlapping countries account for less than 5% of their estimated retail sales in 2019.

### Full Product Profile report:

[https://acesstonutrition.org/app/uploads/2021/06/GI\\_Global-Index\\_TGI-product-profile\\_2021-2-1.pdf](https://acesstonutrition.org/app/uploads/2021/06/GI_Global-Index_TGI-product-profile_2021-2-1.pdf)



# Arla

**Product categories assessed**

Dairy|Sauces, Dressings, Condiments|Soup

**Percentage of company global sales covered by Product Profile assessment**

80-85%

**Headquarters**

Denmark

**Number of employees**

19174

**Type of ownership**

Cooperative



**Product Profile** ⓘ

Rank 5 / Score 5.1

Rank 7 / Score 6

Rank 11 (2018)

Rank 3 (2018) ⓘ

**Important:**

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## Corporate Profile

Rank 5

Score 5.1

Commitment

Performance

Disclosure

The bar graph to the left shows company performance across the seven Index categories, which are key topic areas of assessment, and scores are shown for each category. The circles above provide an alternate view on the company's overall results, showing the score per indicator type. The Commitment, Performance, Disclosure score only applies to category scores and not to the BMS/CF Assessment.

## Main areas of strength

- **SCORES AND RANKS** Arla is one of the few companies whose score has consistently improved since 2016, increasing from 3.3 in 2018 to 5.1 out of 10 in 2021. The company's overall ranking improved from 11th to 5th place. Since 2018, the company has improved its performance in six of the seven thematic areas of the Global Index. It has shown the greatest improvement in Category F 'Labelling', followed by Category D 'Marketing'. It has also improved the overall healthiness of its product portfolio with the second highest mean healthiness score (6.7 out of 10) - an indication of the nutritional quality of company's products in best-selling categories across major markets.

- **GOVERNANCE:** Arla's nutrition strategy falls under the 'Stronger People' part of its overall Sustainability strategy, which was launched in 2019 following the 'Good Growth 2020' strategy. It has also incorporated a 'Sustainable Diet' element, as defined by the Food and Agriculture Organization (FAO), in its business strategy. Furthermore, Arla commits to deliver more healthy foods by stating its aim to "incrementally increase healthy products by 60,000 tons by 2025, compared to 2019 levels", for products that meet its nutrition criteria.

- **PRODUCTS:** Arla has substantially improved its product reformulation efforts and the strength of its nutrient profiling model. It is one of the two companies in this Index that explicitly commits to only fortify products that meet its own nutrition criteria (as defined by its Nutrient Profiling Model (NPM)). Furthermore, Arla showed that its criteria for defining healthy products correspond with the Health Star Rating (HSR)  $\geq 3.5$  threshold of healthy (with less than 10 percent% deviation in the estimated percentage of healthy products). The company reported that, in 2019, 90 percent% of the Arla - branded products in the milk, yogurt and everyday cheeses categories complied with its nutrition criteria.

- **ACCESSIBILITY:** Arla makes companywide commitments to address the affordability and accessibility of all its healthy products. The company is focusing on addressing the needs of groups experiencing and/or at high-risk of undernutrition and micronutrient deficiencies through affordably priced dairy products; for example, in Bangladesh (Dano Daily Pushti) and Nigeria (Cool Cow). As a member of the GAIN Nordic Partnership, Arla Foods Ingredients seeks to develop affordable and nutritious foods in collaboration with local manufacturers.

- **MARKETING:** Since 2018, Arla has publicly disclosed its responsible marketing policy for all consumers and joined the EU Pledge on responsible advertising to children. Arla is the only company in this Index to specifically refer to children as persons under the age of 18 years, as defined by the Convention on the Rights of the Child in its policy, and has set specific provisions on communicating to children. Arla has also taken steps to understand and reach groups experiencing or at high-risk of malnutrition, with appropriate products through tailored marketing in some low- and middle-income countries.

- **LIFESTYLES:** Arla commits to providing parental leave for a minimum of 14 weeks, in line with International Labor Organization (ILO) recommendations. It has implemented

## Priority areas for improvement

- **GOVERNANCE:** Arla is encouraged to strengthen the quality of its nutrition-related reporting by highlighting how its nutrition activities are adding value to the business in its annual reports, and publish nutrition commentary that is independently, externally verified. While it currently does so in Bangladesh, Arla can improve its nutrition strategy for addressing the needs of priority populations by conducting market research to assess unmet needs of priority populations in all markets where it is active. The company is encouraged to develop a strategic commercial approach to addressing nutrition-related unmet needs of priority populations; for example, by conducting a strategic review. Arla should also explicitly and publicly recognize the targets set out in the World Health Organization (WHO) Global Action Plan for the Prevention and Control of NCDs 2013-2020.

- **PRODUCTS:** Arla is encouraged to set product reformulation targets for sodium, saturated fat and added sugar that are externally verifiable (does not rely on company-internal definitions or information for verification), and publish its NPM in a peer-reviewed journal or explicitly referring to WHO or government-endorsed models to allow stakeholders to assess and understand it.

- **ACCESSIBILITY:** Arla is advised to expand and develop its strategy for improving the affordability and accessibility of its healthy products to cover all the markets where it is active, including middle- and high-income markets. As in 2018, Arla is still encouraged to increase its disclosure of examples on discounts, price promotions or coupons offered in relation to healthy products. The company is also encouraged to build on its affordability strategy in Bangladesh and Nigeria, and use that experience to also reach consumers with limited access to nutritious foods in low income rural and urban areas in other markets.

- **MARKETING:** Arla can further strengthen its responsible marketing to children policy by making all provisions applicable to under 18 years-old and committing to never use promotional games, toys, vouchers, etc. in their marketing to children and/or teens. The company can also be more stringent in setting the audience threshold to restrict its advertising on measured media to avoid reaching children by decreasing the threshold from 30% to 25%.

- **LIFESTYLES:** Arla should conduct impact evaluations of its health and wellness programs and incorporate a focus on nutrition. For its programs aimed at supporting consumers' nutrition education, and healthy diet-oriented and active lifestyle programs, the company is encouraged to specifically adapt these to the needs and backgrounds of priority populations and conduct independent evaluations to measure outcomes, globally.

- **LABELING:** Arla is encouraged to set a target for and report progress on the adoption of its new interpretive government-endorsed front-of-pack labeling scheme, globally, and to commit to not placing nutrition and health claims on products unless they meet the nutrition criteria of a government-endorsed NPS.

the Arla Foods Parental Policy (gender neutral), which establishes minimum standards of 14 weeks paid parental leave that must be implemented at the Arla Group workplaces globally by the end of 2021. Since 2018, it has developed its commitments and practices to support breastfeeding mothers in the workplace by, for example, facilitating breastfeeding mothers with rooms and breaks to express breastmilk during work hours.

- **LABELING:** Arla has demonstrated a substantial improvement in its practices related to the labeling of nutrients and the use of health claims. Since 2018, the company has adopted a new labeling policy, committing to display nutritional information on both its front-of-pack (FOP) and back-of-pack (BOP), and has introduced government-endorsed interpretative labeling on some of its products. Arla is also one of only three companies that commits to not undermine health warning messages/labels in countries with mandatory FOP labeling systems. The company states that it will only use nutrition and health claims when a product meets the nutrition criteria of its own internal NPM, and it has comprehensive guidelines in place that comply with Codex Alimentarius regarding the use of claims in countries where no national regulatory system exists.

- **ENGAGEMENT:** Arla is commended for having a formal panel of external experts in place, its 'Scientific Advisory Board', consisting of professors at Copenhagen and Aarhus Universities, to advise on the design of its nutrition strategies, policies and programs to prevent and address obesity and diet-related chronic diseases. Arla Foods Ingredients also partners with GAIN and SUN Business Network to address malnutrition in priority populations, such as in low-income communities in Ethiopia.

- **ENGAGEMENT:** Arla is advised to develop a publicly available responsible lobbying policy, and commit to only lobby in support of measures designed to improve health and nutrition that have a solid grounding in independent, peer-reviewed science. The company is encouraged to increase transparency about its lobbying efforts on nutrition-related topics and measures to prevent and address obesity and diet-related chronic diseases, as well as disclose its involvement in trade associations for lobbying. While Arla provides examples of supporting governments' efforts to combat malnutrition in some countries such as Denmark and UAE, it is encouraged to make a company-wide commitment to doing so in all its markets.

# Category Analysis

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- A1** Nutrition strategy
- A2** Nutrition management
- A3** Reporting quality

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- B1** Product Profile
- B2** Product formulation
- B3** Defining healthy products

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- C1** Product pricing
- C2** Product distribution

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- D1** Marketing policy
- D2** Marketing to children
- D3** Auditing and compliance

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- E1** Employee health
- E2** Breastfeeding support
- E3** Consumer health

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- F1** Product labeling
- F2** Claims

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- G1** Influencing policymakers
- G2** Stakeholder engagement

# Detailed Product Profile Results <sup>1</sup>

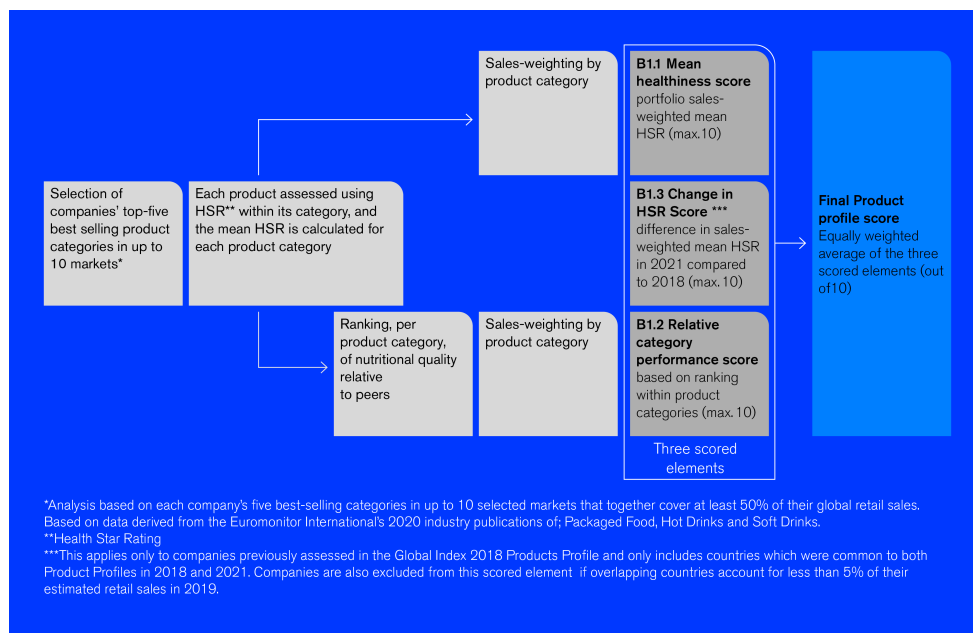


7

Rank 7 / Score 6

The Product Profile is an independent assessment of the nutritional quality of companies' product portfolios. For this purpose, ATNI uses the Health Star Rating (HSR) model, which rates foods from 0.5 to 5.0 based on their nutritional quality. ATNI uses the threshold of 3.5 stars or more to classify products as generally healthy. This assessment is undertaken in partnership with The George Institute for Global Health (TGI), with additional data input from Innova Market Insights.

The methodology for the Global Index 2021 Product Profile has been revised and now includes three scored elements. The overall Product Profile score reflects: B1.1, the mean healthiness of a company's product portfolio; B1.2, the relative healthiness within product categories compared to peers, and; B1.3, changes in the nutritional quality of product portfolios compared to the Global Index 2018 Product Profile. The steps taken to calculate the final Product Profile scores are visualized in Box 1. The next section further explains each of these three elements.



Arla has been assessed for the second time in the Global Index Product Profile. In the previous assessment, four of the company's markets were selected and a total of 108 products analyzed accounting for approximately 10-15% of global retail sales in 2017, excluding baby foods, plain tea and coffee. In this Index, a total of 1072 products have been analyzed across 10 of the company's major markets. Products from the top five best-selling product categories within each market are included. In 2019, these products accounted for 80-85% of the company's global retail sales, excluding baby foods.

Canada, Denmark, Finland, Germany, Russia and Sweden are new countries included in this iteration. In 2018, only one product category was covered by the assessment, compared to three categories in 2021. Products from the 'Sauces, Dressings and Condiments' and 'Soup' categories are assessed in 2021 but were not in 2018.

In this Product Profile assessment, Arla scores 6.7 out of 10 (B1.1) in the mean healthiness element, 7.2 out of 10 (B1.2) for the relative healthiness of its products within categories compared to peers, and 4 out of 10 (B1.3) for changes in nutritional quality (mean HSR) over time. This results in Arla obtaining an overall score of 6.0 out of 10 and ranking seventh out of 25 in the Product Profile.

## B1.1 Portfolio-level Results

Average HSR (out of 5 stars) (sales-weighted)	10 Countries included	Range of global sales included i	Healthy products (HSR)				Products suitable to market to children (WHO regional models) - UNSCORED		
			No. products assessed	% products healthy (≥3.5 stars)	% retail sales healthy 2019 (≥3.5 stars) – assessed countries only	% estimated global retail sales healthy 2019 (≥3.5 stars) i	No. products assessed	% products suitable	% sales from suitable
3.3	Australia, Canada, Denmark, Finland, Germany, Hong Kong, Russia, Sweden, UK, USA	80-85%	1072	55%	60%	56%	1073	31%	34%

- A total of 1072 products manufactured by Arla, sold in 10 countries, covering 3 product categories, were included in this Product Profile (baby foods, plain tea and coffee were not assessed). The company's sales-weighted mean HSR is 3.3 out of 5. ATNI turns this value into a score between 0 and 10, resulting in a mean healthiness score of 6.7 out of 10 for Arla. The company ranks 2 out of 25 companies in this first scored element (B1.1).

- Overall, 55% of distinct products assessed were found to meet the HSR healthy threshold (HSR ≥3.5). Together, these products accounted for an estimated 60% of Arla's retail sales of packaged food and beverages 2019 in the selected markets (excluding baby foods). Assuming the products and markets included in the assessment are representative of the company's overall global sales, ATNI estimates the company derived approximately 56% of its global retail sales from healthy products in 2019.

WHO nutrient profiling models (unscored): 31% of products assessed were found to be of sufficient nutritional quality to market to children, according to the World Health Organization (WHO) regional nutrient profiling models. These products were estimated to generate 34% of the company's sales in 2019. More information on this part of the assessment can be found in the Marketing section (Category D) of the Index.

## B1.2. Product Category Results

	No. products analyzed	% products healthy (HSR ≥3.5)	Company mean HSR	Mean HSR for all companies selling this product category	Company performance (rank in mean HSR compared to peers selling products in the same category) i
Dairy	1037	56%	3.2	2.9	6th out of 18
Sauces, Dressings and Condiments	21	5%	2.6	2.5	5th out of 11
Soup	14	14%	3.1	2.5	4th out of 8



- For Arla, 'Dairy' was the best performing category, where a total of 1037 products analyzed obtained mean HSR of 3.2 out of 5. 'Sauces, Dressings and Condiments' (2.6) had the lowest mean HSR of all product categories included for Arla.
- For all three categories assessed, Arla's products perform better than the mean HSR of companies selling products in the same categories. The company performs best compared to peers in the product category 'Soup'.
- Arla scores 7.2 out of 10 in this second scored element (B1.2) and ranks 8 out of 25 companies. This is based on its ranking compared to peers within the 3 categories, using the scoring system set out in ATNI's methodology.

### B1.3. Change in mean HSR

	No. of products analyzed in 2018	No. of products analyzed in 2021	Sales weighted mean HSR 2018	Sales weighted mean HSR 2021
Australia	9	17	1.2	1
Hong Kong	8	12	1.1	1
UK	73	140	3.2	3.4
USA	18	59	1.9	2.5
<b>TOTAL</b>	<b>108</b>	<b>228</b>	<b>3</b>	<b>3.2</b>

- Arla showed an increase in mean HSR between the 2018 and 2021 Product Profiles (mean HSR=3.0 to 3.2). The change in HSR score only takes into account the eight countries included in both 2018 and 2021 assessments. For Arla, the change appears to be driven by an increase in the mean HSR for UK 'Dairy' products, because a larger number of yoghurt products were included in 2021 versus 2018.
- Adjusting scores by country sales weighted estimates (which gives more weight to company's largest markets), Arla achieves an increase of 0.2 in mean HSR between 2018 and 2021, resulting in a score of 4 out of 10 on this element using the scoring system set out in ATNI's methodology.

**Full Product Profile report:**

[https://accesstonutrition.org/app/uploads/2021/06/GI\\_Global-Index\\_TGI-product-profile\\_2021-2-1.pdf](https://accesstonutrition.org/app/uploads/2021/06/GI_Global-Index_TGI-product-profile_2021-2-1.pdf)

# BRF

**Product categories assessed**

Processed Meat and Seafood|Dairy|Ice Cream and Frozen Desserts|Processed Fruit and Vegetables|Ready Meals

**Percentage of company global sales covered by Product Profile assessment**

90-95%

**Headquarters**

Brazil

**Number of employees**

88028

**Type of ownership**

Public



**Product Profile 1**

Rank 18 / Score 1.7

Rank 19 / Score 3.5

Rank 18 (2018)

**Important:**

The findings of this Index regarding companies' performance rely to a large extent on information shared by companies, in addition to information that is available in the public domain. Several factors beyond the companies' control may impact the availability of information such as differences in disclosure requirements among countries or capacity constraints within companies, amongst others the Covid-19 pandemic. Therefore, in the case of limited or no engagement by such companies, this Index may not represent the full extent of their efforts.

## Corporate Profile

Rank 18

Score 1.7

Commitment

Performance

Disclosure

The bar graph to the left shows company performance across the seven Index categories, which are key topic areas of assessment, and scores are shown for each category. The circles above provide an alternate view on the company's overall results, showing the score per indicator type. The Commitment, Performance, Disclosure score only applies to category scores and not to the BMS/CF Assessment.

## Main areas of strength

- **SCORES AND RANKS:** The company has increased its score since 2018 from 0.5 to 1.7, although its ranking remains the same. This reflects new strategic commitments observed most notably in Governance (Category A).
- **GOVERNANCE:** Since 2018, BRF has made a public commitment to delivering more healthy foods. In its 2019 Annual Report, the company states that innovation is one of its key tools to develop healthier products, and it is also used to help mitigate potential negative impacts on consumer health. The company's improvement in Governance is also driven by reporting in accordance with the Global Reporting Initiative (GRI) standards.
- **PRODUCTS:** Although it has not defined targets to reduce levels or achieve lower stated levels of nutrients of concern, BRF reports having strategies to reduce fat, sodium, and sugar content in its products, in accordance with applicable regulations and international standards. BRF works with the Brazilian Food Industry Association (ABIA), to accelerate produce (re)formulation strategies. The company also discloses that none of its products contain trans fats, apart from those naturally present in dairy products and beef.
- **LIFESTYLES:** BRF has slightly strengthened its performance in supporting employees and consumers with healthy lifestyles (Category E). The company states: "Wellness and protection of employee integrity are among the company's overall priorities." The company has established BRF Health Centers, in which it supports pregnant women, newborn health, vaccination campaigns, and promoting healthy living habits, among others.
- **ENGAGEMENT:** The company has published a 'Transparency Manual', in which it commits to engage with stakeholders ethically and transparently, and includes explicit measures preventing bribery and corruption in its relations with public officials, including the offering and receiving of gifts, hospitality or other financial and in-kind incentives. These measures are also expected of its direct and indirect suppliers, and business partners. BRF also showed evidence of consulting an academic expert in its home market on its nutrition and health approach.

## Priority areas for improvement

- **GOVERNANCE:** The company is encouraged to adopt and disclose a formal nutrition policy that specifies how it contributes to addressing all forms of malnutrition (including micronutrient deficiencies where relevant) through its commercial strategy and activities. Although the company's reporting is relatively strong, BRF could consider improving links between its strategies and nutrition-related SDGs.
- **PRODUCTS:** BRF is advised to define what products are 'healthy' based on objective nutrition criteria (using an internationally recognized Nutrient Profiling Model (NPM)) and use it to track and report the proportion of sales it derives from healthy products. The company is also encouraged to set SMART product formulation and/or reformulation targets to help achieve a healthier product portfolio.
- **LABELING:** The company is encouraged to increase transparency around its labeling and claims practices, and could use an interpretive front-of-pack (FOP) labeling system to ensure comprehensive nutrition information is provided on all packaged food and beverage products. ATNI recommends that BRF shows industry best practice by publishing a labeling and claims policy with relevant commitments in alignment with Codex Alimentarius guidelines, and in compliance with national regulations in the countries in which it operates.
- **LABELING:** The company is advised not to use additional interpretive labelling or other information FOP that directly relates to the message of mandatory FOP labelling (which may confuse consumers or modify the effect of the mandatory labelling).
- **ACCESSIBILITY:** It is recommended that BRF adopts and publishes a policy to improve the affordability and physical accessibility of products that meet healthy criteria, and to reach low-income populations or populations in rural or urban areas that lack regular access to healthy, affordable food.
- **MARKETING:** The company has strategies towards responsible marketing to children in Brazil. The 'Brazil Public Commitment on Food and Beverage Advertising to Children', which includes 11 companies (including BRF), was expanded and strengthened in 2016 with the commitment to not advertise food or beverages to children under the age of 12 – apart from products whose nutritional profile meets specific criteria. However, there is no evidence that the company conducts regular independent audits to assess compliance with its marketing to children commitment. BRF is advised to formalize its marketing to children's commitments by publishing a company policy, covering all children under the age of 18, primary and secondary schools, and places where children typically gather (e.g., sport facilities), as recommended by WHO/UNICEF. Overall, the company is encouraged to fully subscribe to the responsible marketing principles of the ICC.
- **LIFESTYLES:** While BRF's performance in category E has improved slightly since 2018, it is encouraged to make a commitment to improve the health and wellness of groups across the food supply chain, and ensure its

existing programs are available to all employees. The company could consider being more transparent about its parental leave policies, globally, including support for breastfeeding.

- **ENGAGEMENT:** The company is encouraged to publicly commit to engage with governments, political parties, policymakers, and policymaking bodies only in support of measures to improve health and nutrition, and only with a basis in objective, peer-reviewed science. It is recommended that BRF strengthens its transparency on lobbying practices by disclosing its memberships of trade associations outside of its home market, its spending on lobbying and political donations, and its lobbying positions on key nutrition topics. It is also encouraged to actively and constructively engage with governments in their efforts to address malnutrition in their respective markets.

# Category Analysis

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- A1** Nutrition strategy
- A2** Nutrition management
- A3** Reporting quality

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- B1** Product Profile
- B2** Product formulation
- B3** Defining healthy products

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- C1** Product pricing
- C2** Product distribution

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- D1** Marketing policy
- D2** Marketing to children
- D3** Auditing and compliance

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.



- E1** Employee health
- E2** Breastfeeding support
- E3** Consumer health

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- F1** Product labeling
- F2** Claims

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

-  **G1** Influencing policymakers
-  **G2** Stakeholder engagement

# Detailed Product Profile Results <sup>1</sup>

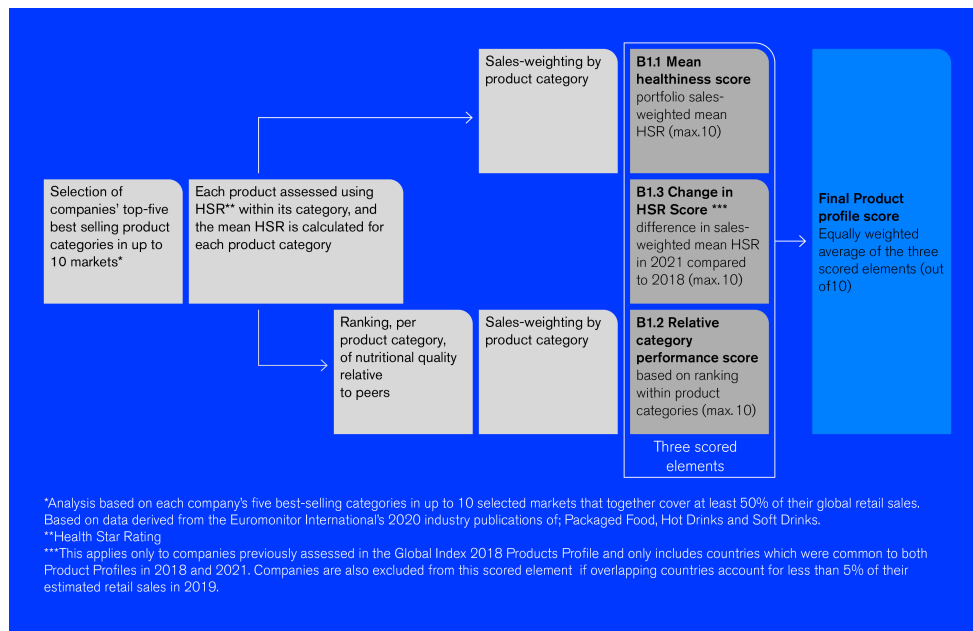


19

Rank 19 / Score 3.5

The Product Profile is an independent assessment of the nutritional quality of companies' product portfolios. For this purpose, ATNI uses the Health Star Rating (HSR) model, which rates foods from 0.5 to 5.0 based on their nutritional quality. ATNI uses the threshold of 3.5 stars or more to classify products as generally healthy. This assessment is undertaken in partnership with The George Institute for Global Health (TGI), with additional data input from Innova Market Insights.

The methodology for the Global Index 2021 Product Profile has been revised and now includes three scored elements. The overall Product Profile score reflects: B1.1, the mean healthiness of a company's product portfolio; B1.2, the relative healthiness within product categories compared to peers, and; B1.3, changes in the nutritional quality of product portfolios compared to the Global Index 2018 Product Profile. The steps taken to calculate the final Product Profile scores are visualized in Box 1. The next section further explains each of these three elements.



BRF has been assessed for the first time in the Global Index Product Profile. In this Index, a total of 143 products have been analyzed across one of the company's major markets. Products from the top five best-selling product categories within each market are included. In 2019, these products accounted for 90-95% of the company's global retail sales, excluding baby foods, plain tea, and coffee.

In this Product Profile assessment, BRF scores 4.7 out of 10 (B1.1) in the mean healthiness element and 2.4 out of 10 (B1.2) for the relative healthiness of its products within categories compared to peers. This results in BRF obtaining an overall score of 3.5 out of 10 and ranking 19 out of 25 in the Product Profile.



## B1.1 Portfolio-level Results

Average HSR (out of 5 stars) (sales-weighted)	1 Countries included	Range of global sales included i	Healthy products (HSR)				Products suitable to market to children (WHO regional models) - UNSCORED		
			No. products assessed	% products healthy (≥3.5 stars)	% retail sales healthy 2019 (≥3.5 stars) – assessed countries only	% estimated global retail sales healthy 2019 (≥3.5 stars) i	No. products assessed	% products suitable	% sales from suitable
2.3	Brazil	90-95%	143	27%	29%	29%	147	3%	5%

▪ A total of 143 products manufactured by BRF, sold in one country, covering 5 product categories, were included in this Product Profile (baby foods, plain tea and coffee were not assessed). The company's sales-weighted mean HSR is 2.3 out of 5. ATNI turns this value into a score between 0 and 10, resulting in a mean healthiness score of 4.7 out of 10 for BRF. The company ranks 16 out of 25 companies in this first scored element (B1.1).

WHO nutrient profiling models (unscored): Only 3% of products assessed were found to be of sufficient nutritional quality to market to children, according to the World Health Organization (WHO) regional nutrient profiling models. These products were estimated to generate 5% of the company's sales in 2019. More information on this part of the assessment can be found in the Marketing section (Category D) of the Index.

▪ Overall, 27% of distinct products assessed were found to meet the HSR healthy threshold (HSR ≥3.5). Together, these products accounted for an estimated 29% of BRF's retail sales of packaged food and beverages 2019 in the selected markets (excluding baby food, plain tea, and coffee). Assuming the products and markets included in the assessment are representative of the company's overall global sales, ATNI estimates the company derived approximately 29% of its global retail sales from healthy products in 2019.

## B1.2. Product Category Results

	No. products analyzed	% products healthy (HSR ≥3.5)	Company mean HSR	Mean HSR for all companies selling this product category	Company performance (rank in mean HSR compared to peers selling products in the same category) i
Dairy	9	44%	2.7	2.9	15th out of 18
Ice Cream and frozen Desserts	2	0%	1.8	2	5th out of 7
Processed Meat and Seafood	74	19%	1.8	3.1	8th out of 8
Ready Meals	57	35%	2.8	3	6th out of 9
Processed Fruits and Vegetables	1	100%	5	4.1	1st out of 4

- For BRF, 'Processed Fruit and Vegetables' was the best performing category, where the one product analyzed obtained mean HSR of five out of five. 'Ice Cream and Frozen Desserts' (1.8) and 'Processed Meat and Seafood' (1.8) had the lowest mean HSR of all product categories included for BRF.

- For four out of the five categories assessed, BRF's products perform worse than the mean HSR of companies selling products in the same categories.
- BRF scores 2.4 out of 10 in this second scored element (B1.2) and ranks 23 out of 25 companies. This is based on its ranking compared to peers within the 16 categories, using the scoring system set out in ATNI's methodology.

### B1.3. Change in mean HSR

	No. of products analyzed in 2018	No. of products analyzed in 2021	Sales weighted mean HSR 2018	Sales weighted mean HSR 2021
TOTAL	0	0	0	0

Not applicable for this company. This third scored element applies only to companies assessed in both Indexes and takes into account only those countries included in both assessments. Companies are also excluded from this scored element if overlapping countries account for less than 5% of their estimated retail sales in 2019.

**Full Product Profile report:**

[https://acesstonutrition.org/app/uploads/2021/06/GI\\_Global-Index\\_TGI-product-profile\\_2021-2-1.pdf](https://acesstonutrition.org/app/uploads/2021/06/GI_Global-Index_TGI-product-profile_2021-2-1.pdf)

# Campbell

**Product categories assessed**

Baked Goods|Juice|Sauces, Dressings,  
Condiments|Soup|Savory Snacks

**Percentage of company global sales covered by Product Profile assessment**

75-80%

**Headquarters**

U.S.

**Number of employees**

19000

**Type of ownership**

Public



**Product Profile** ⓘ

Rank 14 / Score 3

Rank 12 / Score 4.5

Rank 10 (2018)

Rank 5 (2018) ⓘ

**Important:**

The findings of this Index regarding companies' performance rely to a large extent on information shared by companies, in addition to information that is available in the public domain. Several factors beyond the companies' control may impact the availability of information such as differences in disclosure requirements among countries or capacity constraints within companies, amongst others the Covid-19 pandemic. Therefore, in the case of limited or no engagement by such companies, this Index may not represent the full extent of their efforts.

## Corporate Profile

Rank 14

Score 3

Commitment

Performance

Disclosure

The bar graph to the left shows company performance across the seven Index categories, which are key topic areas of assessment, and scores are shown for each category. The circles above provide an alternate view on the company's overall results, showing the score per indicator type. The Commitment, Performance, Disclosure score only applies to category scores and not to the BMS/CF Assessment.

## Main areas of strength

- **GOVERNANCE:** In the 2021 Index, Campbell has improved in recognizing its role in tackling the global challenges of increasing levels of obesity and diet-related chronic diseases. It now commits to address the SDGs and priorities set out in the World Health Organization (WHO) Global Action Plan for the Prevention and Control of Non-Communicable Diseases 2013-2020; a great improvement from 2018. It has expanded this commitment to show clear reporting on current performance against all objectives and targets.

- **GOVERNANCE:** The CEO is formally accountable for implementing the company's nutrition strategy. Campbell publicly discloses an annual internal audit of this nutrition strategy, which is approved by the Board of Directors.

Campbell now conducts nutrition-related risk assessments at least every two years, an improvement since 2018.

- **PRODUCTS:** Campbell commits to offering consumers "nutrition and wellness choices" and uses three definitions and sets of thresholds for the composition of such products: 1) products with limited negative nutrients; 2) products that promote positive nutrition; and 3) healthy products. It has a set of thresholds per relevant nutrient for each of the types referred to, developed with advice from experts and aligned to national dietary guidelines. Campbell has strengthened its methods to calculate the overall nutritional quality of its products and categories by committing to use its own precursor to a Nutrient Profiling Model (NPM). The company has publicly disclosed that they use this NPM to track progress and highlight how they perform against nutrition recommendations. In addition, the company publicly reveals the percentage of the company's sales of 'healthy' products and the total number, or the change in percentage, of the number of new healthy products.

- **ACCESSIBILITY:** Concerning affordability and accessibility, Campbell provides evidence or examples of improving the physical accessibility of healthy products that address undernutrition and micronutrient deficiencies, through non-commercial activities.

- **MARKETING:** Since the 2018 Index, Campbell has improved on its commitments to responsible marketing to children. The company commits to only market products meeting the Children's Food and Beverage Advertising Initiative's (CFBAI) category-specific uniform nutrition criteria to children under 12 years. In schools with children over 12 years the company only offers products aligned with USDA smart snacks and CFBAI criteria. The company has published its pledge in full and audits and discloses its compliance. Regarding responsible marketing to all consumers, Campbell publicly discloses its adherence to the International Chamber of Commerce (ICC) framework.

- **LABELING:** Compared to 2018, Campbell has advanced in product labelling. The company now commits to and discloses its compliance with Codex Alimentarius Guidelines for use of Nutrition and Health Claims in countries where no national regulatory system exists.

- **ENGAGEMENT** The company is commended for having a formal panel of experts in place, consisting of food and nutrition scientists from prominent universities and private

## Priority areas for improvement

- **SCORES AND RANKS:** Campbell ranks 14th in the Global Index with a score of 3.0 out of 10. Although Campbell scores above average on Governance and Labeling and shows a consistent score in marketing, ATNI found that the company's performance in other categories leaves room for significant improvement. The company could make considerable improvements in Accessibility, Lifestyles and Engagement in particular.

- **GOVERNANCE:** Campbell has not scored well on its efforts to include undernutrition and priority populations at risk of malnutrition in its overall strategies. As such, the company is advised to address the needs of priority populations through healthy products. Campbell could still improve further in Governance by including future targets, challenges, and reports on impact.

- **PRODUCTS:** The company is advised to strengthen its commitments on the formulation or reformulation of products. Campbell has identified a need for calorie reduction. To improve, the company could consider publicly disclosing evidence of thresholds or targets. In addition, as in 2018, the company does not have targets to reduce the levels of saturated fats or sugar in its products, nor to increase levels of whole grains or fruits, vegetables, nuts, and legumes (FVNL) to any of its products. The company is advised to strengthen its product formulation commitments by developing targets that are global in scope, include all product categories, and define specific baselines and target years to achieve them. The company is also encouraged to publicly report on its progress annually.

- **PRODUCTS:** Although the company has implemented a precursor to an NPM to determine the healthiness of its products, when considering (re)formulation, Campbell is encouraged to follow (inter)national or regional dietary guidelines and adopt and publish a government-endorsed NPM. In addition, the company is encouraged to base the fortification of its products on international Codex guidelines, and comply with national regulations in the countries in which it operates.

- **ACCESSIBILITY:** The company is encouraged to extend its efforts to improve accessibility of healthy products to go beyond non-commercial activities and have a stronger commercial focus.

- **MARKETING:** As in 2018, Campbell has provided evidence that its global policy on responsible marketing remains in place. However, it does not publicly disclose to which media types this applies. To improve in this area, ATNI recommends that the company discloses this, further commits to ensuring the commercial purpose of marketing communications is transparent and recognizable as an advertisement, and clearly displays the company or brand name when advertising on virtual media.

- **MARKETING:** The company commit to only market foods meeting the CFBAI's category-specific uniform nutrition criteria to not market products to children under 12 years and restricts advertising to children below the age of six. However, to shield children, the company is advised to improve on this by committing to not deploy children, influencers, and fantasy and animated characters in its

organizations, to advise the company on their approach to addressing obesity and diet-related chronic diseases. In 2020, for example, this panel helped finalize the company's corporate position paper on sodium.

marketing, and incorporate a responsible marketing policy regarding the use of promotional toys, games, vouchers, and competitions. The company could additionally consider extending its compliance auditing to all audiences, globally. The company could strengthen its policies regarding marketing to children by committing to not market its products in places popular with children (not just schools). Although Campbell now audits and discloses its policy compliance, to achieve best practice in this area, the company could consider extending this to all audiences globally, not just children in its major markets.

- **LIFESTYLES:** The company does not show evidence of programs to support its employees' wellness and health. Campbell does have programs in place to aid employees with mental health; however, they do not extend this to include nutrition. The company is strongly encouraged to incorporate programs for its employees and their families, and improve on performance and transparency in this area. And, although breastfeeding mothers are offered flexible work hours and breastfeeding rooms, ATNI recommends the company considers adopting a global policy with a standard period of paid maternity leave and facilities, consistent in all markets.

- **LABELING:** In 2018, Campbell was encouraged to adopt a global policy that commits to using an interpretative front-of-pack (FOP) labeling format. So far, the company commits to show numeric information, FOP with a percentage relating to Guideline Daily Allowance for all nutrients. It also discloses this only for major markets, and it is recommended that this be expanded globally. Regarding the rollout of its FOP labeling commitments, the company is advised to extend this to all products and markets globally, and to refer to an NPM to assess product healthiness prior to using claims.

- **ENGAGEMENT:** The company is advised to commit to only lobby in support of measures designed to improve health and nutrition that have a solid grounding in independent, peer-reviewed science. They could consider developing adequate internal controls to ensure their lobbying activities align with company policy. The company is also encouraged to provide greater disclosure around its lobbying efforts on nutrition-related topics, and on measures to prevent and address obesity and diet-related chronic diseases.

- **ENGAGEMENT:** Unlike in 2018, the company did not provide evidence of engaging with specific stakeholders to develop its nutrition strategy, policies and/or programs, or of any partnerships with international initiatives/organizations to address malnutrition in priority populations. Campbell is encouraged to conduct well-structured and focused engagement with a variety of independent stakeholders that have expertise in nutrition and addressing malnutrition, in order to strengthen their strategies and policies.

# Category Analysis

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- A1** Nutrition strategy
- A2** Nutrition management
- A3** Reporting quality

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- B1** Product Profile
- B2** Product formulation
- B3** Defining healthy products

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- C1** Product pricing
- C2** Product distribution

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- D1** Marketing policy
- D2** Marketing to children
- D3** Auditing and compliance

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- E1** Employee health
- E2** Breastfeeding support
- E3** Consumer health

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- F1** Product labeling
- F2** Claims

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- G1** Influencing policymakers
- G2** Stakeholder engagement



# Detailed Product Profile Results <sup>1</sup>

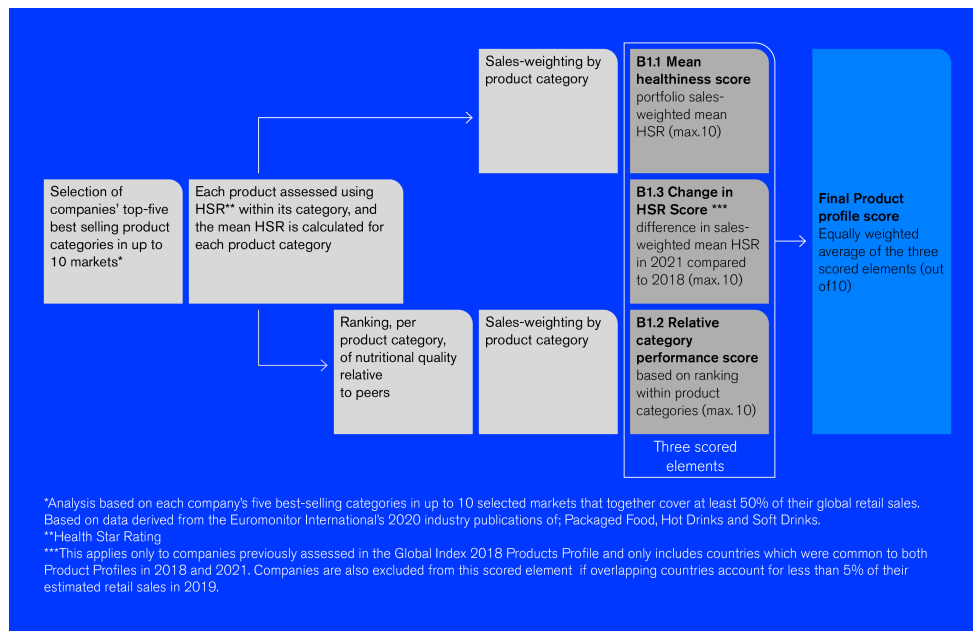


12

Rank 12 / Score 4.5

The Product Profile is an independent assessment of the nutritional quality of companies' product portfolios. For this purpose, ATNI uses the Health Star Rating (HSR) model, which rates foods from 0.5 to 5.0 based on their nutritional quality. ATNI uses the threshold of 3.5 stars or more to classify products as generally healthy. This assessment is undertaken in partnership with The George Institute for Global Health (TGI), with additional data input from Innova Market Insights.

The methodology for the Global Index 2021 Product Profile has been revised and now includes three scored elements. The overall Product Profile score reflects: B1.1, the mean healthiness of a company's product portfolio; B1.2, the relative healthiness within product categories compared to peers, and; B1.3, changes in the nutritional quality of product portfolios compared to the Global Index 2018 Product Profile. The steps taken to calculate the final Product Profile scores are visualized in Box 1. The next section further explains each of these three elements.



Campbell has been assessed for the second time in the Global Index Product Profile. In the previous assessment, seven of the company's markets were selected, and a total of 1,469 products analyzed – accounting for approximately 80-85% of global retail sales in 2017, excluding baby foods, plain tea, and coffee. In this Index, a total of 1158 products have been analyzed across 3 of the company's major markets. Products from the top five best-selling product categories within each market are included. In 2019, these products accounted for almost 75-80% of the company's global retail sales, excluding baby foods, plain tea, and coffee.

Canada is the only new country included in this iteration. Australia, Hong Kong, New Zealand, the UK and India were included in the 2018 but have been omitted this time. In 2018, a total of 7 product categories were covered by the assessment, compared to 5 categories in 2021. Products from the 'Ready Meals' and 'Sweet Biscuits, Snack Bars and Fruit Snacks' were assessed in 2018 but are not in 2021.

In this Product Profile assessment, Campbell scores 5.9 out of 10 (B1.1) in the mean healthiness element and 7.7 out of 10 (B1.2) for the relative healthiness of its products within categories compared to peers, and 0 out of 10 (B1.3) for changes in nutritional quality (mean HSR) over time. This results in Campbell obtaining an overall score of 4.5 out of 10 and ranking 12 out of 25 in the Product Profile.

## B1.1 Portfolio-level Results

Average HSR (out of 5 stars) (sales-weighted)	3 Countries included	Range of global sales included ①	Healthy products (HSR)				Products suitable to market to children (WHO regional models) - UNSCORED		
			No. products assessed	% products healthy ( $\geq 3.5$ stars)	% retail sales healthy 2019 ( $\geq 3.5$ stars) – assessed countries only	% estimated global retail sales healthy 2019 ( $\geq 3.5$ stars) ①	No. products assessed	% products suitable	% sales from suitable
2.9	Canada, Mexico, US	75-80%	1158	49%	42%	45%	1159	2%	2%

- A total of 1,158 products manufactured by Campbell, sold in 3 countries, covering 5 product categories, were included in this Product Profile (baby foods, plain tea and coffee were not assessed). The company's sales-weighted mean HSR is 2.9 out of 5. ATNI turns this value into a score between 0 and 10, resulting in a mean healthiness score of 5.9 out of 10 for Campbell. The company ranks 7 out of 25 companies in this first scored element (B1.1).

WHO nutrient profiling models (unscored): Only 2% of products assessed were found to be of sufficient nutritional quality to market to children, according to the World Health Organization (WHO) regional nutrient profiling models. These products were estimated to generate 2% of the company's sales in 2019. More information on this part of the assessment can be found in the Marketing section (Category D) of the Index.

- Overall, 49% of distinct products assessed were found to meet the HSR healthy threshold ( $HSR \geq 3.5$ ). Together, these products accounted for an estimated 42% of Campbell retail sales of packaged food and beverages 2019 in the selected markets (excluding baby food, plain tea, and coffee). Assuming the products and markets included in the assessment are representative of the company's overall global sales, ATNI estimates the company derived approximately 45 % of its global retail sales from healthy products in 2019.

## B1.2. Product Category Results

	No. products analyzed	% products healthy (HSR >= 3.5)	Company mean HSR	Mean HSR for all companies selling this product category	Company performance (rank in mean HSR compared to peers selling products in the same category) ①
Baked Goods	126	63%	3.2	2	1st out of 9
Juice	91	46%	3.3	3.2	5th out of 8
Sauces, Dressings and Condiments	135	59%	3.2	2.5	3rd out of 11
Savoury Snacks	331	28%	2.5	2.2	3rd out of 8
Soup	475	57%	3.3	2.5	3rd out of 8

▪ For Campbell, 'Juice' (91 products analyzed) and 'Soup' (475 products analyzed) were the companies best performing categories, receiving a score of 3.3 according to the HSR algorithm. The next best performing categories were 'Baked goods' and 'Sauces, Dressings and Condiments', whereby 126 and 135 products were analyzed, respectively. Both categories obtained a mean HSR of 3.2. Savoury Snacks (2.5) had the lowest mean HSR of all product categories included for Campbells.

▪ For all of the 5 categories assessed, Campbell products perform better than the mean HSR of companies selling products in the same categories. The company performs best compared to peers in the 'Baked Goods' product category.

▪ Campbell scores 7.7 out of 10 in this second scored element (B1.2) and ranks 6 out of 25 companies. This is based on its ranking compared to peers within the five categories, using the scoring system set out in ATNI's methodology.

## B1.3. Change in mean HSR

	No. of products analyzed in 2018	No. of products analyzed in 2021	Sales weighted mean HSR 2018	Sales weighted mean HSR 2021
Mexico	40	81	3.7	3.9
USA	937	933	3	2.9
TOTAL	977	1014	3	2.9

- Among the 18 companies for which this third scored element was applicable, Campbells showed a slight decrease in mean HSR between the 2018 and 2021 Product Profiles (mean HSR=3.0 to 2.9). The change in HSR score only takes into account the two countries included in both 2018 and 2021 assessments. For Campbell, the decrease observed in mean HSR between 2018 and 2021 is likely attributed to some key changes in category sales, such as an increase in the proportion of sales deriving from the 'Savoury Snacks' (from 15% to 41%), with a subsequent decrease in the proportion of sales deriving from healthier categories such as 'Soup' and 'Juice'. This large change in the 'Savoury Snacks' category is likely a result of Campbell's purchasing of Snyder's-Lance in 2018.

- Adjusting scores by country sales weighted estimates (which gives more weight to company's largest markets), Campbell achieves a decrease of 0.1 (mean HSR=3.0 to 2.9) in mean HSR between 2018 and 2021 resulting in a score of 0 out of 10 (B1.3) on this element using the scoring system set out in ATNI's methodology.

**Full Product Profile report:**

[https://accesstonutrition.org/app/uploads/2021/06/GI\\_Global-Index\\_TGI-product-profile\\_2021-2-1.pdf](https://accesstonutrition.org/app/uploads/2021/06/GI_Global-Index_TGI-product-profile_2021-2-1.pdf)

# Coca-Cola

**Product categories assessed**

Asian Speciality Drinks|Bottled Water (Other)|Bottled Water (Pure)|Carbonates|Concentrates|Dairy|Juice|RT Coffee|RTD Tea|Sports Drinks|Energy Drinks

**Percentage of company global sales covered by Product Profile assessment**  
50-55%

**Headquarters**  
U.S.

**Number of employees**  
700000

**Type of ownership**  
Public



**Product Profile** ⓘ

Rank 11 / Score 3.4

Rank 22 / Score 2.8

Rank 13 (2018)

Rank 14 (2018) ⓘ

**Important:**

The findings of this Index regarding companies' performance rely to a large extent on information shared by companies, in addition to information that is available in the public domain. Several factors beyond the companies' control may impact the availability of information such as differences in disclosure requirements among countries or capacity constraints within companies, amongst others the Covid-19 pandemic. Therefore, in the case of limited or no engagement by such companies, this Index may not represent the full extent of their efforts.

## Corporate Profile

Rank 11

Score 3.4

Commitment

Performance

Disclosure

The bar graph to the left shows company performance across the seven Index categories, which are key topic areas of assessment, and scores are shown for each category. The circles above provide an alternate view on the company's overall results, showing the score per indicator type. The Commitment, Performance, Disclosure score only applies to category scores and not to the BMS/CF Assessment.

## Main areas of strength

- **SCORES AND RANKS:** The score of Coca-Cola has increased from 3.0 in 2018 to 3.4 out of 10 in 2021 and its ranking has improved from 13th to 11th place. Since 2018, the company has improved its performance by making an explicit commitment to make its products more nutritious by providing vitamins, minerals and electrolytes, while also introducing more dairy and plant-based beverages, and has strengthened its performance in some categories, most notably on Labelling (Category F).

- **GOVERNANCE:** Coca-Cola continues to support the nutrition-related SDGs. As part of its strategy of becoming a 'total beverage company', it reports four areas of action: a) reducing added sugar; b) making smaller packages; c) offering more drinks with additional nutrition; and, d) giving people the right information. Although this illustrates the company has a strategic focus on nutrition and health, Coca-Cola is strongly encouraged to adopt a comprehensive nutrition policy.

- **PRODUCTS:** Coca-Cola has improved transparency on its nutrition-related reporting and has continued its efforts to reduce sugar. Coca-Cola reports that its low- or no-sugar beverages account for about 45 percent of products in the company's global portfolio (compared to 30 percent reported in ATNI's Global Index 2018), and about 29 percent of its global sales in volume. The company states that the average sugar per 100ml in its beverages decreased by four percent in 2019.

- **PRODUCTS:** Despite limited public disclosure, Coca-Cola has shared with ATNI relevant examples of products that might help address undernutrition through fortification with micronutrients – a positive development since 2018. In 2018, the company launched a clinically-tested micronutrient-fortified beverage in India, 'Minute Maid Vitingo', which aims to address iron deficiency in children in-line with country priorities; and this product was highlighted in ATNI's India Spotlight Index 2020. However, the company did not provide evidence on how the product is having an impact. Another example is 'NutriForce' juices which, according to the company, deliver one third of the nutrient reference values (NRVs) for key nutrients that support growth and development in school-aged children. The company shared with ATNI that NutriForce has been launched in Cambodia, India, Indonesia, Mexico, Pakistan, the Philippines, and Thailand, and generally includes iron, zinc, vitamin A, vitamin B12, calcium, and folic acid.

- **MARKETING:** The company's relatively strong performance on responsible marketing is mostly attributed to its 'marketing to children's arrangements' for digital media. The company provided evidence of having a response mechanism to ensure corrective measures are taken regarding any non-compliance with its marketing policy through internal business unit audits. Notably, in Australia, the company goes beyond its commitment by not commercially advertising in or near (within 300 meters) primary or secondary schools. The company is encouraged to expand this commitment globally.

- **LIFESTYLES:** Regarding community-supporting initiatives towards healthy eating and active lifestyles, the company provides evidence that some programs are

## Priority areas for improvement

- **GOVERNANCE:** Coca-Cola is encouraged to formally adopt (in a public document or policy) a nutrition strategy covering all forms of malnutrition and groups affected and to more explicitly include nutrition-related Key Performance Indicators (KPIs) in its sustainability agenda. ATNI advises this strategy is approved by the Board of Directors and its delivery subjected to audits and annual management reviews. The company could consider further improving its nutrition governance by linking CEO compensation to performance on its sugar-reduction and portfolio transformation strategies.

- **GOVERNANCE:** Coca-Cola has not improved its transparency on how nutrition considerations play a role in mergers and acquisitions, and how much of its sales are derived from healthy products (apart from the current disclosure on the proportion of beverages with low- or no-sugar mentioned in 'main areas of strength'). This represents an important opportunity for the company, as it continues to expand its portfolio with new product categories, for example, with the acquisition of Chi Ltd in Nigeria in 2019, which includes a range of affordable juice and dairy drinks.

- **GOVERNANCE:** The company's annual report and selected sustainability metrics are externally verified. However, nutrition-related indicators are not included. Coca-Cola is strongly encouraged to independently verify the proportion of the company's global portfolio consisting of low- or no-sugar beverages and preferably the overall proportion of 'healthy' products. To report on the latter, the company is advised to formally adopt a Nutrient Profiling Model (NPM) to define 'healthy', or publicly align the number of low- or no-sugar beverages with external benchmarks to ensure these products support healthy diets as much as possible.

- **PRODUCTS:** The company shared with ATNI that 21 percent of its products launched in the last three years have been of smaller portion size. Coca-Cola is encouraged to research and publicly disclose the impacts on consumer portion control.

- **PRODUCTS:** The company shows evidence on developing fortified products that help address deficiencies among specific populations. The company is encouraged to harness this effort by making a commitment to address the specific needs of people experiencing, or at high risk of, any form of malnutrition (priority populations) through healthy and appropriate products. ATNI advises that Coca-Cola adopts a fortification policy and commits to only fortify products of high underlying nutritional quality or meeting relevant nutrition criteria. In addition, the company is encouraged to link its 'women's empowerment' non-commercial activities with nutrition outcomes.

- **PRODUCTS:** The company has a sugar/calorie reduction strategy based on local pledges. For example, in partnership with Coca-Cola Hellenic Bottling Company, it committed to "reduce by 25 percent the calories per 100ml of sparkling soft drinks by 2025." In Australia and New Zealand, Coca-Cola has a 2025 goal to reduce the sugar in its total portfolio (measured in g per 100ml) by 20 percent,

designed by or (co)implemented with stakeholder groups with relevant expertise. For example, 'Balance Calories Canada' follows a three-step education process encouraging consumers to 1) swap for low/no-calorie drinks; 2) try a smaller portion size; and, 3) balance calories with activities.

- **LABELING:** Compared to 2018, Coca-Cola has improved its performance in category F by disclosing a commitment to follow the Codex Alimentarius guidelines for health and nutrition claims, also when fortifying products with relevant micronutrients. The company shared with ATNI relevant information from its internal 'Global Requirements for Claims & Communications.' In the public domain, it states: "in the absence of national or supranational laws, regulations or guidelines (e.g., EU, MERCOSUR, GCC), our company will follow the Codex Guidelines for Use of Nutrition and Health Claims (CAC/GL 23-1997)." The company is encouraged to expand this commitment even when not embedded in local regulations.

- **ENGAGEMENT:** Coca-Cola discloses a list of U.S. trade associations it belongs to that engage in lobbying, as well as the portion of the dues it pays that are used for this purpose. While companies are required by law in the U.S. to publish detailed quarterly reports on their lobbying activities, Coca-Cola is the only company found to publish their reports directly on their website. The company also provides a highly detailed breakdown of its political contributions in the U.S.

using 2015 as the baseline year. While Coca-Cola reports that its low- or no-sugar beverages account for about 45 percent of its portfolio, it has not adopted a global sugar reduction target which is time-bound, externally verifiable, and applicable to all relevant products. As in 2018, the company is still encouraged to define products' formulation or reformulation targets for 'positive ingredients/nutrients' – e.g., fruits, vegetables, nuts and legumes – particularly as it continues to expand its portfolio covering different beverage categories in major markets like juices and dairy.

- **ACCESSIBILITY:** Coca-Cola has not yet formalized commitments, measurable objectives, and targets to improve the affordability and accessibility of its healthy products for all consumers in all its markets. Although the company shared with ATNI evidence that it has conducted analysis on appropriate pricing of nutritious/fortified products for both the general consumer and priority populations, the company could consider articulating a clear definition of healthy products in its approach, ideally linked to the use of a government endorsed NPM.

- **MARKETING:** Coca-Cola shared with ATNI examples of responsible marketing arrangements in schools. For example, with the European soft drinks industry, it has committed to sell only low- and no-sugar drinks in all secondary schools. In the United States, the American Beverage Association (ABA) removed full-calorie soft drinks from primary and secondary schools. ATNI advises that the company extends these marketing to children commitments globally, covering all children under the age of 18 and places where children typically gather.

- **LIFESTYLES:** Although the company shared relevant examples of employee health and wellness programs, it has not tracked expected outcomes, nor is there evidence the programs are available to all employees globally. The company and its bottling partners are strongly encouraged to make a commitment to improve the health and wellness of groups across the food supply chain that are not direct employees (e.g., smallholder farmers, factory workers, small scale vendors) through nutrition-sensitive programs, including expected outcomes. The company could consider introducing a formal policy on employee health and wellness which includes supporting breastfeeding mothers at work.

- **LABELING:** Coca-Cola has not made a global commitment to adopt an interpretive front-of-pack (FOP) labelling system. ATNI recommends the company to continue to support governments and other stakeholders to develop interpretive FOP systems which do not undermine existing systems.

- **ENGAGEMENT:** Coca-Cola is encouraged to publicly commit to lobby responsibly; that is, with an explicit focus on supporting measures designed to improve health and nutrition, with a solid grounding in independent, peer-reviewed science. It is recommended the company conducts internal or independent audits of its lobbying activities, including by third parties, to better manage and control their lobbying. The company is advised to also improve its lobbying transparency by disclosing any potential governance conflicts of interest and Board seats at trade associations, and expand its existing disclosure to cover other markets, not just the U.S.

- **ENGAGEMENT:** The company does show some evidence of new products developed to help address

micronutrient deficiencies (e.g., Vitingo, its iron-fortified powdered drink in India), but there was no evidence it had looked for external expert advice on how it should design its strategies, policies, and programs, to prevent and address undernutrition and micronutrient deficiencies on a strategic/Board level. The company is therefore encouraged to conduct well-structured and focused engagement with a variety of independent stakeholders with expertise in nutrition and addressing malnutrition, in order to strengthen their strategies and policies and provide valuable feedback on their relevance and effectiveness.



# Category Analysis

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- A1** Nutrition strategy
- A2** Nutrition management
- A3** Reporting quality

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- B1** Product Profile
- B2** Product formulation
- B3** Defining healthy products

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- C1** Product pricing
- C2** Product distribution

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- D1** Marketing policy
- D2** Marketing to children
- D3** Auditing and compliance

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- E1** Employee health
- E2** Breastfeeding support
- E3** Consumer health

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- F1** Product labeling
- F2** Claims

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- G1** Influencing policymakers
- G2** Stakeholder engagement

# Detailed Product Profile Results <sup>1</sup>

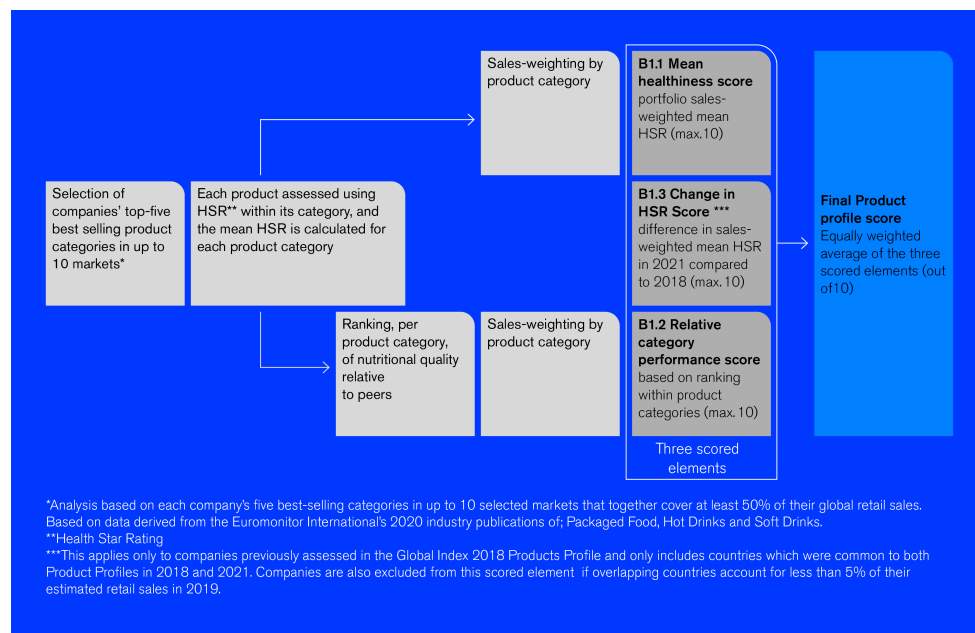


22

Rank 22 / Score 2.8

The Product Profile is an independent assessment of the nutritional quality of companies' product portfolios. For this purpose, ATNI uses the Health Star Rating (HSR) model, which rates foods from 0.5 to 5.0 based on their nutritional quality. ATNI uses the threshold of 3.5 stars or more to classify products as generally healthy. This assessment is undertaken in partnership with The George Institute for Global Health (TGI), with additional data input from Innova Market Insights.

The methodology for the Global Index 2021 Product Profile has been revised and now includes three scored elements. The overall Product Profile score reflects: B1.1, the mean healthiness of a company's product portfolio; B1.2, the relative healthiness within product categories compared to peers, and; B1.3, changes in the nutritional quality of product portfolios compared to the Global Index 2018 Product Profile. The steps taken to calculate the final Product Profile scores are visualized in Box 1. The next section further explains each of these three elements.



Coca-Cola has been assessed for the second time in the Global Index Product Profile. In the previous assessment, nine of the company's markets were selected, and a total of 1186 products analyzed – accounting for approximately 45-50% of global retail sales in 2017, excluding baby foods, plain tea, and coffee. In this Index, a total of 1278 products have been analyzed across 10 of the company's major markets. Products from the top five best-selling product categories within each market are included. In 2019, these products accounted for 50-55% of the company's global retail sales, excluding baby foods, plain tea, and coffee.

Japan is a new country included in this iteration. In 2018, a total of 8 product categories were covered by the assessment, compared to 11 categories in 2021. For all companies, Bottled Water has been split into two categories for this iteration (Bottled Water – pure and Bottled Water – other). 'Sports Drinks and Energy Drinks' has been split into 'Sports Drinks' and 'Energy Drinks'. Products from the 'Asian Specialty Drinks' and 'RTD Coffee' are assessed in 2021 but were not in 2018, whereas products from the 'Processed Fruit and Vegetables' category were assessed in 2018, but are not in 2021.

In this Product Profile assessment, Coca-Cola scores 3.6 out of 10 (B1.1) in the mean healthiness element, 4.9 out of 10 (B1.2) for the relative healthiness of its products within categories compared to peers, and 0 out of 10 (B1.3) for changes in nutritional quality (mean HSR) over time. This results in Coca-Cola obtaining an overall score of 2.8 out of 10 and ranking 22 out of 25 in the Product Profile.

## B1.1 Portfolio-level Results

Average HSR (out of 5 stars) (sales-weighted)	10 Countries included	Range of global sales included ①	Healthy products (HSR)				Products suitable to market to children (WHO regional models) - UNSCORED		
			No. products assessed	% products healthy (≥3.5 stars)	% retail sales healthy 2019 (≥3.5 stars) – assessed countries only	% estimated global retail sales healthy 2019 (≥3.5 stars) ②	No. products assessed	% products suitable	% sales from suitable
1.8	Australia, China, Hong Kong, India, Japan, Mexico, New Zealand, South Africa, UK, USA	50-55%	1278	23%	10%	11%	1346	8%	10%

▪ A total of 1278 products manufactured by Coca-Cola, sold in 10 countries, covering 11 product categories, were included in this Product Profile (baby foods, plain tea and coffee were not assessed). The company's sales-weighted mean HSR is 1.8 out of 5. ATNI turns this value into a score between 0 and 10, resulting in a mean healthiness score of 3.6 out of 10 for Coca-Cola. The company ranks 19 out of 25 companies in this first scored element (B1.1).

▪ Overall, 23% of distinct products assessed were found to meet the HSR healthy threshold (HSR ≥3.5). Together, these products accounted for an estimated 10% of Coca-Cola's retail sales of packaged food and beverages 2019 in the selected markets (excluding baby food, plain tea, and coffee). Assuming the products and markets included in the assessment are representative of the company's overall global sales, ATNI estimates the company derived approximately 11% of its global retail sales from healthy products in 2019.

WHO nutrient profiling models (unscored): Only 8% of products assessed were found to be of sufficient nutritional quality to market to children, according to the World Health Organization (WHO) regional nutrient profiling models. These products were estimated to generate 10% of the company's sales in 2019. More information on this part of the assessment can be found in the Marketing section (Category D) of the Index.

## B1.2. Product Category Results

	No. products analyzed	% products healthy (HSR >= 3.5)	Company mean HSR	Mean HSR for all companies selling this product category	Company performance (rank in mean HSR compared to peers selling products in the same category) i
Energy Drinks	1	0%	1.0	1.1	3rd out of 3
RTD Coffee	13	0%	1.3	2.7	6th out of 6
Asian Speciality Drinks	2	0%	1.5	N/A	N/A
Carbonates	458	1%	1.5	1.6	4th out of 5
Concentrates	3	0%	1.5	1.2	1st out of 7
Sport Drinks	101	2%	1.7	1.8	2nd out of 3
RTD Tea	32	0%	1.8	1.7	2nd out of 7
Bottled Water-other	74	5%	2.1	2.1	1st out of 6
Juice	450	38%	2.7	3.2	6th out of 8
Dairy	104	74%	3.6	2.9	1st out of 18
Bottled Water-pure	40	100%	5	5	1

▪ The 'Bottled Water- Pure' category receives a standard rating of five stars, according to the HSR algorithm for all companies. For Coca-Cola, 'Dairy' was the next best performing category, where a total of 104 products analyzed obtained mean HSR of 3.6 out of 5. Energy drinks (1.0) had the lowest mean HSR of all product categories included for Coca-Cola.

▪ For five out of the eleven categories assessed, Coca-Cola products perform equal to or better than the mean HSR of companies selling products in the same categories. The 'Asian Specialty Drinks' category is not compared to a mean HSR for all companies, as Coca-Cola is the only company for which this category is assessed.

▪ Coca-Cola scores 4.9 out of 10 in this second scored element (B1.2) and ranks 18 out of 25 companies. This is based on its ranking compared to peers within the 11 categories, using the scoring system set out in ATNI's methodology.

## B1.3. Change in mean HSR

	No. of products analyzed in 2018	No. of products analyzed in 2021	Sales weighted mean HSR 2018	Sales weighted mean HSR 2021
Australia	158	56	1.7	2.1
China	66	68	2.1	1.8
Hong Kong	58	48	1.8	2.3
India	32	48	1.9	1.6
Mexico	139	321	1.9	1.6
New Zealand	152	81	1.9	2
South Africa	82	72	1.4	1.9
UK	148	285	2.2	2.2
USA	351	281	1.7	1.7
<b>TOTAL</b>	<b>1186</b>	<b>1233</b>	<b>1.8</b>	<b>1.8</b>

- Coca-Cola showed no increase in mean HSR between the 2018 and 2021 Product Profiles (mean HSR=1.8 to 1.8). The change in HSR score only takes into account the nine countries included in both 2018 and 2021 assessments.

- Adjusting scores by country sales weighted estimates (which gives more weight to company's largest markets), Coca-Cola achieves an increase of zero in mean HSR between 2018 and 2021, resulting in a score of zero out of 10 on this element using the scoring system set out in ATNI's methodology.

### Full Product Profile report:

[https://accesstonutrition.org/app/uploads/2021/06/GI\\_Global-Index\\_TGI-product-profile\\_2021-2-1.pdf](https://accesstonutrition.org/app/uploads/2021/06/GI_Global-Index_TGI-product-profile_2021-2-1.pdf)

# Conagra

**Product categories assessed**

Breakfast Cereals|Edible Oils|Other Hot Drinks|Processed Fruit and Vegetables|Ready Meals|Sauces, Dressings, Condiments|Sweet Spreads|Savory Snacks

**Percentage of company global sales covered by Product Profile assessment**  
75-80%

**Headquarters**  
U.S.

**Number of employees**  
18000

**Type of ownership**  
Public



**Product Profile** ⓘ

**Rank 17 / Score 2.3**

**Rank 8 / Score 5.7**

**Rank 16 (2018)**

**Rank 5 (2018)** ⓘ

**Important:**

The findings of this Index regarding companies' performance rely to a large extent on information shared by companies, in addition to information that is available in the public domain. Several factors beyond the companies' control may impact the availability of information such as differences in disclosure requirements among countries or capacity constraints within companies, amongst others the Covid-19 pandemic. Therefore, in the case of limited or no engagement by such companies, this Index may not represent the full extent of their efforts.

## Corporate Profile

**Rank 17**

**Score 2.3**

**Commitment**

**Performance**

**Disclosure**

The bar graph to the left shows company performance across the seven Index categories, which are key topic areas of assessment, and scores are shown for each category. The circles above provide an alternate view on the company's overall results, showing the score per indicator type. The Commitment, Performance, Disclosure score only applies to category scores and not to the BMS/CF Assessment.



## Main areas of strength

- **SCORES AND RANKS:** The company's score has increased from 1.4 in 2018 to 2.3 in 2021. The company's ranking, however, has fallen by one, to 18th place. The most significant increase is observed in Category F.
- **GOVERNANCE:** As part of its 'Good Food' nutrition strategy, the company commits to "deliver foods with nutritional benefits that are aligned with consumer preferences [...] using whole foods and intentional ingredients." The company seeks to address various forms of malnutrition through a focus on portion control, "dietary variety", and "heart health". Conagra's commitment is reflected in the strategic value placed on the 'Healthy Choice' line of products. Since 2018, the company has published the accountability arrangement for its nutrition strategy, with its CEO and senior leadership team being responsible for the 'Good Food' pillar, which involves "affordable and nutritious foods". It also states its nutrition strategy is subject to review by the Nominating, Governance and Public Affairs Committee of its Board.
- **PRODUCTS:** While Conagra has not adopted a NPM to guide its product reformulation and product development activities, the company scores relatively strongly in the Product Profile ranking 8th. Among companies with mixed product portfolios, ConAgra leads in the mean healthiness score (6.2 out of 10 or Health star rating (HSR) of 3.1 out of 5)- an indication of the nutritional quality of company's products in best-selling categories across major markets. Conagra's increase observed in mean HSR between 2018 and 2021 when examining the same countries included in both Global Index Product Profile reports (mean HSR=2.9 to 3.1) is partly explained by the increase in the proportion of sales from 'Processed Fruit and Vegetables.'
- **MARKETING:** Conagra participates in the Children's Food and Beverage Advertising Initiative (CFBAI), so it neither advertises products to children aged two to six, nor in primary or secondary schools, and only markets products that meet the CFBAI's nutrition criteria for children aged seven to 12. The company sets a 35 percent threshold for programs or media that have a child audience, and has several tools in place to ensure its digital marketing does not reach younger audiences – such as reviewing age-related data and assessing the nature of third-party websites chosen to advertise on.
- **LIFESTYLES:** Through the Conagra Brands Foundation, the company delivers nutrition education, cooking skills, and healthy and active lifestyle programs in the U.S. These are in partnership with local and national non-profits, who design the programs themselves and are co-implemented together, with the NGOs having strong leadership in the process.
- **ENGAGEMENT:** The company discloses its membership of nine trade associations, and the portion of their 2020 dues that were allocated to non-deductible lobbying expenses, on its website; as well as the contributions by the Conagra Brands Employee PAC and a link to its LDA reports. It states it does not spend on independent public campaigns for/against candidates during elections. The company assigns oversight of its political activities to the

## Priority areas for improvement

- **GOVERNANCE:** While the company has a commercial strategy involving a focus on nutrition for the general consumer, limited evidence was found of the company seeking to address the needs of priority populations at risk of malnutrition as defined by relevant health and/or social care authorities. Conagra is encouraged to engage in market research to assess unmet needs of priority populations in the markets where it is active, and conduct a strategic review of the commercial opportunities in addressing them.
- **PRODUCTS:** The company has not set any targets for reducing levels of sodium, saturated fat, and added sugar/calories, or to increase positive ingredients like fruits, vegetables, nuts, and legumes (FVNL), and whole grains. The company is encouraged to set SMART targets that cover all relevant product categories and for nutrients of concern relevant to their product portfolio. As in 2018, Conagra does not make use of a Nutrient Profiling Model (NPM). It therefore lacks an effective health-oriented framework to guide its product reformulation and research and development (R&D), or to determine product eligibility for fortification, marketing to children, or an access or affordability strategy. The company is advised to adopt an NPM, one which is preferably government-endorsed.
- **ACCESSIBILITY:** The company does not show evidence of any commitment or commercial strategy to improve the affordability and accessibility of its healthy products (i.e., 'Nutrition-Forward Foods'), beyond participation in federal subsidy programs such as the Supplemental Nutrition Assistance Program (SNAP) and the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC). The company is encouraged to make company-wide public commitments on addressing the affordability of its healthy products (according to objective nutrition criteria), and develop concrete strategies with measurable targets to reach consumers, especially those with low-income and limited access across all markets the company is active in, and not only in the U.S.
- **MARKETING:** As in 2018, Conagra's Code of Conduct includes commitments to responsible marketing to all consumers, but does not fully encompass the International Chamber of Commerce (ICC) Code of Advertising and Marketing Communication Practice, nor does it specify which media are covered. The company is also advised to upgrade its policy to include explicit commitments regarding: responsible marketing techniques aimed at children; the responsible deployment of children, celebrities (including influencers), or fantasy and animated characters; and the responsible use of promotional toys, games, vouchers, and competitions.
- **LABELING:** Conagra participates in the 'Facts Up Front' initiative in the U.S., and provides levels of calories, sodium, saturated fat, and sugars per serving on the front of its food packages. However, these commitments are limited to its home market. As such, the company is encouraged to adopt a global policy which commits to provide full nutrition labelling, in an interpretative front-of-pack (FOP) format, on all products globally. To strengthen its performance, the company is encouraged to publicly disclose a policy in which it commits only to placing a

Board and has a whistleblowing mechanism that covers the company's Code of Conduct.

health or nutrition claim on a product when it complies with relevant Codex standards for countries where no national regulatory system exists, or when standards are weaker than those of Codex.

- **ENGAGEMENT:** Conagra could consider improving its transparency around its commitments and activities relating to lobbying and influencing governments and policymakers on nutrition issues. To strengthen its approach, the company is recommended to commit to lobbying only in support of public health initiatives, in all markets, and more actively disclose its lobbying positions on nutrition-related topics and its lobbying efforts to address malnutrition.

- **ENGAGEMENT:** The company did not provide evidence of engaging with stakeholders in developing its nutrition strategy, policies and/or programs, or of partnerships with any international initiatives/organizations to address malnutrition in priority populations. Conagra is encouraged to conduct well-structured and focused engagement with a variety of independent stakeholders that have expertise in nutrition and addressing malnutrition, in order to strengthen their strategies and policies.

# Category Analysis

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- A1** Nutrition strategy
- A2** Nutrition management
- A3** Reporting quality

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- B1** Product Profile
- B2** Product formulation
- B3** Defining healthy products

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- C1** Product pricing
- C2** Product distribution

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- D1** Marketing policy
- D2** Marketing to children
- D3** Auditing and compliance

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- E1** Employee health
- E2** Breastfeeding support
- E3** Consumer health

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- F1** Product labeling
- F2** Claims

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- G1** Influencing policymakers
- G2** Stakeholder engagement

# Detailed Product Profile Results <sup>1</sup>

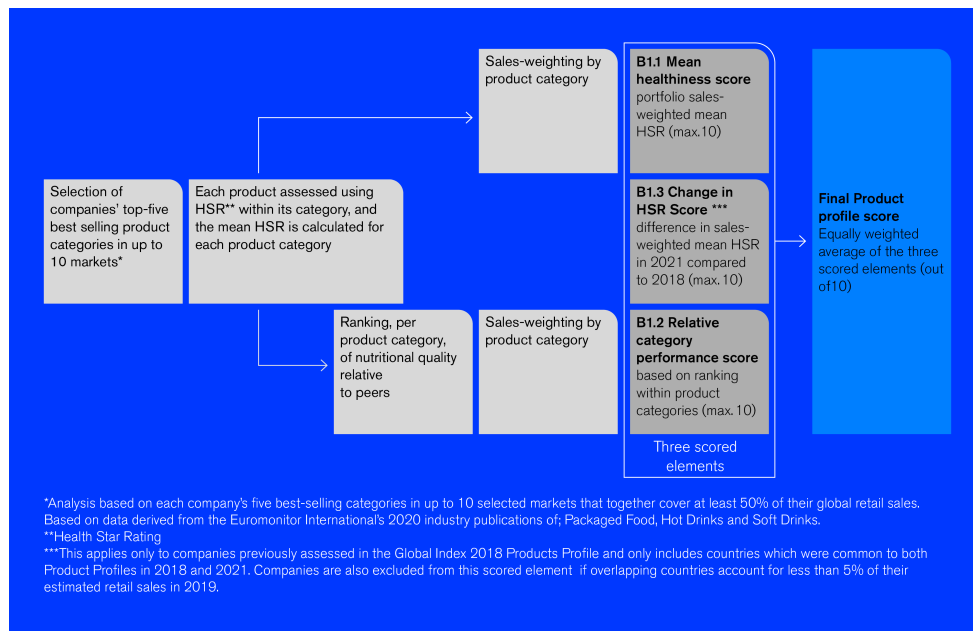


8

Rank 8 / Score 5.7

The Product Profile is an independent assessment of the nutritional quality of companies' product portfolios. For this purpose, ATNI uses the Health Star Rating (HSR) model, which rates foods from 0.5 to 5.0 based on their nutritional quality. ATNI uses the threshold of 3.5 stars or more to classify products as generally healthy. This assessment is undertaken in partnership with The George Institute for Global Health (TGI), with additional data input from Innova Market Insights.

The methodology for the Global Index 2021 Product Profile has been revised and now includes three scored elements. The overall Product Profile score reflects: B1.1, the mean healthiness of a company's product portfolio; B1.2, the relative healthiness within product categories compared to peers, and; B1.3, changes in the nutritional quality of product portfolios compared to the Global Index 2018 Product Profile. The steps taken to calculate the final Product Profile scores are visualized in Box 1. The next section further explains each of these three elements.



ConAgra has been assessed for the second time in the Global Index Product Profile. In the previous assessment, five of the company's markets were selected, and a total of 1036 products analyzed – accounting for approximately 75-80% of global retail sales in 2017, excluding baby foods, plain tea, and coffee. In this Index, a total of 1891 products have been analyzed across four of the company's major markets. Products from the top five best-selling product categories within each market are included. In 2019, these products accounted for 75-80% of the company's global retail sales, excluding baby foods, plain tea, and coffee.

Hong Kong is a new country included in this iteration. New Zealand and South Africa were included in the 2018 but have been omitted this time. In both 2018 and 2021, a total of 9 product categories were covered by the assessment. Products from the 'Other Hot Drinks' category are assessed in 2021 but were not in 2018, whereas products from the 'Dairy' category were assessed in 2018 but are not in 2021. Instead of the 'Spread' category, which was assessed in 2018, the 'Sweet Spreads' category is assessed in 2021.

In this Product Profile assessment, ConAgra scores 6.2 out of 10 (B1.1) in the mean healthiness element, 6.8 out of 10 (B1.2) for the relative healthiness of its products within categories compared to peers, and 4 out of 10 (B1.3) for changes in nutritional quality (mean HSR) over time. This results in ConAgra obtaining an overall score of 5.7 out of 10, ranking eight out of 25 in the Product Profile.

## B1.1 Portfolio-level Results

Average HSR (out of 5 stars) (sales-weighted)	5 Countries included	Range of global sales included ①	Healthy products (HSR)				Products suitable to market to children (WHO regional models) - UNSCORED		
			No. products assessed	% products healthy ( $\geq 3.5$ stars)	% retail sales healthy 2019 ( $\geq 3.5$ stars) – assessed countries only	% estimated global retail sales healthy 2019 ( $\geq 3.5$ stars) ①	No. products assessed	% products suitable	% sales from suitable
3.1	Hong Kong, India, Mexico, New Zealand, USA	75-80%	1891	57%	47%	60%	2021	2%	4%

- A total of 1891 products manufactured by ConAgra, sold in five countries, covering 9 product categories, were included in this Product Profile (baby foods, plain tea and coffee were not assessed). The company's sales-weighted mean HSR is 3.1 out of 5. ATNI turns this value into a score between 0 and 10, resulting in a mean healthiness score of 6.2 out of 10 for ConAgra. The company ranks 4 out of 25 companies in this first scored element (B1.1).

- Overall, 57% of distinct products assessed were found to meet the HSR healthy threshold (HSR  $\geq 3.5$ ). Together, these products accounted for an estimated 47% of ConAgra's retail sales of packaged food and beverages 2019 in the selected markets (excluding baby food, plain tea, and coffee). Assuming the products and markets included in the assessment are representative of the company's overall global sales, ATNI estimates the company derived approximately 60% of its global retail sales from healthy products in 2019.

WHO nutrient profiling models (unscored): Only 2% of products assessed were found to be of sufficient nutritional quality to market to children, according to the World Health Organization (WHO) regional nutrient profiling models. These products were estimated to generate 4% of the company's sales in 2019. More information on this part of the assessment can be found in the Marketing section (Category D) of the Index.

## B1.2. Product Category Results

	No. products analyzed	% products healthy (HSR>=3.5)	Company mean HSR	Mean HSR for all companies selling this product category	Company performance (rank in mean HSR compared to peers selling products in the same category) 1
Other Hot Drinks	2	0%	0.5	1.4	5th out of 5
Processed Meat and Seafood	159	40%	2.5	3.1	5th out of 8
Breakfast Cereals	12	67%	3.7	3.5	3rd out of 6
Edible Oils	22	91%	4.3	N/A	N/A
Processed Fruits and Vegetables	225	87%	4	4.1	3rd out of 4
Ready Meals	859	68%	3.3	3	2nd out of 9
Sauces, Dressings and Condiments	198	38%	2.6	2.5	5th out of 11
Savoury Snacks	401	32%	2.5	2.2	3rd out of 8
Sweet Spreads	13	100%	4.2	2.2	1st out of 5

▪ For ConAgra 'Edible Oils,' was the best performing category, where a total of 22 products analyzed obtained mean HSR of 4.3 out of 5. 'Other Hot Drinks' (0.5) had the lowest mean HSR of all product categories included for ConAgra.

▪ For five out of the nine categories assessed, ConAgra's products perform better than the mean HSR of companies selling products in the same categories. The company performs best compared to peers in the 'Sweet Spreads' category.

▪ ConAgra scores 6.8 out of 10 in this second scored element (B1.2) and ranks 10 out of 25 companies. This is based on its ranking compared to peers within the 16 categories, using the scoring system set out in ATNI's methodology.

## B1.3. Change in mean HSR

	No. of products analyzed in 2018	No. of products analyzed in 2021	Sales weighted mean HSR 2018	Sales weighted mean HSR 2021
India	30	90	3.5	3.9
Mexico	43	106	3.6	3.7
New Zealand	6	15	2.3	2.4
USA	949	1678	2.9	3.1
TOTAL	1028	1889	2.9	3.1



- ConAgra showed a slight increase in mean HSR between the 2018 and 2021 Product Profiles (mean HSR=2.9 to 3.1). The change in HSR score only takes into account the five countries included in both 2018 and 2021 assessments. For ConAgra, it is difficult to attribute the change in HSR score to specific category-level changes, although it appears the replacement of the 'Dairy' category (HSR=2.1) for the USA with 'Sauces, Dressings and Condiments' (HSR=2.5) in 2021 was partly responsible for the change. Additionally, an increase in the proportion of sales from 'Processed Fruit and Vegetables', and a change in the mean HSR for 'Savoury Snacks' in the USA between 2018 (HSR=2.1) and 2021 (HSR=2.4) may also have contributed to the overall change.

- Adjusting scores by country sales weighted estimates (which gives more weight to company's largest markets), ConAgra achieves an increase of 0.2 in mean HSR between 2018 and 2021, resulting in a score of 4 out of 10 on this element using the scoring system set out in ATNI's methodology.

**Full Product Profile report:**

[https://acesstonutrition.org/app/uploads/2021/06/GI\\_Global-Index\\_TGI-product-profile\\_2021-2-1.pdf](https://acesstonutrition.org/app/uploads/2021/06/GI_Global-Index_TGI-product-profile_2021-2-1.pdf)

# Danone

**Product categories assessed**

Bottled Water (other)| Bottled Water (Pure)|Dairy|RTD Coffee|

**Percentage of company global sales covered by Product Profile assessment**

55-60%

**Headquarters**

France

**Number of employees**

100000

**Type of ownership**

Public



**Product Profile** ⓘ

Rank 4 / Score 5.8

Rank 3 (2018)



**BMS/CF Marketing** ⓘ

Rank 1 / Score 8.2

Rank 2 (2018) ⓘ

Rank 1 / Score 68%

Rank 1 (2018)

**Important:**

The findings of this Index regarding companies' performance rely to a large extent on information shared by companies, in addition to information that is available in the public domain. Several factors beyond the companies' control may impact the availability of information such as differences in disclosure requirements among countries or capacity constraints within companies, amongst others the Covid-19 pandemic. Therefore, in the case of limited or no engagement by such companies, this Index may not represent the full extent of their efforts.

## Corporate Profile

**Rank 4**

**Score 5.8**

**Commitment**

**Performance**

**Disclosure**

An adjustment of -0.48 to the company's score has been made based on its score in the BMS/CF Marketing Index 2021.

**Company BMS/CF Scorecard:**

[https://acesstonutrition.org/app/uploads/2021/06/ATNI\\_Scorecard\\_Danone.pdf](https://acesstonutrition.org/app/uploads/2021/06/ATNI_Scorecard_Danone.pdf)

The bar graph to the left shows company performance across the seven Index categories, which are key topic areas of assessment, and scores are shown for each category. The circles above provide an alternate view on the company's overall results, showing the score per indicator type. The Commitment, Performance, Disclosure score only applies to category scores and not to the BMS/CF Assessment.

## Main areas of strength

- **SCORES AND RANKS** Although Danone's score slightly dropped from 6.3 in 2018 to 5.8 in 2021, Danone ranks 4th in the 2021 Global Index. The company also ranks 1st on the Product Profile and achieved the highest mean healthiness score (6.9 out of 10)- an indication of the nutritional quality of company's products in best-selling categories across major markets. It was the only company to achieve the healthy threshold of 3.5 HSR at the portfolio-level when results were sales-weighted.
- **GOVERNANCE:** Danone continues to demonstrate clear commitments to contributing positively to diets and health. Concerning priority populations at risk of malnutrition, Danone continues to use NutriPlanet, a comprehensive analysis of local nutrition and health contexts based on a review of scientific literature, enhanced by interviews with local experts and key opinion leaders. The company acquires data from national dietary surveys mainly carried out by government and research institutes in countries where they exist, or from their own surveys where information is lacking. In this endeavor, a partnership was signed in 2019 between Danone and the Food and Agriculture Organization (FAO) that includes sharing such data, starting with Egypt as a pilot country. The company utilized this data to understand what people eat and drink and compare intakes to dietary and nutrient recommendations, in order to improve the products to better serve the priority population with micronutrient deficiencies.
- **GOVERNANCE:** The company started a new phase of the 'Danone Way' program to advance and measure their sustainability performance, including a strategic focus on improving nutrition and health at the Local, Regional and Global level (and get more Danone entities B-Corp certified). In its efforts to address undernutrition, Danone employs NutriPack, a market research assessment, to identify nutritional needs among the population based on epidemiological literature review and expert interviews. In addition, the company intends to improve the portfolio of healthy products through the 'Manifesto brand' framework.
- **PRODUCTS:** With an improved strategy – 'Nutritional Targets 2020' – to develop healthier products, and updated nutrient profiling model which considers 'positive' and 'negative' nutrients, Danone has a clear definition of 'healthy categories', which are benchmarked against the health star rating (HSR) model; and is one of the few companies found to do so. In addition, the company has publicly disclosed the externally-verified level of achievements with its nutrient targets. The company is commended for publicly disclosing its 'Policy on micronutrient fortification', in which it makes the public commitment to only fortifying products belonging to company's 'healthy categories' (as listed in 'Danone Nutritional Targets').
- **ACCESSIBILITY:** Danone's public commitment states that accessible and affordable nutrition is a fundamental component of its business strategy, and that it focuses on providing healthy, affordable products to vulnerable groups with targeted distribution models. For instance, they sell Shokti+ yogurt – designed to deliver 30 percent of the daily requirement for iron, zinc, vitamin A and iodine – at

## Priority areas for improvement

- **GOVERNANCE:** Although the company has made fundamental efforts in addressing micronutrient deficiencies, the company could consider putting more emphasis on other forms of malnutrition, such as undernutrition, obesity, and diet-related chronic diseases.
- **PRODUCTS:** Danone is encouraged to improve its nutritional targets by setting time-bound and externally verifiable sodium/salt, fruits, vegetables, nuts, legumes (FVNL), and whole grain targets for all relevant product categories. The company could also consider implementing consumer portion control strategies and undertake research to demonstrate the efficacy of this on consumer behavior. In addition, Danone is encouraged to demonstrate how products marketed to children correspond with regional World Health Organization (WHO) criteria for marketing to children.
- **ACCESSIBILITY:** Danone is advised to strengthen its commitments to improving the affordability and accessibility of its healthy products by explicitly referring to low-income consumers and those with limited geographical access, and extend it to products aimed at addressing micronutrient deficiencies in priority populations, in all markets it is active in. The company is encouraged to set concrete, measurable targets on pricing and distribution of its healthy products through a commercial approach, with tailored approaches for priority populations in all its markets.
- **MARKETING:** To improve its marketing policy, Danone is encouraged to develop market strategies to reach priority populations. In addition, the company could consider committing to not advertise to children at all, no matter whether the products meet the company's standard. Moreover, the company could also increase the age range for restrictions in advertising to 18 years, and adopt tools to ensure its digital marketing does not reach younger age groups.
- **LIFESTYLES:** To complement Danone's employee health and wellness program, the company is advised to offer nutrition and physical activity programs on top of the existing healthcare coverage. ATNI also encourages the company to support the health and wellness of groups across the food supply chain that are not direct employees, extend the program to family members, and publish details.
- **LIFESTYLES:** Danone runs and funds various consumer-oriented education programs, but not all of them are independently designed and implemented programs that exclude product or brand-level branding.
- **LABELING:** Although Danone has strong labeling commitments, the company falters in this area due the scope of its commitments regarding the use of health and nutrition claims. To prevent misuse of claims, or the placement of claims on unhealthy products, it is recommended that Danone commits to not using claims on products unless they have been pre-determined as healthy by a relevant (and preferably government-endorsed) NPS. This is recommended to be applied to all products and markets that the company is active in.

an affordable price through a dense distribution system serving both urban and rural populations in Bangladesh. Danone has implemented micro-distribution projects in nine countries, with the potential to empower vulnerable populations, mainly women from underprivileged areas, and drive local development, while expanding access to healthy foods and beverages.

- **MARKETING:** Besides pledging adherence to the International Chamber of Commerce (ICC) Advertising and Marketing Communications Code, the company has a strict marketing to children policy of “no product marketing communications in and near Primary schools nor in Secondary schools.” Regarding digital marketing in schools, the company has a clear definition of marketing communications that covers new media of online/digital forms. Furthermore, Danone’s compliance regarding children and teens marketing is audited through both its own process, ‘Danone Way’ (which in turn is audited by PwC), and the numerous local and regional pledges it has joined.

- **LIFESTYLES:** With the intention to encourage the physical activity and healthy dietary choices of its staff, the company organized a ‘Get healthy’ challenge in its headquarters to encourage employees to drink more, recycle more, and do more physical exercise. To support breastfeeding, the company provides lactating mothers with access to exclusive lactation facilities to either breastfeed (where possible) or express breastmilk during working hours (with dedicated breaks) in a safe, private, hygienic, and adapted environment, or reasonable time-off during the day to either breastfeed or express milk. The installation of lactation rooms can be requested by any female employee, even on sites with less than 50 female employees.

- **LABELING:** With regards to product labeling and use of health and nutrition claims, the company’s ranking increased from 2018 to 2021. This change is not only attributed to the adaptation of Danone’s Nutrition Commitments, which include comprehensive commitments to product labeling, but also the disclosure of the introduction of its labeling policy in ‘Danone Nutritional Achievements’. Furthermore, Danone has introduced a front-of-pack (FOP) interpretative labeling system, instead of solely a numeric format display as found in 2018 Global Index, and is one of the only three companies that has committed to do so for all products, globally. This is industry best practice. Interpretative labeling displays nutritional information in a clear and easy to read format, which can help consumers make informed and healthier choices.

- **LABELING:** Danone has developed a labeling strategy to reduce food waste. In France, the company participates in the French Pact on date labeling (the ‘Too Good to Go’ initiative), while, in Germany, its Activia brand has switched to ‘best before, often good after’. Additionally, Danone pledged to reduce its unrecovered food waste (i.e., waste sent in landfill, incinerated without energy recovery, or discharged in wastewater) by 50 percent by 2025.

- **ENGAGEMENT:** Danone received the highest score for its efforts in engaging with and influencing governments. These include company-wide commitments to lobby in support of measures to improve health and nutrition, reflected in its robust lobbying management systems and above-average lobbying disclosure. The company supports

- **ENGAGEMENT:** The company is encouraged to build on its partnership approach (such as with FAO) to publicly engage with more stakeholders to combat malnutrition (obesity, undernutrition, micronutrient deficiencies, and related diseases) by supporting international initiatives and soliciting input on its commercial strategies.

- **BREAST-MILK SUBSTITUTES AND COMPLEMENTARY FOODS:** Although Danone applies its BMS marketing policy to infant formula in all markets (both in higher- and lower- risk countries), ATNI urges Danone to apply this policy globally in relation to all products covered by The Code, including growing-up milks and formulas for special medical purposes which are BMS products not yet covered by Danone’s policy. Being a manufacturer of complementary foods (CF) marketed to children 6-36 months of age, Danone is also urged to develop policy commitments and associated management systems in relation to CF marketing in alignment with the recommendations set out in the guidance related to WHA resolution 69.9.

governments' efforts to address malnutrition on a global basis, and is commended for engaging with a range of international stakeholders (such as the FAO), in a well-structured and focused manner in the development of its nutrition strategies and programs. As of 2019, the company also has over 100 panels of local experts advising its nation-level subsidiaries on their commercial nutrition strategies across its markets.

# Category Analysis

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- A1** Nutrition strategy
- A2** Nutrition management
- A3** Reporting quality

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- B1** Product Profile
- B2** Product formulation
- B3** Defining healthy products

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- C1** Product pricing
- C2** Product distribution

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- D1** Marketing policy
- D2** Marketing to children
- D3** Auditing and compliance

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- E1** Employee health
- E2** Breastfeeding support
- E3** Consumer health

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- F1** Product labeling
- F2** Claims

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- G1** Influencing policymakers
- G2** Stakeholder engagement



# Detailed Product Profile Results <sup>1</sup>

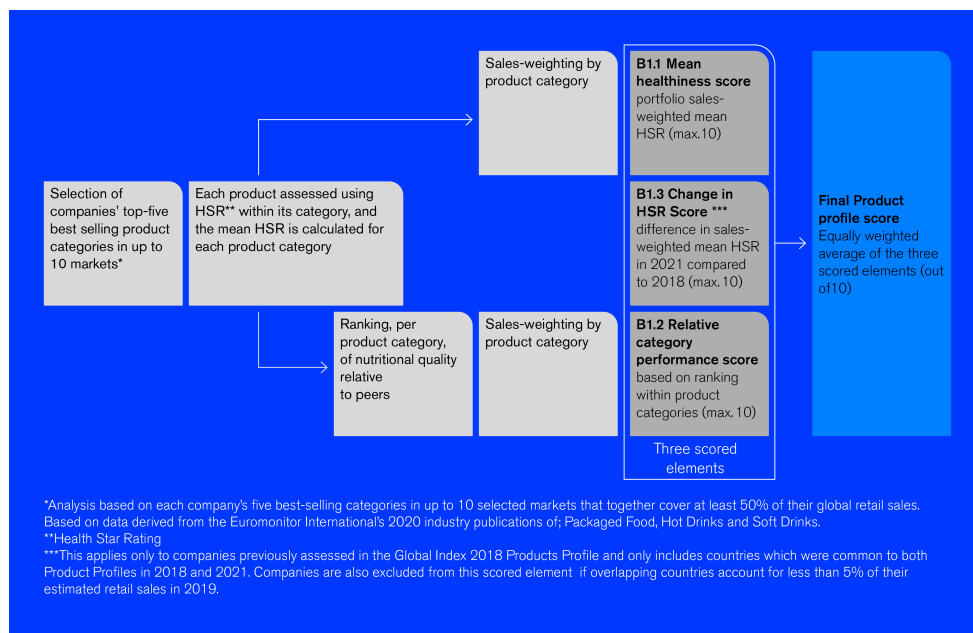


1

Rank 1 / Score 8.2

The Product Profile is an independent assessment of the nutritional quality of companies' product portfolios. For this purpose, ATNI uses the Health Star Rating (HSR) model, which rates foods from 0.5 to 5.0 based on their nutritional quality. ATNI uses the threshold of 3.5 stars or more to classify products as generally healthy. This assessment is undertaken in partnership with The George Institute for Global Health (TGI), with additional data input from Innova Market Insights.

The methodology for the Global Index 2021 Product Profile has been revised and now includes three scored elements. The overall Product Profile score reflects: B1.1, the mean healthiness of a company's product portfolio; B1.2, the relative healthiness within product categories compared to peers, and; B1.3, changes in the nutritional quality of product portfolios compared to the Global Index 2018 Product Profile. The steps taken to calculate the final Product Profile scores are visualized in Box 1. The next section further explains each of these three elements.



Danone has been assessed for the second time in the Global Index Product Profile. In the previous assessment, seven of the company's markets were selected, and a total of 759 products analyzed – accounting for approximately 25-30% of global retail sales in 2017, excluding baby foods, plain tea, and coffee. In this Index, a total of 1626 products have been analyzed across 10 of the company's major markets. Products from the top five best-selling product categories within each market are included. In 2019, these products accounted for 55-60% of the company's global retail sales, excluding baby foods, plain tea, and coffee.

Brazil, France and Russia are new countries included in this iteration. In 2018, a total of four product categories were covered by the assessment, compared to five categories in 2021. For all companies, Bottled Water has been split into two categories for this iteration (Bottled Water – pure and Bottled Water – other). Products from the 'RTD Coffee' category are assessed in 2021 but were not in 2018, whereas products from the 'Ice cream and Frozen Desserts' category were assessed in 2018, but are not in 2021.

In this Product Profile assessment, Danone scores 6.9 out of 10 (B1.1) in the mean healthiness element, 9.6 out of 10 (B1.2) for the relative healthiness of its products within categories compared to peers, and 8 out of 10 (B1.3) for changes in nutritional quality (mean HSR) over time. This results in Danone obtaining an overall score of 8.2 out of 10, ranking first out of 25 in the Product Profile.

## B1.1 Portfolio-level Results

Average HSR (out of 5 stars) (sales-weighted)	10 Countries included	Range of global sales included ①	Healthy products (HSR)				Products suitable to market to children (WHO regional models) - UNSCORED		
			No. products assessed	% products healthy (≥3.5 stars)	% retail sales healthy 2019 (≥3.5 stars) – assessed countries only	% estimated global retail sales healthy 2019 (≥3.5 stars) ①	No. products assessed	% products suitable	% sales from suitable
3.5	Australia, Brazil, China, France, Hong Kong, Mexico, Russia, South Africa, UK, USA	55-60%	1626	61%	61%	65%	1642	18%	25%

- A total of 1626 products manufactured by Danone, sold in 10 countries, covering five product categories, were included in this Product Profile (baby foods, plain tea and coffee were not assessed). The company's sales-weighted mean HSR is 3.5 out of 5. ATNI turns this value into a score between 0 and 10, resulting in a mean healthiness score of 6.9 out of 10 for Danone. The company ranks first out of 25 companies in this first scored element (B1.1).

WHO nutrient profiling models (unscored): Only 18% of products assessed were found to be of sufficient nutritional quality to market to children, according to the World Health Organization (WHO) regional nutrient profiling models. These products were estimated to generate 25% of the company's sales in 2019. More information on this part of the assessment can be found in the Marketing section (Category D) of the Index.

- Overall, 61% of distinct products assessed were found to meet the HSR healthy threshold (HSR ≥3.5). Together, these products accounted for an estimated 61% of Danone's retail sales of packaged food and beverages 2019 in the selected markets (excluding baby food, plain tea, and coffee). Assuming the products and markets included in the assessment are representative of the company's overall global sales, ATNI estimates the company derived approximately 65% of its global retail sales from healthy products in 2019.

## B1.2. Product Category Results

	No. products analyzed	% products healthy (HSR >= 3.5)	Company mean HSR	Mean HSR for all companies selling this product category	Company performance (rank in mean HSR compared to peers selling products in the same category) 1
Bottled Water - other	108	3%	2.1	2	1st out of 6
Dairy	1470	94%	3.5	2.9	2nd out of 18
RTD Coffee	23	22%	3.9	2.7	2nd out of 6
Bottled Water - pure	25	100%	5	5	1st out of 7

▪ The 'Bottled Water- Pure' category receives a standard rating of five stars, according to the HSR algorithm for all companies. For Danone, 'RTD Coffee' was the next best performing category, where a total of 23 products analyzed obtained mean HSR of 3.9 out of 5. 'Bottled Water – Other' (2.1) had the lowest mean HSR of all product categories included for Danone.

▪ For four out of the four categories assessed, Danone's products perform equal to or better than the mean HSR of companies selling products in the same categories. The company performs best compared to peers in the following product categories; 'RTD Coffee' and 'Dairy'.

▪ Danone scores 9.6 out of 10 in this second scored element (B1.2) and ranks 1 out of 25 companies. This is based on its ranking compared to peers within the four categories, using the scoring system set out in ATNI's methodology.

## B1.3. Change in mean HSR

	No. of products analyzed in 2018	No. of products analyzed in 2021	Sales weighted mean HSR 2018	Sales weighted mean HSR 2021
Australia	47	49	2.3	3.4
China	27	34	2.4	2.7
Hong Kong	3	2	5	5
Mexico	113	222	2.3	3
South Africa	65	76	3.1	3.3
UK	113	177	3.3	4
USA	391	444	3.8	3.7
TOTAL	759	1004	3.1	3.5

- Danone showed an increase in mean HSR between the 2018 and 2021 Product Profiles (mean HSR=3.1 to 3.5). The change in HSR score only takes into account the seven countries included in both 2018 and 2021 assessment. For Danone, increase observed in mean HSR between 2018 and 2021 may be attributed to an increase in healthiness and proportion of sales from the 'Dairy' category, and a decrease in 'Bottled-water' sales (this includes 'Bottled water – other' category, which has a larger proportion of sales and a much lower HSR).
- Adjusting scores by country sales weighted estimates (which gives more weight to company's largest markets), Danone achieves an increase of 0.4 in mean HSR between 2018 and 2021, resulting in a score of 8 out of 10 on this element using the scoring system set out in ATNI's methodology.

**Full Product Profile report:**

[https://accesstonutrition.org/app/uploads/2021/06/GI\\_Global-Index\\_TGI-product-profile\\_2021-2-1.pdf](https://accesstonutrition.org/app/uploads/2021/06/GI_Global-Index_TGI-product-profile_2021-2-1.pdf)

# Breast-milk Substitutes / Complementary Food Marketing



1

Rank 1 / Score 68%

Rank	BMS Marketing	Adjustment to Global Index Score <sup>1</sup>	BMS 1	BMS 2	Level of compliance in country studies	
		Max. of -1.5			Philippines	Mexico
1	68%	-0.48	53%	83%	Complete (100%)	High (66%)

- Danone is one of the six Index companies included in the BMS/CF Marketing Index. Its score is based on two assessments: BMS/CF 1 which assessed the company's policy commitments, management systems and disclosure relating to the marketing of its BMS and CF 6-36 products, and BMS/CF 2 which assessed its marketing practices in Mexico and the Philippines during 2020. The BMS/CF Marketing Index score is used to generate a proportionate adjustment to the final Global Index score.
- Danone ranks first again in the BMS/CF Marketing Index with a level of compliance with ATNI's updated methodology (including WHA 69.9 and a CF module) of 68%.
- Although Danone's BMS marketing policy is substantially aligned with The Code, gaps remain particularly in regulating marketing within the healthcare system. Danone's policy does not incorporate commitments to reflect all WHA resolutions including WHA 69.9 which is why it scores lower on policy commitments in the BMS module. The related management systems essentially remained the same with some procedures missing while others were developed in other areas. Danone also scores lower on disclosure compared to 2018 due in part to disclosing less and in part due to not having policy commitments to be able to disclose relating to WHA 69.9. However, among the companies assessed on the CF module, Danone scores the highest in this section with a score of 10% due to having some commitments related to Recommendation 3 of WHA 69.9 on CF product formulation following internationally established standards. Danone's BMS marketing policy applies to infant formula across all markets but only applies to follow-on formula in higher-risk countries. Thus, its overall score on BMS/CF 1 is 53%.
- To improve its score, Danone should ensure that its BMS marketing policy applies in all markets and extends to all products covered by The Code including growing-up milks and all formulas for special medical purposes. It should also revise its policy and procedures to ensure it encompasses all of the recommendations of the WHA resolutions including WHA 69.9 and incorporate commitments in relation to the marketing of its CF 6-36 products. Danone should ensure that all relevant documents are readily disclosed in the public domain.
- Danone's score is largely attributed to its aggregate score from the two in-country studies of marketing practices, as it improved since 2018 to a score of 83%, being rated as having a complete level of compliance with The Code in the Philippines and a high level of compliance in Mexico. To bring its marketing practices into line with The Code, it is important that Danone extends its policy to growing-up milks and should ensure the inclusion of all WHA resolutions including WHA 69.9.

#### **BMS/CF Chapter Global Index 2021:**

<https://accesstonutrition.org/index/global-index-2021/bms-chapter-global-index-2021/>

# Ferrero

**Product categories assessed**

Baked Goods|Confectionery|Dairy|RTD  
Tea|Sweet Spreads|Sweet Biscuits, Snack  
Bars and Fruit Snacks

**Percentage of company global sales covered by Product Profile assessment**  
55-60%

**Headquarters**  
Italy

**Number of employees**  
36,372

**Type of ownership**  
Private



**Product Profile** ⓘ

Rank 16 / Score 2.9

Rank 10 / Score 5.4

Rank 12 (2018)

Rank 21 (2018) ⓘ

**Important:**

The findings of this Index regarding companies' performance rely to a large extent on information shared by companies, in addition to information that is available in the public domain. Several factors beyond the companies' control may impact the availability of information such as differences in disclosure requirements among countries or capacity constraints within companies, amongst others the Covid-19 pandemic. Therefore, in the case of limited or no engagement by such companies, this Index may not represent the full extent of their efforts.

## Corporate Profile

**Rank 16**   **Score 2.9**

**Commitment**   **Performance**   **Disclosure**

The bar graph to the left shows company performance across the seven Index categories, which are key topic areas of assessment, and scores are shown for each category. The circles above provide an alternate view on the company's overall results, showing the score per indicator type. The Commitment, Performance, Disclosure score only applies to category scores and not to the BMS/CF Assessment.

## Main areas of strength

- **SCORES AND RANKS:** While the company's overall score has decreased, Ferrero has shown improvement since 2018 in four of the seven thematic areas of the Index, with most increase in Categories E 'Lifestyles' and G 'Engagement'.
- **GOVERNANCE:** Ferrero mentions in its 'core values' a focus on delivering products of nutritional value and appropriate portions so that they can be integrated into a balanced diet. In its approach, the company acknowledges the challenges posed by obesity and diet-related diseases, and promotes responsible consumption of its products.
- **PRODUCTS:** In its 'Statement on Product Formulation and Innovation' from October 2019, Ferrero indicates it has "stopped using partially hydrogenated fats in its products since 2006 and confirmed the adoption of manufacturing processes which avoid the use of partially hydrogenated fats." The company showed evidence of recent research undertaken to demonstrate the efficacy of its portion control efforts on consumer behavior. It claims that 68 percent of Ferrero products contain less than 100 kcal per portion, and more than 85 percent of its product volumes are offered in below 40 gram portions.
- **MARKETING:** Ferrero adheres to the principles adopted by the International Chamber of Commerce (ICC) 'Framework for Responsible Food and Beverage communication', is a member of the International Food and Beverage Association (IFBA), and a signatory of the EU Pledge initiative on responsible marketing to children. The company commits to using responsible marketing techniques aimed at children, and utilizes tools to ensure its digital marketing does not reach children below the age of 12 on company-owned digital media. Through audits undertaken by the IFBA, Ferrero assesses compliance with its marketing policy towards children.
- **LIFESTYLES:** Ferrero has an employee health and wellness program, 'Casa Ferrero', for all employees and their family members. This incorporates elements of nutrition and physical activity, and offers an on-site gym and access to a nutritionist and physiotherapist. Since 2018, the company has committed to support breastfeeding mothers in its facilities and adopted a parental leave policy to allow parents to take 14 weeks of paid parental leave (in line with the International Labour Organisation's (ILO) recommendation). Ferrero also has measures in place to support breastfeeding mothers in its offices, such as offering private rooms and breaks for expressing breastmilk. The company has improved its programs for supporting consumers' healthy lifestyles by demonstrating that some exclude product level branding – such as 'The Joy of Moving' program which focuses on children's physical fitness, motor coordination, cognitive functions, and life skills, and was designed by independent experts from organizations including Rome University and the Italian Olympic Committee (CONI).
- **LABELING:** Ferrero maintains its earlier commitment to display nutrition information on the back-of-pack (BOP) and front-of-pack (FOP) for its products. It commits to providing information on the amounts of energy and nutrients per 100g of product, and provides information on

## Priority areas for improvement

- **SCORES AND RANKS:** Since 2018, Ferrero's score has slightly decreased from 3.2 to 2.9 in the 2021 Global Index, resulting its rank to drop from the 12th to 16th place.
- **GOVERNANCE:** Although Ferrero commits to the nutrition-specific SDG goals, and conducts nutrition-related business risk assessments, it does not show an initiative to identify priority populations at risk of malnutrition according to relevant health and/or social care authorities. The company is encouraged to undertake strategic reviews of the commercial opportunities available to address the needs of priority populations in all markets it is active in, and further develop its commercial nutrition strategies to address all forms of malnutrition. It is recommended that Ferrero improves its quality of nutrition-related reporting by demonstrating performance against all nutrition objectives and targets, by providing information about the impact of its efforts and obtaining independent verification.
- **PRODUCTS:** While Ferrero makes global commitments to continuously improve its products through innovation and research, it does not demonstrate using a Nutrient Profiling Model (NPM) to guide its product development and reformulation efforts. Although options to increase the healthiness of confectionery products might be limited, Ferrero could consider improving the nutrition value of its portfolio by: setting relevant targets to acquire or develop new healthier product lines; reformulating its products, e.g. decreasing levels of sugar in relevant products; and adopting and publishing an NPM to guide such efforts.
- **ACCESSIBILITY:** Ferrero does not show any commitments, strategies, or actions relating to the affordability or accessibility of its healthy products. Although the company primarily develops confectionery products, which generally are not considered healthy by independent and well-verified NPMs, it does produce products in other categories, such as baked goods, sweet spreads, sweet biscuits, snack bars, and fruit snacks. ATNI recommends that Ferrero ensures its products meet healthy nutrition criteria, and are appropriately priced and distributed to promote the purchase of healthier products in all markets in which it is active.
- **MARKETING:** To improve its responsible marketing approach, Ferrero is advised to develop and deliver marketing strategies appropriate to reaching priority populations in all markets it is active in. The company could consider strengthening its responsible marketing policy for children by committing to not advertise any products to children (up to 18 years), and restrict its advertising on measured media by decreasing the child in audience threshold from 35 percent to less than 25 percent. Furthermore, to check compliance with its responsible marketing policy for all consumers, it is recommended the company commissions independent external audits (only, or in addition to, industry association-appointed third-party auditors).
- **LIFESTYLES:** Ferrero could consider committing to improve the health and wellness of groups across the food supply chain that are not its direct employees (e.g., factory workers and small scale vendors) through nutrition-



the recommended serving size alongside it. The company has also formulated a labeling strategy called the '5Rs Strategy' (remove, reduce, reuse, recycle, renew), aimed at reducing food waste.

- **ENGAGEMENT:** In an improvement since 2018, Ferrero has provided an example of supporting the Indian government's efforts to combat malnutrition. Through the Michele Ferrero Entrepreneurial Project, the company developed eight new 'Anganwadis' (rural childcare centers) for communities in the Baramati area, as part of the government's program to combat child hunger and malnutrition. Ferrero also demonstrated working with an NGO in Burkina Faso by developing women's associations to support nutrition security actions and to support rural communities with good nutrition practices, with a specific focus on children.

sensitive programs. It is encouraged to define meaningful expected outcomes for its current employee wellbeing programs and undertake independent evaluations to assess the impact of the nutrition and physical activity elements of these. It is also advised that Ferrero further ensures that all its consumer-oriented healthy lifestyle programs, in all its markets, are only designed and/or implemented with diverse stakeholder groups that have relevant expertise.

- **LABELING:** As Ferrero's labeling commitments have not been rolled out for all its products globally, the company is encouraged to do so and publish the percentage of roll-out per market or by product. The company could also consider adopting an interpretative and government-endorsed FOP labelling format on all products, to provide indicators of how healthy the product is, rather than just numeric information. For this Index, Ferrero has not shown evidence of a commitment not to use nutrition and health claims on a product unless it meets the nutrition criteria of a government-endorsed NPM and/or criteria aligned with Codex Alimentarius. ATNI strongly recommends that the company makes relevant commitments in this area.

- **ENGAGEMENT:** Ferrero is advised to develop a public responsible lobbying policy, and commit to only lobby in support of measures designed to improve health and nutrition that have a solid grounding in independent, peer-reviewed science. Although the company publicly states that it voluntarily discloses its lobbying activities at EU-level via the EU Transparency Register, the level of information about these on its own domain is limited. It could consider increasing transparency about its lobbying activities and involvement with organizations that lobby on its behalf. Ferrero is also encouraged to engage with a diverse range of stakeholders to inform its nutrition strategy and policies, and demonstrate how this input was utilized by the company.

# Category Analysis

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- A1** Nutrition strategy
- A2** Nutrition management
- A3** Reporting quality

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- B1** Product Profile
- B2** Product formulation
- B3** Defining healthy products

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- C1** Product pricing
- C2** Product distribution

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- D1** Marketing policy
- D2** Marketing to children
- D3** Auditing and compliance

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- E1** Employee health
- E2** Breastfeeding support
- E3** Consumer health

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- F1** Product labeling
- F2** Claims

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- G1** Influencing policymakers
- G2** Stakeholder engagement

# Detailed Product Profile Results <sup>1</sup>

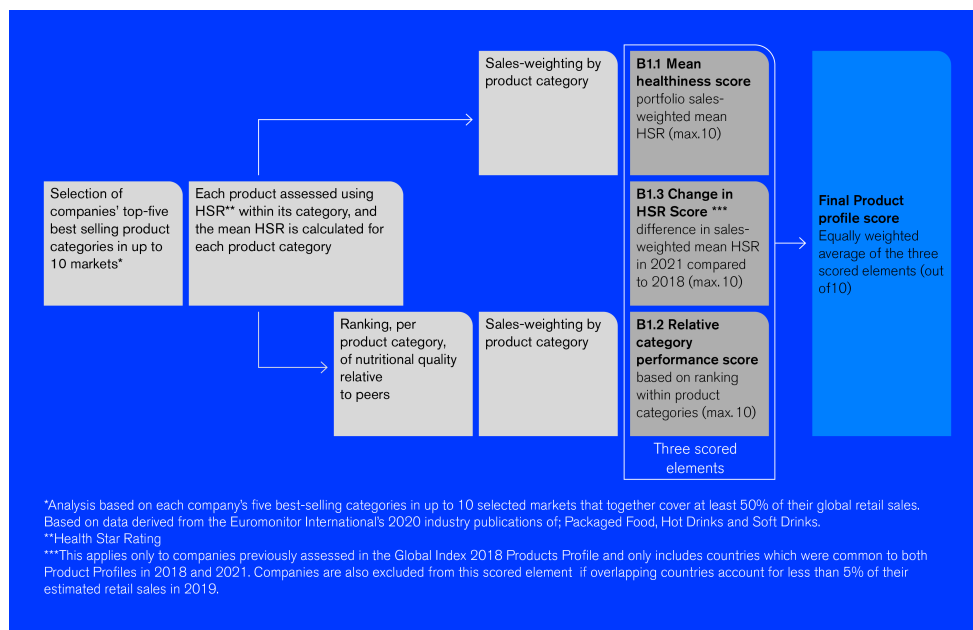


10

Rank 10 / Score 5.4

The Product Profile is an independent assessment of the nutritional quality of companies' product portfolios. For this purpose, ATNI uses the Health Star Rating (HSR) model, which rates foods from 0.5 to 5.0 based on their nutritional quality. ATNI uses the threshold of 3.5 stars or more to classify products as generally healthy. This assessment is undertaken in partnership with The George Institute for Global Health (TGI), with additional data input from Innova Market Insights.

The methodology for the Global Index 2021 Product Profile has been revised and now includes three scored elements. The overall Product Profile score reflects: B1.1, the mean healthiness of a company's product portfolio; B1.2, the relative healthiness within product categories compared to peers, and; B1.3, changes in the nutritional quality of product portfolios compared to the Global Index 2018 Product Profile. The steps taken to calculate the final Product Profile scores are visualized in Box 1. The next section further explains each of these three elements.



Ferrero has been assessed for the second time in the Global Index Product Profile. In the previous assessment, nine of the company's markets were selected, and a total of 272 products analyzed – accounting for approximately 20-25% of global retail sales in 2017, excluding baby foods, plain tea, and coffee. In this Index, a total of 1232 products have been analyzed across 10 of the company's major markets. Products from the top five best-selling product categories within each market are included. In 2019, these products accounted for 55-60% of the company's global retail sales, excluding baby foods, plain tea, and coffee.

Germany and Italy are new countries included in this iteration. South Africa was included in the 2018 but has been omitted this time. In 2018, a total of 3 product categories were covered by the assessment, compared to 6 categories in 2021. Products from the 'Dairy', 'RTD Coffee', 'Sweet Biscuits, Snack Bars and Fruit Snacks' categories are assessed in 2021 but were not in 2018. Instead of the 'Spreads' category in 2018, the 'Sweet Spreads' category has been assessed in 2021.

In this Product Profile assessment, Ferrero's scores 2.1 out of 10 (B1.1) in the mean healthiness element, 4.2 out of 10 (B1.2) for the relative healthiness of its products within categories compared to peers, and 10 out of 10 (B1.3) for changes in nutritional quality (mean HSR) over time. This results in Ferrero obtaining an overall score of 5.4 out of 10 and ranking 10 out of 25 in the Product Profile.

## B1.1 Portfolio-level Results

Average HSR (out of 5 stars) (sales-weighted)	10 Countries included	Range of global sales included 1	Healthy products (HSR)				Products suitable to market to children (WHO regional models) - UNSCORED		
			No. products assessed	% products healthy (≥3.5 stars)	% retail sales healthy 2019 (≥3.5 stars) – assessed countries only	% estimated global retail sales healthy 2019 (≥3.5 stars) 1	No. products assessed	% products suitable	% sales from suitable
1	Australia, China, Germany, Hong Kong, India, Italy, Mexico, New Zealand, UK, USA	55-60%	1232	2%	1%	1%	1324	0%	0%

- A total of 1232 products manufactured by Ferrero, sold in 10 countries, covering 6 product categories, were included in this Product Profile (baby foods, plain tea and coffee were not assessed). The company's sales-weighted mean HSR is 1.0 out of 5. ATNI turns this value into a score between 0 and 10, resulting in a mean healthiness score of 2.1 out of 10 for Ferrero. The company ranks 25 out of 25 companies in this first scored element (B1.1).

- Overall, 2% of distinct products assessed were found to meet the HSR healthy threshold (HSR ≥3.5). Together, these products accounted for an estimated 1% of Ferrero's retail sales of packaged food and beverages 2019 in the selected markets (excluding baby food, plain tea, and coffee). Assuming the products and markets included in the assessment are representative of the company's overall global sales, ATNI estimates the company derived approximately 1% of its global retail sales from healthy products in 2019.

WHO nutrient profiling models (unscored): None (0%) of products assessed were found to be of sufficient nutritional quality to market to children, according to the World Health Organization (WHO) regional nutrient profiling models. These products were estimated to generate 0% of the company's sales in 2019. More information on this part of the assessment can be found in the Marketing section (Category D) of the Index.

## B1.2. Product Category Results

	No. products analyzed	% products healthy (HSR >= 3.5)	Company mean HSR	Mean HSR for all companies selling this product category	Company performance (rank in mean HSR compared to peers selling products in the same category) i
Baked Goods	60	0%	1.1	2	8th out of 9
Confectionery	1105	2%	0.9	1	4th out of 6
Dairy	6	0%	0.7	2.9	18th out of 18
RTD Tea	28	0%	1.5	1.7	5th out of 7
Sweet Biscuits, Snack Bars and Fruit Snacks	17	0%	1.2	1.8	7th out of 8
Sweet Spreads	16	0%	0.8	2.2	5th out of 5

- For Ferrero, 'RTD Tea,' was the best performing category, where a total of 28 products analyzed obtained mean HSR of 1.5 out of 5. Sweet spreads (0.8) had the lowest mean HSR of all product categories included for Ferrero.
- For 6 out of the 6 categories assessed, Ferrero's products perform worse than the mean HSR of companies selling products in the same categories.
- Ferrero scores 4.2 out of 10 in this second scored element (B1.2) and ranks 22 out of 25 companies. This is based on its ranking compared to peers within the 16 categories, using the scoring system set out in ATNI's methodology.

## B1.3. Change in mean HSR

	No. of products analyzed in 2018	No. of products analyzed in 2021	Sales weighted mean HSR 2018	Sales weighted mean HSR 2021
Australia	18	50	0.8	0.9
China	8	26	0.5	0.5
Hong Kong	22	25	0.9	0.8
India	16	45	0.5	0.6
Mexico	9	46	0.5	0.8
New Zealand	4	18	0.9	1.6
UK	141	375	0.6	0.7
USA	42	261	0.9	1.5
TOTAL	260	846	0.7	1.2

- Ferrero showed an increase in mean HSR between the 2018 and 2021 Product Profiles (mean HSR=0.7 to 1.2). The change in HSR score only takes into account the eight countries included in both 2018 and 2021 assessments. For Ferrero, the large increase observed in mean HSR is likely attributed to a few key changes. For example, the decrease of proportion of sales deriving from the 'Confectionery' category, the subsequent introduction of the 'Sweet Biscuits, Snack Bars and Fruit Snacks' category (with a higher overall HSR), and the increase of (healthier) products included in the analysis.
- Adjusting scores by country sales weighted estimates (which gives more weight to company's largest markets), Ferrero achieves an increase of 0.5 in mean HSR between 2018 and 2021, resulting in a score of 10 out of 10 on this element using the scoring system set out in ATNI's methodology.

**Full Product Profile report:**

[https://accesstonutrition.org/app/uploads/2021/06/GI\\_Global-Index\\_TGI-product-profile\\_2021-2-1.pdf](https://accesstonutrition.org/app/uploads/2021/06/GI_Global-Index_TGI-product-profile_2021-2-1.pdf)



# FrieslandCampina

**Product categories assessed**

Processed Meat and Seafood|Dairy|Other  
Hot Drinks

**Percentage of company global sales covered by Product Profile assessment**

65-70%

**Headquarters**

The Netherlands

**Number of employees**

23816

**Type of ownership**

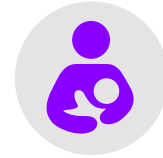
Cooperative



**Product Profile** ⓘ

Rank 3 / Score 5.9

Rank 4 (2018)



**BMS/CF Marketing** ⓘ

Rank 2 / Score 7.4

Rank 1 (2018) ⓘ

Rank 6 / Score 21%

Rank 4 (2018)

**Important:**

The findings of this Index regarding companies' performance rely to a large extent on information shared by companies, in addition to information that is available in the public domain. Several factors beyond the companies' control may impact the availability of information such as differences in disclosure requirements among countries or capacity constraints within companies, amongst others the Covid-19 pandemic. Therefore, in the case of limited or no engagement by such companies, this Index may not represent the full extent of their efforts.

## Corporate Profile

**Rank 3**

**Score 5.9**

**Commitment**

**Performance**

**Disclosure**

An adjustment of -1.18 to the company's score has been made based on its score in the BMS/CF Marketing Index 2021.

**Company BMS/CF Scorecard:**

[https://acesstonutrition.org/app/uploads/2021/06/ATNI\\_Scorecard\\_FrieslandCampina.pdf](https://acesstonutrition.org/app/uploads/2021/06/ATNI_Scorecard_FrieslandCampina.pdf)

The bar graph to the left shows company performance across the seven Index categories, which are key topic areas of assessment, and scores are shown for each category. The circles above provide an alternate view on the company's overall results, showing the score per indicator type. The Commitment, Performance, Disclosure score only applies to category scores and not to the BMS/CF Assessment.

## Main areas of strength

- **SCORES AND RANKS:** Although FrieslandCampina's score has slightly decreased from 6.0 in 2018 to 5.9 out of 10 in 2021, the company's overall rank has improved from the fourth to third place. The company ranks first in Category C 'Accessibility' and Category D 'Marketing'. It ranks 2nd on the Product Profile with a score of 7.4 out of 10 and performs above average in all index categories.
- **GOVERNANCE:** Through its updated 'Nutrition Policy', FrieslandCampina continues to place a strong strategic focus on nutrition and health, and addressing malnutrition. Published in 2020 as part of the company's updated 'Nutrition Policy', the 'Better Products Program' strives to ensure that at least 70 percent of its products are considered as 'nourishing for daily use' – as opposed to 'indulgent' – and that at least 70 percent of sold volume complies with their 'Global Nutritional Standards'. The program is based on the World Health Organization (WHO) Global Action Plan for the prevention and control of noncommunicable diseases 2013-2020, and explicitly seeks to address obesity/overweight and undernutrition.
- **GOVERNANCE:** Through its updated 'Broadening Access to Nutrition' program, the company seeks to address micronutrient deficiencies and undernutrition through a deliberate strategy of expanding access and improving the affordability of its fortified and nutritious products. Importantly, FrieslandCampina has sought to identify priority populations in the countries it's active in based on data from the WHO and the Food and Agriculture Organization (FAO), as well as regional studies South East Asian Nutrition Survey (SEANUTS) and Accelerating Nutrition Improvements in Sub-Saharan Africa (ANI).
- **PRODUCTS:** FrieslandCampina continues to implement the updated Global Nutritional Standards (GNS), its Nutrient Profiling Model (NPM) that sets criteria for both positive components (such as milk protein, fiber, vitamins, and minerals) and trans-fat, saturated fat, added sugar, and salt. The criteria for the latter group were derived from Choices International and developed by independent scientists. The company has benchmarked its GNS against the Health Star Rating system (HSR), finding a deviation of less than 10 percent in the estimated percentage of healthy products. Moreover, the company only fortifies products that meet its GNS criteria, and bases its approach on the WHO guidelines and CODEX CAC/ GL 2-1985.
- **ACCESSIBILITY** FrieslandCampina is commended for its strong performance in pricing and distribution (Category C). As part of its updated 'Broadening Access to Nutrition program', the company has enhanced its commitments, strategies, and practices by effectively adopting a policy on affordability and accessibility. The concrete, measurable targets linked to this program stand out. One of the company's objectives is to increase the share of affordable nutrition products in its lower-income markets (Nigeria, Pakistan, Ivory Coast, Indonesia, Vietnam, and the Philippines) to at least 15 percent of sold volume in 2025. Additionally, the program aims to increase the percentage of affordable nutrition products that comply with its own Affordable Nutritional Standards in these markets to at least 50 percent by 2025. In its efforts to improve the

## Priority areas for improvement

- **PRODUCTS:** The FrieslandCampina Global Nutritional Standards set limits on levels of sodium, saturated fats, and added sugars for all products that the company positions as 'tailored nutrition', 'affordable nutrition', and 'daily nutrition'. However, these limits are not applied to products positioned as 'treats and taste enhancers'. ATNI encourages the company to set targets for limiting negative nutrients in this product category, and to increase its transparency around how these are defined and what parts of its portfolio they will cover.
- **ACCESSIBILITY:** FrieslandCampina could consider expanding the scope of its strategy and targets by aiming to reach all consumers, including priority populations, in all the markets it is active in, with affordable, accessible healthy products, and report on progress made. The company is encouraged to provide evidence of conducting pricing and distribution analysis in all markets it is active in, including middle- and high-income countries, to reach low-income consumers and those with limited physical access (e.g., in food deserts and poor urban areas).
- **LIFESTYLES:** While the company commits to supporting employee health and wellness through its 'Boost (Boest) Vitality Programme', this only covers direct employees of the company. ATNI recommends that the company improves its score by extending the same program to employees' family members and other value chain actors, such as smallholder farmers, factory workers, and small-scale vendors. The company could also consider making public commitments to allowing parents to take paid parental leave up to 26 weeks and more, and to providing breastfeeding mothers with appropriate conditions and facilities at work.
- **LABELING:** On the use of health and nutrition claims, FrieslandCampina shows limited commitments. To prevent misuse of claims, or the placement of claims on unhealthy products, it is recommended that the company commits to not using claims on products unless they have been pre-determined as 'healthy' by a relevant (preferably government-endorsed) NPM. This should be applied to all products and markets that the company is active in. In addition, to strengthen its performance on product labeling, ATNI encourages the company to make public commitments not to provide additional interpretive labeling or other information FOP that directly relates to the message of the mandatory FOP labeling (which may confuse consumers or modify the effect of the mandatory labeling).
- **ENGAGEMENT:** ATNI advises that FrieslandCampina publicly commits to only lobby in support of measures designed to improve health and nutrition that have a solid grounding in independent, peer-reviewed science. It could consider developing adequate internal controls to ensure their lobbying activities align with company policy, such as assigning oversight and conducting audits of its lobbying activities to the Board. The company is also encouraged to consider increasing its transparency regarding lobbying expenditures and activities in the markets in which it is active.

accessibility of its affordable healthy products, FrieslandCampina has conducted robust pricing and distribution analysis, and shares examples of arrangements made with distributors regarding how healthy products are made accessible in several low- and middle-income countries.

- **MARKETING:** Apart from committing to adhere to the International Chamber of Commerce (ICC) Framework for Responsible Food and Beverage Marketing Communications, FrieslandCampina is the only company to make explicit commitments for marketing strategies to reach priority populations – providing evidence of taking steps to understand and reach these with appropriate products through tailored marketing, and does so on a global scale. Through its Broadening Access To Nutrition programme<sup>1</sup>, the company uses a promotion strategy of advertising, social media, and educational messages, all adapted to the country and local distribution channels used by the target group and brand. One example is the promotion of its small-packaged and small-sized Peak product in Nigeria through TV, and commercials and educational messages on Facebook.

- **MARKETING:** FrieslandCampina has updated its responsible marketing policy, the Corporate Standard for Responsible Marketing Communications. Through this, the company commits to only market products to children under 12 years old that meet the FrieslandCampina Nutrition Criteria for Marketing Towards Children, while also committing to using responsible marketing techniques to do so. The policy also regulates the deployment of children, celebrities (including influencers), or fantasy and animated characters, and the responsible use of promotional toys, games, vouchers, and competitions. Furthermore, the company utilizes tools to ensure its digital marketing does not reach younger age groups and applies these to all own- and third-party digital media.

- **LABELING:** Friesland Campina performs strongly on its front-of-pack (FOP) and back- of-pack (FOP) product labelling commitments and disclosures. The company is one out of three companies that commits to using interpretative labeling on all relevant products, globally. This is a huge improvement from only displaying nutrients in numeric format in 2018, as using interpretative labelling is industry best practice. It provides nutritional information to consumers in a clear and easy-to-read format, and can help consumers make more informed, healthier choices. The company has also advanced on implementing its BOP labelling commitments to more than 90% of products globally, an increase from more than 80% of products in 2018.

- **ENGAGEMENT:** The company is one of only four committing to play an active role in supporting governments' efforts to combat all forms of malnutrition on a global scale, while providing examples of working with the European Union and governments of the Netherlands and Philippines. In addition, FrieslandCampina receives credit for disclosing its lobbying measures with the Netherland Ministry of Health and Malaysian Ministry of Health, regarding lowering sugar content with the results from SEANUTS research. The company showed evidence of engaging with a wide range of stakeholders in developing its nutrition strategy, policies, and programs,

- **ENGAGEMENT:** In 2019, the company created an Advisory Council to advise the 'FrieslandCampina Institute', a non-commercial source of scientific research for nutrition and health professionals, consisting of international multidisciplinary researchers in the area of malnutrition, nutrition, population health, and consumer behavior. However, it is not clear if the company has an expert advisory group advising on its commercial nutrition strategy.

- **BREAST-MILK SUBSTITUTES AND COMPLEMENTARY FOODS:** To fully align with the Code, FrieslandCampina is encouraged to fully incorporate World Health Assembly (WHA) 69.9 recommendations in its BMS marketing policy which strengthen and/or clarify the scope and recommendations of the original 1981 Code, and the subsequent relevant resolutions. It is also advised that the company extends coverage of its BMS marketing policy to growing-up milks. ATNI further recommends the company to commit to upholding that policy and associated standards and guidelines in countries where local regulations are less stringent and less comprehensive than its own policy, in respect of product scope and/or Code provisions.

including international organizations, national bodies, CSOs, and academic institutions or scientific experts.



# Category Analysis

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- A1** Nutrition strategy
- A2** Nutrition management
- A3** Reporting quality

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- B1** Product Profile
- B2** Product formulation
- B3** Defining healthy products

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- C1** Product pricing
- C2** Product distribution

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- D1** Marketing policy
- D2** Marketing to children
- D3** Auditing and compliance

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- E1** Employee health
- E2** Breastfeeding support
- E3** Consumer health

**Commitment      Performance      Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- F1** Product labeling
- F2** Claims

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- G1** Influencing policymakers
- G2** Stakeholder engagement

# Detailed Product Profile Results <sup>1</sup>

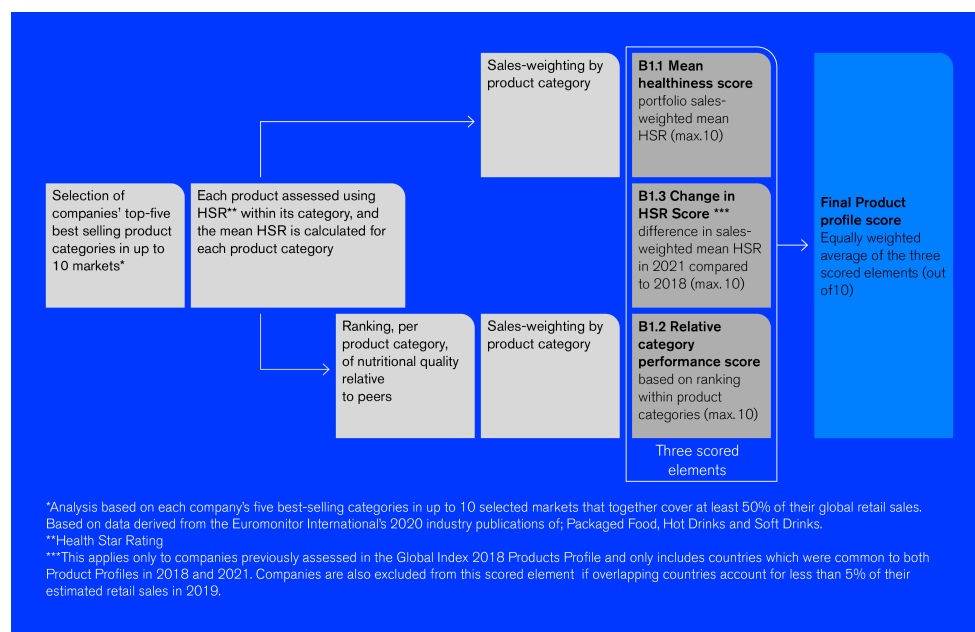


2

Rank 2 / Score 7.4

The Product Profile is an independent assessment of the nutritional quality of companies' product portfolios. For this purpose, ATNI uses the Health Star Rating (HSR) model, which rates foods from 0.5 to 5.0 based on their nutritional quality. ATNI uses the threshold of 3.5 stars or more to classify products as generally healthy. This assessment is undertaken in partnership with The George Institute for Global Health (TGI), with additional data input from Innova Market Insights.

The methodology for the Global Index 2021 Product Profile has been revised and now includes three scored elements. The overall Product Profile score reflects: B1.1, the mean healthiness of a company's product portfolio; B1.2, the relative healthiness within product categories compared to peers, and; B1.3, changes in the nutritional quality of product portfolios compared to the Global Index 2018 Product Profile. The steps taken to calculate the final Product Profile scores are visualized in Box 1. The next section further explains each of these three elements.



FrieslandCampina has been assessed for the second time in the Global Index Product Profile. In the previous assessment, two of the company's markets were selected, and a total of 24 products analyzed – accounting for approximately 0-5% of global retail sales in 2017, excluding baby foods, plain tea, and coffee. In this Index, a total of 494 products have been analyzed across 10 of the company's major markets. Products from the top five best-selling product categories within each market are included. In 2019, these products accounted for 65-70% of the company's global retail sales, excluding baby foods, plain tea, and coffee.

Germany, Indonesia, The Netherlands, Nigeria, The Philippines, Russia, Thailand, and Vietnam are new countries included in this iteration. In 2018, one product category was covered by the assessment, compared to three categories in 2021. Products from the 'Other Hot Drinks' and 'Processed Meat and Seafood' categories are assessed in 2021 but were not in 2018.



In this Product Profile assessment, FrieslandCampina's scores 6.5 out of 10 (B1.1) in the mean healthiness element, and 8.3 out of 10 (B1.2) for the relative healthiness of its products within categories compared to peers. This results in FrieslandCampina obtaining an overall score of 7.4 out of 10, ranking second out of 25 in the Product Profile.

## B1.1 Portfolio-level Results

Average HSR (out of 5 stars) (sales-weighted)	10 Countries included	Range of global sales included <b>i</b>	Healthy products (HSR)				Products suitable to market to children (WHO regional models) - UNSCORED		
			No. products assessed	% products healthy ( $\geq 3.5$ stars)	% retail sales healthy 2019 ( $\geq 3.5$ stars) – assessed countries only	% estimated global retail sales healthy 2019 ( $\geq 3.5$ stars) <b>i</b>	No. products assessed	% products suitable	% sales from suitable
3.3	Germany, Hong Kong, Indonesia, Netherlands, Nigeria, Philippines, Russia, Thailand, United Kingdom, Vietnam	65-70%	494	56%	59%	55%	494	32%	25%

▪ A total of 494 products manufactured by FrieslandCampina, sold in 10 countries, covering three product categories, were included in this Product Profile (baby foods, plain tea and coffee were not assessed). The company's sales-weighted mean HSR is 3.3 out of 5. ATNI turns this value into a score between 0 and 10, resulting in a mean healthiness score of 6.5 out of 10 for Friesland. The company ranks third out of 25 companies in this first scored element (B1.1).

▪ Overall, 56% of distinct products assessed were found to meet the HSR healthy threshold (HSR  $\geq 3.5$ ). Together, these products accounted for an estimated 59% of Nestle's retail sales of packaged food and beverages 2019 in the selected markets (excluding baby food, plain tea, and coffee). Assuming the products and markets included in the assessment are representative of the company's overall global sales, ATNI estimates the company derived approximately 55% of its global retail sales from healthy products in 2019.

WHO nutrient profiling models (unscored): Only 32% of products assessed were found to be of sufficient nutritional quality to market to children, according to the World Health Organization (WHO) regional nutrient profiling models. These products were estimated to generate 25% of the company's sales in 2019. More information on this part of the assessment can be found in the Marketing section (Category D) of the Index.

## B1.2. Product Category Results

	No. products analyzed	% products healthy (HSR $\geq 3.5$ )	Company mean HSR	Mean HSR for all companies selling this product category	Company performance (rank in mean HSR compared to peers selling products in the same category) <b>i</b>
Other Hot Drinks	1	0%	1.5	1.4	3rd out of 5
Dairy	483	56%	3.4	2.9	4th out of 18
Processed Meat and Seafood	10	90%	3.8	3.1	4th out of 8

- For FrieslandCampina, 'Processed Meat and Seafood' was the best performing category, where a total of 10 products analyzed obtained mean HSR of 3.8 out of 5. 'Other Hot Drinks' (1.5) had the lowest mean HSR of all product categories included for FrieslandCampina.
- For three out of three categories assessed, FrieslandCampina's products perform better than the mean HSR of companies selling products in the same categories.
- FrieslandCampina scores 8.3 out of 10 in this second scored element (B1.2) and ranks third out of 25 companies. This is based on its ranking compared to peers within the 16 categories, using the scoring system set out in ATNI's methodology.

### B1.3. Change in mean HSR

	No. of products analyzed in 2018	No. of products analyzed in 2021	Sales weighted mean HSR 2018	Sales weighted mean HSR 2021
TOTAL	0	0	0	0

Not applicable for this company. This third scored element applies only to companies assessed in both Index's and takes into account only those countries included in both assessments. Companies are also excluded from this scored element if overlapping countries account for less than 5% of their estimated retail sales in 2019.] included in both assessments. Companies are also excluded from this scored element if overlapping countries account for less than 5% of their estimated retail sales in 2019.] included in both assessments. Companies are also excluded from this scored element if overlapping countries account for less than 5% of their estimated retail sales in 2019.] included in both assessments. Companies are also excluded from this scored element if overlapping countries account for less than 5% of their estimated retail sales in 2019.] included in both assessments.

**Full Product Profile report:**

[https://accesstonutrition.org/app/uploads/2021/06/GI\\_Global-Index\\_TGI-product-profile\\_2021-2-1.pdf](https://accesstonutrition.org/app/uploads/2021/06/GI_Global-Index_TGI-product-profile_2021-2-1.pdf)

# Breast-milk Substitutes / Complementary Food Marketing



6

Rank 6 / Score 21%

Rank	BMS Marketing	Adjustment to Global Index Score <sup>i</sup>	BMS 1	BMS 2	Level of compliance in country studies	
		Max. of -1.5			Philippines	Mexico
6	21%	-1.18	42%	0%	NA	Low (0%)

- FrieslandCampina is one of the six Index companies included in the BMS/CF Marketing Index. Its score is based on two assessments: BMS/CF 1 which assessed the company's policy commitments, management systems and disclosure relating to the marketing of its BMS products, and BMS/CF 2 which assessed its marketing practices in Mexico during 2020. Its BMS/CF 2 score is solely based on the study in Mexico as the Philippines is not an official market for its BMS and CF products. The BMS/CF Marketing Index score is used to generate a proportionate adjustment to the final Global Index score.
- FrieslandCampina ranks sixth in the BMS/CF Marketing Index with a level of compliance with ATNI's updated methodology (including WHA 69.9) of 21%.
- FrieslandCampina's BMS marketing policy, which has not changed since the 2018 Index, is substantially aligned with The Code, though the same gaps remain as the company does not fully incorporate the recommendations in the guidance associated with WHA resolution 69.9 and continues to have weak commitments in relation to BMS lobbying. The company's management systems are generally quite strong and have improved since 2018 as FrieslandCampina developed and shared several procedures and other documentation relating to various articles of The Code. FrieslandCampina has also published much more material since the 2018 Index which is reflected in its improved disclosure score.
- The principal reason behind the company's lower score in the 2021 Index is due to ATNI gaining a better insight into the application of its BMS marketing policy in both higher- and lower-risk markets. Although it is applied globally covering infant and follow-on formula, including formulas for special medical purposes, up to 12 months of age, the company commits to fully uphold its policy only in markets with no relevant regulation. In markets where legal measures are in place, it defers to those regulations, both in terms of the products within their scope and the provisions relating to marketing and labeling, even where they are less stringent and comprehensive than its own policy. Thus a higher penalty was applied in the 2021 assessment resulting in an overall score on BMS/CF 1 of 42%.
- To improve its score, FrieslandCampina is encouraged to revise its policy to fully incorporate WHA 69.9 recommendations and extend its scope to growing-up milks. The company is also advised to incorporate commitments relating to responsible lobbying on BMS issues. FrieslandCampina should commit to uphold this policy in countries where local regulations are less stringent and less comprehensive in terms of product scope and/or Code provisions (associated standards and guidelines should be similarly applied).
- As in the 2018 Index, FrieslandCampina scores 0% in the in-country marketing study, being rated as having a low level of compliance with The Code in Mexico.
- To bring its marketing practices into line with The Code in Mexico, it is important that FrieslandCampina extends its policy to growing-up milks, as most of the non-compliances found were in relation to these products. In Mexico – and in all other markets – FrieslandCampina should particularly reinforce its policy stance that its BMS

products should not be discounted or otherwise promoted in all physical and online retailers. It should also ensure that all labels contain the required information and instructions set out in WHA resolution 61.20 on the appropriate preparation of powdered formula.

**BMS/CF Chapter Global Index 2021:**

<https://acesstonutrition.org/index/global-index-2021/bms-chapter-global-index-2021/>



# General Mills

**Product categories assessed**

Baked Goods|Breakfast Cereals|Dairy|Ice Cream and Frozen Desserts|Ready Meals|Rice, Pasta and Noodles|Sauces, Dressings, Condiments|Soup|Sweet Spreads|Sweet Biscuits, Snack Bars and Fruit Snacks

**Percentage of company global sales covered by Product Profile assessment**  
65-70%

**Headquarters**  
U.S.

**Number of employees**  
40000

**Type of ownership**  
Public



**Product Profile ⓘ**

Rank 12 / Score 3.1

Rank 12 / Score 4.5

Rank 15 (2018)

Rank 9 (2018) ⓘ

**Important:**

The findings of this Index regarding companies' performance rely to a large extent on information shared by companies, in addition to information that is available in the public domain. Several factors beyond the companies' control may impact the availability of information such as differences in disclosure requirements among countries or capacity constraints within companies, amongst others the Covid-19 pandemic. Therefore, in the case of limited or no engagement by such companies, this Index may not represent the full extent of their efforts.

## Corporate Profile

**Rank 12    Score 3.1**

**Commitment    Performance    Disclosure**

The bar graph to the left shows company performance across the seven Index categories, which are key topic areas of assessment, and scores are shown for each category. The circles above provide an alternate view on the company's overall results, showing the score per indicator type. The Commitment, Performance, Disclosure score only applies to category scores and not to the BMS/CF Assessment.

## Main areas of strength

- **SCORES AND RANKS:** The company's score has increased from 2.3 in 2018 to 3.1. Accordingly, its rank has increased from 15th place to 12th. This increase reflects significant improvements in their Nutrient Profiling Model (NPM), responsible marketing policy, labelling policy and lobbying disclosure.
- **GOVERNANCE:** As of 2020, General Mills has formally set out on its website how it seeks to address various forms of malnutrition. For example, it commits to offering more low-calorie and portion control options, alongside more scientific communication, in order to address obesity. It also commits to addressing cardiovascular diseases by delivering vegetables, whole grains and low-fat dairy in its product portfolio. The company has an emphasis on nutrient-dense foods, like fortified cereals, low-fat and non-fat yogurts, and whole grain granola bars, to deliver beneficial nutrients (such as vitamins, minerals, protein and/or fiber) to its consumers, while balancing nutrients to limit those such as sodium, sugar, and saturated fat. The company shows that it uses data from public health authorities in the US to inform its strategy, especially in relation to fortification.
- **PRODUCTS:** In 2019, the company moved beyond its US-specific 'Health Metric' criteria and introduced a new health assessment system, 'Nutrition-Forward Foods', which now applies to its global portfolio. To qualify, a product must meet one of two conditions: either 1) provide at least eight grams of whole grain, or half a serving fruit, vegetables, low-/non-fat dairy, or nuts/seeds per labelled serving; or 2) meet the US Food and Drug Administration (FDA) 'Healthy' criteria. The company discloses on its website that, in 2020, 43 percent of its global sales in volume met either one of these criteria. The second condition is particularly commendable, since it aligns with a government-endorsed Nutrient Profiling Model (NPM) and assesses both positive and negative nutrients. That said, while the first condition, formulate by the company, reflects the the company's emphasis on nutrient-density and whole foods, it lacks a threshold for negative nutrients.
- **MARKETING:** As in 2018, General Mills does not advertise products to children under 12 that do not meet the relevant self-regulatory programs' criteria in their respective markets, such as the Children's Food and Beverage Advertising Initiative (CFBAI) criteria in the US and EU Pledge in Europe. They commit not to advertise such products on media where children under 12 represent 30 percent or more of an audience, utilizing various tools when it comes to digital media such as age screening, reviewing age-related data, and assessing the nature of third-party websites. The company also commits not to advertise in primary or secondary schools or advertise to children under the age of six.
- **LIFESTYLES:** The company supports several community programs addressing health and nutrition, cooking and physical fitness – in Minneapolis and Buffalo in the US, and Toronto in Canada. They are designed and co-implemented with local CSOs that have relevant expertise to ensure they meet the needs of local residents and participants. To assess the programs' impact, evaluations

## Priority areas for improvement

- **GOVERNANCE:** While General Mills has a commercial strategy for addressing better nutrition for the general consumer, limited evidence was found of the company seeking to address the needs of priority populations at risk of malnutrition as defined by relevant health and/or social care authorities. The company is encouraged to engage in market research to assess unmet needs of priority populations in all markets where it is active, and conduct a strategic review of the commercial opportunities in addressing them. While the company publicly discloses that its CEO has ultimate responsibility for its Health and Nutrition strategy, it does not link remuneration arrangements to performance on nutrition targets or objectives. General Mills is encouraged to develop concrete accountability arrangements for the implementation of the company's nutrition strategy, including for its efforts to address undernutrition and/or micronutrient deficiencies and improving the affordability and availability of its healthy products.
- **PRODUCTS:** Despite committing to "continue to improve the health profile of US retail products", the company has not set any targets for reducing levels of sodium, saturated fat, and added sugar/calories, or to increase positive ingredients like fruits, vegetables, nuts and legumes (FVNL), and whole grains. The company is encouraged to set SMART targets that cover all relevant product categories and nutrients of concern relevant to their product portfolio. It is important that product formulation and reformulation are addressed comprehensively at this level.
- **PRODUCTS:** While the 'Nutrition-forward Foods' criteria is an improvement on the company's previous system of defining 'healthy', there remains room for further progression. General Mills' requirements regarding whole grains, fruit, vegetables, low-/non-fat dairy, and nuts/seeds content do not stipulate a limit on 'negative nutrients'; meaning that products high in sodium, saturated fat, or added sugar can still be considered a 'nutrition-forward food' by the company's definition. Secondly, the company could consider ensuring that it only fortifies products that meet its nutrition criteria (with limits on negative nutrients).
- **ACCESSIBILITY:** General Mills does not have a clear commitment or strategy to improve the affordability and accessibility of its healthy products (i.e., 'Nutrition-Forward Foods'), especially for low-income groups and priority populations, beyond participation in US federal subsidy programs like the Supplemental Nutrition Assistance Program (SNAP) and the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC). The company is encouraged to make companywide public commitments on addressing the affordability of its healthy products (according to objective nutrition criteria) and to develop concrete strategies with objective, SMART targets to reach consumers – especially those living in poor socio-economic conditions and food deserts, across all markets where the company operates, and not only in the US.
- **MARKETING:** Similarly to 2018, General Mills is encouraged to publish its policy on responsible marketing

are undertaken either by the company itself or third parties involved in the project.

- **LABELING:** General Mills has improved on its labelling commitments since 2018. The company now commits to show more nutrients in a numeric format, providing the percentage Guideline Daily Amount. The company has expanded the rollout of its front-of-pack (FOP) and back-of-pack (BOP) labeling commitments to more markets, with FOP labeling now covering Australia, Europe and the US, and more than 90 percent of its products globally.
- **ENGAGEMENT:** General Mills has significantly improved disclosure on its lobbying related to nutrition – publishing a web page describing numerous examples of its engagement with the US government (at both Federal and State levels) in relation to various nutrition-related subjects, with links to relevant documentation. These include school feeding programs and addressing food insecure communities; supporting strong Dietary Guidelines for Americans and redefining the official FDA 'healthy' definition; and labelling and marketing. The company is one of only three to publicly disclose a commentary on their lobbying measures to prevent and address all forms of malnutrition, and state that it lobbies in support of responsible marketing legislation in the US. The company is also one of four assessed in this Index to have effective management systems in place to manage and control their lobbying: such as an internal whistleblowing mechanism, 'Speak Up'; Board oversight of lobbying positions, processes and practices through a Public Responsibility Committee; and internal audits of lobbying activities, shown via a 'compliance statement'. General Mills has a formal panel of experts in place – the Bell Institute Health & Nutrition Council – consisting of a range of medical professionals and academics, who provide input on the company's strategies, policies and research programs to prevent and address obesity and diet-related chronic diseases. In addition, the company actively engages with the Obesity Round Table and Portion Balance Coalition on this subject.

to all consumers, clearly indicating which media are covered. It could also consider pledging to adhere to the International Chamber of Commerce (ICC) Framework and commission annual independent audits on compliance with its policy. The company is encouraged to improve its advertising policy by adopting a more stringent and consistent global approach, rather than varying restrictions by market. For example, it could apply the CFBAI criteria for marketing products globally, or only advertise products meeting World Health Organization (WHO) regional standards.

- **LIFESTYLES:** While the company provides lactation rooms for new mothers returning to work, and fridges for storing breastmilk, in its Twin Cities office locations in its home market, the company is encouraged to expand these provisions to all its offices. It is also recommended to commit to allowing breastfeeding mothers breaks to express breastmilk and provide functional or flexible working arrangements to support them. ATNI advises this be published in a formal policy.

- **LABELING:** As in 2018, General Mills is advised to commit to international guidelines regarding the use of health and nutrition claims, or have a policy to determine whether products can carry claims in markets where nutrition and health claims are not regulated. The company is encouraged to establish a commitment to follow Codex guidance with regard to health/nutrition claims in markets where national regulatory systems are weaker than the latter, or absent entirely. Best practice would include tracking and disclosing the percentage of products carrying health and/or nutrition claims in all markets.

- **ENGAGEMENT:** The company engages with several CSOs, such as the Center for Science in the Public Interest (CSPI) and Portion Control Alliance, and academic institutions. However, it is encouraged to actively engage with a wider range of stakeholders, both local and international, and develop a well-structured and focused stakeholder engagement strategy to improve the development of the company's nutrition strategies, policies, or programs.



# Category Analysis

**Commitment**      **Performance**      **Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- A1** Nutrition strategy
- A2** Nutrition management
- A3** Reporting quality

**Commitment**      **Performance**      **Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- B1** Product Profile
- B2** Product formulation
- B3** Defining healthy products

**Commitment**      **Performance**      **Disclosure**

The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

- C1** Product pricing
- C2** Product distribution

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