

Methodology Global Index 2018

The Global Access to Nutrition Index 2018 methodology comprises three components:

Corporate Profile

This assesses companies' nutrition and undernutrition-related commitments and policies, practices and disclosure in seven categories

Product Profile

This assesses the nutritional quality of the products of the Index companies in nine markets.

BMS Marketing

This assesses companies' policies and practices in relation to breast-milk substitutes (BMS) marketing

Introduction

Like the Global Index 2016, the Corporate Profile methodology assesses companies against international guidelines, standards and norms, and accepted good practices. When such guidance is not available the assessment is based on the guidance of ATNI's Expert Group.

Suggestions from stakeholder consultations after the publication of the 2016 Index were thoroughly considered in finalizing the 2018 methodology. The consultations included one-to-one calls with most of the Index companies to discuss their outcomes and solicit their feedback on the methodology and the research process.

In addition, several one-to-one discussions were held with experts and all ATNI's stakeholders were given the opportunity to propose changes via an on-line survey in March 2017. The ATNI Expert Group also provided advice on ATNI's proposed revisions based on the input received.

The consultations resulted in a few changes to the Corporate Profile methodology, mostly related to updated standards and global guidelines, and some structural improvements related to nutrient targets. Overall, the 2018 Global Index Corporate Profile methodology has been kept as consistent as possible with that of the 2016 Global Index. This provides a relatively high degree of comparability between the 2016 and 2018 Global Index results.

Methodology structure – and key changes since 2016

As in the 2013 and 2016 Global Index Corporate Profile methodology, the basic structure of the 2018 methodology has not been modified.

The ATNI Corporate Profile methodology is organized into Sections, Categories, Criteria and Indicators:

- **Sections:** Three sections covering companies:
 - i) Nutrition governance and management
 - ii) approach to formulating and delivering appropriate, affordable, accessible products
 - iii) influencing consumer choice and behaviour.
- **Categories:** Seven broad categories (A-G) relevant to companies' nutrition-related practices.
- **Criteria:** More detailed criteria within each of the Categories (20 in total).
- **Indicators:** Performance indicators within each Criterion on which companies are scored. There are three types of indicator: those related to companies' commitments, performance and disclosure. The majority of the Indicators assess companies' practices related to promoting good nutrition for everyone everywhere, to help prevent and tackle obesity and diet-related chronic diseases; the weight given to these indicators is 75%. Other indicators assess additional actions companies are taking to prevent and address undernutrition among at-risk populations in developing countries – which are given a weight of 25% of the overall Index score. The undernutrition indicators are not applied to companies that derive less than 5% of their F&B revenues from non-OECD markets.

Overall the changes of the 2018 Global Index Corporate Profile methodology relate principally to new or updated standards or global guidelines, expansion of scope of some indicators by further clarifying wording/ explanatory notes and a change in the number of unscored indicators.

The major structural changes are in Category B1 Product formulation. These are related to reformulation targets and serving sizes:

- With regards to reformulation targets, in 2016 ATNF asked 'Has the company set a target to reduce levels of e.g. sales/sodium and, if so, in how many products or subcategories?' In 2018 ATNF is focusing this indicator on companies' targets for its five largest selling categories and assessing how many products within those categories now meet the target or threshold. The system automatically presents to each company the five largest categories, identified using Euromonitor sales data from 2016.
- With regards to serving sizes, companies offering confectionary, savoury snacks, icecream, carbonated drinks, juices, sports & energy drinks and Asian specialty drinks will be assessed on what percentages of products, in any of those products categories, they offer in smaller serving sizes (in terms of calories) in FY 2016

Finally, Category D1 Responsible marketing policy (all consumers) includes a small number of new undernutrition indicators, and therefore has an Nutrition General section and Undernutrition section.

Corporate Profile



A Governance

Corporate strategy, management and governance

12.5% of the weight of the overall score of the Corporate Profile methodology

A company can better sustain and scale up nutrition activities when a commitment to the issue starts at the top of the organization and is integrated into its core business strategy.

Nutrition issues are then more likely to be prioritized as the company allocates resources, tracks performance and reports to its stakeholders.

This Category assesses the extent to which a company's corporate strategy includes a specific commitment to improving nutrition and whether its approach is embedded within its governance and management systems, as evaluated using three Criteria:

- A1** Corporate nutrition strategy
- A2** Nutrition governance and management systems
- A3** Quality of reporting



B Products

Formulating appropriate products

25% of the weight of the overall score Corporate Profile methodology

Companies can help consumers make healthier choices by improving the nutritional quality of foods made available to them. This Category addresses companies' efforts to do so through research and development (R&D), new product formulation and reformulation of existing products. It also assesses the quality of the nutrient profiling system that a company may use to guide its product formulation efforts.

This Category consists of two Criteria:

- B1** Product formulation
- B2** Nutrient profiling systems



C Accessibility

Delivering affordable, accessible products

20% of the weight of the overall score Corporate Profile methodology

Producing healthier options is a necessary but insufficient condition to improve consumer access to nutritious foods and beverages. Consumers also need to have access to these products. Companies should offer them at competitive prices and distribute them widely to offer consumers a 'level playing field' between healthy and less healthy options. This Category assesses companies' efforts to make their healthy products more accessible through their approaches to pricing and distribution.

It consists of two Criteria:

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



D Marketing

Responsible marketing policies, compliance and spending

20% of the weight of the overall score Corporate Profile methodology

This Category captures the extent to which companies support consumers in making healthy choices by adopting responsible marketing practices and by prioritizing the marketing of their healthier products.

The Category consists of two parallel groups of three Criteria:

ALL CONSUMERS

- D1** Responsible marketing policy
- D2** Auditing and compliance with policy

CHILDREN

- D3** Responsible marketing policy
- D4** Auditing and compliance with policy



E Workforce

Supporting healthy diets and active lifestyles

2.5% of the weight of the overall score Corporate Profile methodology

Companies can support healthy diets and active lifestyles for their own staff by providing employee health and wellness programs. In addition to other benefits, these programs can help facilitate a company culture that contributes to a greater focus on improving the company's nutrition practices. Supporting breastfeeding mothers through supportive working practices and by providing appropriate facilities is another way that companies can support those mothers to give their infants a healthy start to life. Companies can also help consumers to adopt healthy diets and active lifestyles through support for education programs.

This Category assesses the extent to which companies support such efforts through three Criteria:

- E1** Staff health and wellness programs
- E2** Supporting breastfeeding at work
- E3** Supporting consumer-oriented healthy diet and active lifestyle programs



F Labeling

Product labelling and use of health and nutrition claims

15% of the weight of the overall score

One important means of promoting healthy diets, and addressing obesity and undernutrition, is to provide consumers with accurate, comprehensive and readily understandable information about the nutritional composition and potential health benefits of what they eat. This can promote better nutrition by helping consumers choose appropriate products to manage their weight and help to prevent or address diet-related chronic disease, as well as raise awareness of products that will address micronutrient deficiencies.



G Engagement

Influencing governments and policymakers, and stakeholder engagement

5% of the weight of the overall score

This Category assesses companies' approaches to product labeling and use of health and nutrition claims, particularly with respect to the consistency of their application across product portfolios and in different markets and their accordance with international standards.

This assessment is divided into two Criteria:

F1 Product labelling

F2 Health and nutrition claims

Companies can have an impact on consumers' access to nutrition by influencing governments and policymakers through lobbying activities, political contributions and positions on nutrition policies. In addition, constructive engagement by companies with a wide range of other stakeholders (including international organizations, civil society, and academics) can help to inform companies' approaches to nutrition.

This Category focuses on companies' engagement with stakeholders on corporate nutrition practices and nutrition-related issues.

Companies are assessed under two Criteria:

G1 Lobbying and influencing governments and policymakers

G2 Stakeholder engagement

Product Profile



The Product Profile assesses the nutritional quality of products in major categories sold by the Index companies in any of the studied nine markets in which they are present: Australia, China, Hong Kong, India, Mexico, New Zealand, South Africa, the U.K. and the U.S..

The results are based on scores generated by applying the Health Star Rating (HSR) nutrient profiling system, which analyzes the level of several positive nutrients (e.g. fruits, vegetables and fibers) and several negative nutrients (e.g. salt, sugar and saturated fat) in products.

The system generates a rating for each product from 0.5 stars (the lowest rating, indicating that a product has low nutritional quality) to five stars (the highest rating, indicating that a product has high nutritional quality). Weighting the HSR for each product category by the sales of that category and re-basing that score on a scale of one to ten, generates the overall Product Profile score.

A score of ten indicates that all of a company's sales derive from the healthiest possible products. A score of one indicates that a company's revenues are generated from selling only the least-healthy products. ATNI commissioned The George Institute (TGI), based in Sydney, Australia, to undertake this research. Although the Product Profile score is presented as a separate score in the 2018 Global Index, in future Indexes ATNI will explore opportunities to integrate it into the overall ranking and scores.

Breast-milk Substitutes (BMS) Marketing



The BMS Marketing research of BMS companies' policies, management systems and disclosure was undertaken by ATNI. In addition, two in-country assessments were conducted by Westat in Thailand (July-August 2017) and in Nigeria (September-October 2017).

The BMS Corporate Profile methodology for this Index remains consistent with that of the previous Index (apart from a few small changes) in order to retain comparability. The methodology for the in-country assessments has been updated. It is based on the 2015 edition of the Network for Global Monitoring and Support for Implementation of the International Code of Marketing of BMS and Subsequent relevant WHA Resolutions (NetCode).

The results of these two elements of the BMS Marketing assessment are combined to generate the BMS Marketing score and presented in the BMS Marketing sub-ranking. The scores of the four Global Index companies that generate more than 5% of their revenues from baby foods were adjusted to reflect their scores on the BMS Marketing assessment.

Consultation Process for the Global Index

Suggestions from stakeholder consultations after the publication of the 2016 Index were thoroughly considered in finalising the 2018 methodology. The consultations included one-to one phonecalls with most of the Index companies to discuss their outcomes and solicit their feedback on the methodology and the research process. In addition, several one-to-one discussions were held with experts and all ATNI's stakeholders were given the opportunity to propose changes via an on-line survey in March 2017.

The ATNI Expert Group also provided advice on ATNI's proposed revisions based on the input received. The consultations resulted in a few changes to the Corporate Profile methodology, mostly related to updated standards and global guidelines, and some structural improvements related to nutrient targets. Overall, the 2018 Global Index Corporate Profile methodology has been kept as consistent as possible with that of the 2016 Global Index. This provides a relatively high degree of comparability between the 2016 and 2018 Global Index results.

Company research approach

ATNI led the research process and collaborated with Sustainalytics, a leading provider of sustainability research & analysis, to gather company information, calculate the scores and rankings, and draft company scorecards for the Global Index 2018.