



US Index 2022

Custom Report

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ATNI is pleased to present the US Access to Nutrition Index 2022, four years after the first Index was published in 2018.

The US Index is a benchmark comparing the commitments and performance of the eleven largest food manufacturers active in the US to deliver healthy, affordable food and beverages enabling consumers to reach healthier diets and to prevent hunger.

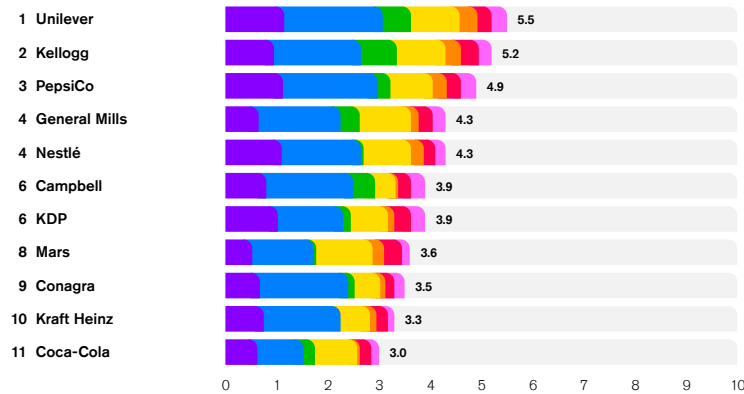
All companies assessed have now placed a greater focus on nutrition in their corporate strategies, and ten manufacturers in some way define what they consider “healthy”. Companies are making explicit commitments to reduce diet related diseases. However, companies must now turn these commitments and policies into action. Despite the introduction of healthier varieties in some product categories by some companies, the combined product portfolios of all eleven companies – representing a sales value of around \$170 billion in 2021 and accounting for approximately 30 percent of all US food and beverage sales – have not become healthier.¹

The opportunity and urgent need is for all companies to produce and market more healthy products and spend less money marketing unhealthy products.

The food and beverage industry has an important and prominent role to play in addressing key nutrition challenges in the US food system, including food and nutrition insecurity, hunger, high rates of obesity and diet-related chronic diseases, and related nutrition and health inequities. The US Index is intended to be used by companies and by other actors in nutrition and health – including policymakers, investors, and international and non-governmental organizations – to help the food and beverage industry deliver on commitments to address these nutrition challenges. The Index can act as a catalyst to bring about further change in the country’s food and beverage sector. It can help inform and further the US Government’s agenda for hunger, nutrition and health with metrics, data, and recommendations to drive private sector contributions on food access and affordability and the healthiness of packaged food and beverages on the US market.

Read the [Executive Summary](#), or [Report In Brief](#) for this Index.

Ranking



Most companies scored marginally higher than in 2018. The top score of 5.6 and average score of 4.2 represent limited performance across all companies. Higher scores are primarily a result of more comprehensive and specific nutrition commitments, somehow defining “healthy”, setting reformulation targets, and better transparency regarding companies’ nutrition strategies and performance.



Methodology

The methodology assesses companies against US-specific and international guidelines, standards and norms, and accepted industry best practices. There are seven categories (topic areas) within the methodology, each carrying a specific weight used to calculate the total Index score on a scale of 0 to 10 with 10 being the highest: A. Nutrition governance and management (12.5%), B. Product portfolio healthiness score, reformulation targets and healthiness criteria (35%), C. Access and affordability of healthy foods (17.5%), Responsible marketing (20%), E. Workforce nutrition (5%), F. Labeling (5%), and G. Lobbying in support of public health interests and engaging external stakeholders to improve companies’ nutrition strategies (5%). A total of 127 indicators are distributed between the different categories.

Read the US Index 2022 methodology: <https://accesstonutrition.org/index/us-index-2022/methodology/>

Company Scorecards

Based on estimated sales values of packaged foods and beverages in the US, the 11 leading manufacturers included in the US Index 2022 are:



Campbell



Coca-Cola



Conagra



General Mills



Kellogg



KDP



Kraft Heinz



Mars



Nestlé



PepsiCo



Unilever

The US Context

Nutrition challenges in the US

This chapter sets out the state of nutrition in the US, the causes of underlying major diet-related diseases, and the role the private sector can play in improving the food environment.

The diet-driven health crisis in the US

Obesity is a critical and costly public health challenge that affects nearly 41.9% of adults² and 15.5% of children between the ages of 10 and 17³ in the US. Obesity prevalence has increased by 11% since 1999⁴. During the same time, the prevalence of severe obesity increased from 4.7% to 9.2%⁵, with half of US adults projected to experience obesity by 2030⁶. The latest Dietary Guidelines for Americans 2020-2025 (DGA) emphasize the fact that obesity puts people at risk for many serious chronic diseases, including high blood pressure and high cholesterol (which are risk factors for heart disease), Type 2 diabetes, many types of cancer, as well as higher risk of experiencing strokes, clinical depression and anxiety. It therefore recommends Americans limit foods and beverages higher in added sugars, saturated fat, and sodium. At the same time, the DGA recognize the potential for micronutrient deficiencies, considering calcium, potassium, dietary fiber, and vitamin D the dietary components of public health concern for the general US population because low intakes are associated with health concerns.

In this context, it is more important than ever that companies' nutrition commitments include a specific focus on addressing obesity and diet-related diseases.

Disparities in obesity prevalence

Not all racial, ethnic minority, and income groups are affected by obesity in the same way. It is important to take into account factors that perpetuate and cause obesity when considering solutions to combat obesity. According to the National Health and Nutrition Examination Survey (2021), obesity prevalence was found to be most common in non-Hispanic black adults and families with lower income.⁷ While the exact causes for these disparities are not known, they likely reflect the differences in social and economic advantage related to race, ethnicity, and income, where groups of people have systematically experienced greater social and economic obstacles to health.⁸ Underlying risks that may help explain disparities in obesity prevalence could include higher rates of unemployment, increased levels of food insecurity, greater access to poor quality foods, less access to convenient places for physical activity, targeted marketing of unhealthy foods, and poor access to health care.⁹

Obesity and COVID-19

Recent research suggests that obesity increases the risk of severe illness from COVID-19 among people of any age,¹⁰ including children.¹¹ People who are overweight may also be at increased risk. The Centers for Disease Control and Prevention (CDC) estimated that obesity may triple the risk of hospitalization due to COVID-19 infection.¹² In addition, with increasing BMI,¹³ the risk of intensive care unit admission, invasive mechanical ventilation, and death are higher.¹⁴ One study estimated that more than 900,000 adult COVID-19 hospitalizations occurred in the US between the beginning of the pandemic and November 18, 2020, and nearly 30% of these hospitalizations were attributed to obesity.¹⁵

Consequences of obesity

People who have obesity, compared to those with a healthy weight, are at increased risk for many serious diseases and health conditions. In addition, obesity and its associated health problems have a significant economic impact on the US health care system. Obesity in children and adults increases the risk for various health conditions, including high blood pressure and high cholesterol, which are risk factors for heart disease; Type 2 diabetes; breathing problems, such as asthma and sleep apnea; joint problems, such as osteoarthritis and musculoskeletal discomfort; and gallstones and gallbladder disease.^{16,17,18} Adults with obesity also have higher risks for stroke, many types of cancer, premature death, and mental illness such as clinical depression and anxiety.¹⁹

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Healthcare costs of obesity

Healthcare costs are especially higher for people who are overweight or living with severe obesity. Recent research found that health care expenditures are higher for those with excess weight across a wide range of ages and BMI levels, with especially high costs for people with severe obesity. Although childhood obesity contributes to a small proportion of total obesity-related medical costs, excess weight in childhood is a strong predictor of adult obesity. As such, policies to prevent excess weight gain at all ages are needed to mitigate the health and economic impact of the obesity epidemic, which accounts for over \$170 billion in excess medical costs per year in the United States.²⁰ Annual nationwide productivity costs of obesity-related absenteeism range between \$3.38 billion (\$79 per individual with obesity) and \$6.38 billion (\$132 per individual with obesity).²¹ Direct medical costs may include preventive, diagnostic, and treatment services. Indirect costs relate to sickness and death includes lost productivity – such as employees being absent from work for obesity-related health reasons, decreased productivity while at work, and premature death and disability.²²

Food and nutrition insecurity

When we think about the reasons why obesity impacts certain racial, ethnic, and income groups harder than others, it has a lot to do with opportunities to make healthy choices. With the economic devastation from the pandemic, food security is now more difficult to achieve. In 2020, an estimated one in eight Americans were food insecure, equating to over 38 million individuals, including almost 12 million children.²³ Extensive research reveals food insecurity is a complex problem. Many people do not have the resources to meet their basic needs; challenges which increase a family's risk of food insecurity. Food insecurity does not exist in isolation, as low-income families are affected by multiple, overlapping issues – like lack of affordable housing, social isolation, economic/social disadvantage resulting from structural racism, chronic or acute health problems, high medical costs, and low wages.

Together, these issues are important social determinants of health, defined as²⁴ the “conditions in the environments in which people are born, live, learn, work, play, worship, and age that affect a wide range of health, functioning, and quality-of-life outcomes and risks.”²⁵ For effective responses to food insecurity, it is important to address the overlapping challenges posed by the social determinants of health.

While food security implies access to enough food for an active, healthy life,²⁶ it is also important to consider how the quality of our diets can help reduce diet-related diseases. This is captured in the United States Department of Agriculture's (USDA) commitment to enhancing (food and) nutrition security. It defines nutrition security as *all* Americans having consistent access to the safe, healthy, affordable foods that are essential to optimal health and wellbeing. It also emphasizes equity and the need to tackle long-standing health disparities.²⁷

Dietary quality

The quality of diet is one of the major contributors in the development of obesity. Infant breastfeeding, intake of sugar-sweetened beverages, and fast-food consumption, as well as the content of family meals, all impact the prevalence of obesity.²⁸ Lower socio-economic status of many racial and ethnic minorities is a major contributor to suboptimal diets and can be associated with the consumption of calorie-dense foods with less nutritional value – including those high in saturated fats and hydrogenated or partially hydrogenated oils, compared to more balanced diets consisting of healthier options like fresh fruits and vegetables and lean proteins, which are more likely to be consumed by members of wealthier socio-economic backgrounds.^{29,30,31}

Choices of less nutritious dietary options among certain groups are not a result of lack of knowledge about healthy foods, but instead the perception of the cost of healthy foods.³² This perception is not necessarily incorrect. Foods purchased in stores that are higher in nutrients associated with decreased risk for chronic disease – such as those high in dietary fiber, vitamins A, C, D, E, and B-12, beta carotene, folate, iron, calcium, potassium, and magnesium – often cost more than foods with nutrients high in trans fats, saturated fats, and added sugar.³³ However, diets consisting mainly of prepared foods purchased from convenience stores and fast-food chains, as opposed to those purchased from whole food stores, are on average more expensive.³⁴ However, these estimates of food cost do not consider problems, such as food deserts, lack of access to stores with healthy food, and the effort and time that purchasing and preparing healthy food may take: All factors that may contribute to poor diet both in adults and children from low socio-economic backgrounds.

Role of the packaged food & beverage industry

The US food industry is one of the largest in the world. According to the USDA, in 2021, US consumers, businesses, and government entities spent \$2.12 trillion on food and beverages and out-from-home meals and snacks³⁵. According to Euromonitor, the US retail sales values of packaged food and non-alcoholic beverages are expected to reach 700 billion by 2025.

In doing so, companies are also able to prioritize nutrition efforts, make them better, and scale them up over time.

The COVID-19 pandemic underscored the correlation between nutrition and health, with a subsequent increased interest in health and wellness demonstrated by consumers and regulators. Foodservice closures and capacity limitations to prevent the spread of the virus led to large spikes in retail demand for packaged food.³⁶

ATNI's research into the food and beverage companies' responses showed that, while some companies benefitted from increased at-home demand, declines in food service and away-from-home sales offset those gains.

Availability, access, and affordability of packaged foods

The clearest way in which companies can contribute to healthier food environments is by improving the nutritional quality of the products available on store shelves. In addition to reducing levels of nutrients of concern, such as sodium and sugar, in their products (in-line with the Dietary Guidelines for Americans), companies can also deliver more positive ingredients and nutrients, such as fiber, wholegrains, fruit and vegetables, and essential micronutrients, in their products. However, healthier foods are typically priced higher than less healthy options.³ Given that low-income households spend an average of 30% of their income on food (compared to 10% for the average American household), price considerations inevitably supersede nutrition quality as a priority for millions of Americans (especially in the current cost-of-living crisis). Therefore, food & beverage manufacturers can make a real difference by offering a wide range of nutritious products at affordable prices at a greater rate than less healthy products.

Another important factor is the accessibility of these products, defined as whether they are readily obtainable by individuals in all geographic locations or not. According to the latest Dietary Guidelines for Americans, access is “influenced by diverse factors, such as proximity to food retail outlets (e.g., the number and types of stores in an area), ability to prepare one’s own meals or eat independently, and the availability of personal or public transportation. The underlying socioeconomic characteristics of a neighborhood also may influence an individual’s ability to access foods to support healthy eating patterns.”

The US Department of Agriculture’s (USDA) 2017 study³⁷ on food access found that 39m people (12%) in the US live in low-access communities – where at least a third of the population lives over a mile from a supermarket or large grocery store (in urban areas), or more than ten miles away (in rural areas). These are associated with low access to affordable fruits, vegetables, wholegrains, low-fat milk, and other foods that make up a healthy diet. One study has also found a positive association between living in low-access communities and obesity. Companies therefore have a role to play in ensuring their healthier, affordable products are distributed in low-access communities at an equal or greater rate than less healthy alternatives.

Marketing and labeling

High levels of food marketing, including advertising and promotion, have also been shown to play a substantial role in influencing consumer choice. Food marketing directed to both adults and children of all ages often disproportionately promotes unhealthy foods, such as snacks and drinks high in saturated fat, sugar, calories, and salt. In the US, the primary approach to addressing this issue is through self-regulatory initiatives. For the general consumer, the gold standard in responsible marketing is the ICC Framework for Responsible Food and Beverage Marketing Communications, which sets out general principles governing all marketing communications³⁸. Meanwhile, regarding marketing to children, self-regulatory initiatives include the Children's Food and Beverage Advertising Initiative (CFBAI) and Children's Advertising Review Unit (CARU), both administered by the Better Business Bureau (BBB).

Moreover, by providing comprehensive and easily understandable information about the nutritional composition and potential health impact of their products through labeling, companies can help consumers choose the right products to contribute to healthy diets³⁹.

The workplace

The workplace also represents a key food environment for millions of Americans, and the many thousands that work for these companies. Companies can lead by example by providing healthy food at work, nutrition education, nutrition-focused health checkups, and breastfeeding support.

Studies⁴⁰ have found positive associations of such programs with productivity and cognitive ability, along with reduced absenteeism, medical costs, and rates of accidents/mistakes. Workforce nutrition programs can also increase employee morale and motivation, improve employer/employee relations, and reduce staff turnover. In addition to these benefits, such programs can help facilitate a company culture with a greater focus on nutrition in its business practices.

The White House Conference on Hunger, Nutrition, and Health

2022 marks an important time for food and nutrition in the US, with the second White House Conference on Nutrition, Hunger, and Health, held in September 2022. The first White House conference on hunger was held in 1969 at the start of the Nixon administration and helped to greatly expand federal feeding programs. The 2022 conference aimed to catalyze the public and private sectors around a coordinated strategy to accelerate progress and drive transformative change in the US to end hunger, improve nutrition and physical activity, and end the disparities surrounding them.

It is more important than ever for the food and beverage sector to step up and make a difference to facilitate healthier diets for everyone, everywhere, in America. This section has presented several ways through which food and beverage companies' can increase their nutrition efforts, including, among others, product (re)formulation, prioritized marketing of healthier products, labeling, and responsible lobbying. ATNI encourages all companies to step up their efforts to contribute towards healthier diets.

US Index 2022

Findings

- The combined product portfolios of the 11 companies assessed— representing a sales value of more than \$170 billion in 2021 and accounting for almost 30 percent of all US food and beverage sales – have not become healthier. Only a third (29 percent) of the companies' combined sales value for 11,041 products is derived from products meeting the “healthy” threshold.⁴¹
- One of the improvements is in the Governance category, with all companies incorporating a greater focus on nutrition and health in their commercial strategies. Only a few have translated these commitments into concrete action plans that focus on addressing the needs of population groups at higher risk of experiencing nutrition challenges, such as families with low incomes.
- Another improvement is that ten manufacturers now define what they consider “healthy.” However, there is an urgent need for a standardized definition.
- Only four companies, compared to one in 2018, are taking concrete actions to improve the affordability of some of their healthier products in the US. Most companies show limited evidence of making their healthier products or product varieties more affordable or accessible relative to unhealthier varieties specifically through commercial channels in the US.
- Eight companies are evaluating the healthiness of their portfolios as part of broader sustainability strategies and annual reporting frameworks.
- Ten companies, compared to six in 2018, are disclosing information on the relative sales of “healthy” products and adopting their own nutrient-profiling models (NPMs) to monitor the healthiness of their products and portfolios. However, there is no standardized, objective approach to measure healthiness across companies to help consumers make informed choices.
- Responsible marketing for all audiences, but specifically protecting children from the harmful effects of marketing unhealthy products, seems to be on the agenda for all companies, but they do not cover children of all ages, nor do the companies incorporate specific compliance targets. Only one company commissions regular external audits on this topic.
- While most companies are making some commitment to improving the health of their employees in the US, the scope and content of the workforce health and nutrition programs vary considerably.
- Six companies have implemented front-of-pack (FOP) labeling on more than 80 percent of their products and nine display online information for more than 80 percent of their product portfolios: a clear improvement since 2018.

Findings on Governance

While all companies include a commitment to focusing on nutrition or health in their commercial growth strategies, few show evidence of concrete plans and actions to increase the accessibility and affordability of healthy foods to priority populations in the US. Overall, companies perform well in incorporating nutrition in their corporate strategies, but there are only a few improvements observed in accountability mechanisms: Only four companies link the remuneration of the person accountable for their nutrition strategy to nutrition-related objectives.

Notable examples:

- Among the companies assessed, Nestlé and Unilever demonstrate the most comprehensive nutrition strategies, management systems, and reporting.
- General Mills is one of five companies that commit to conducting regular management reviews and internal audits of their nutrition strategies.

Recommendations:

- While 2022 results show more companies are committing to a strategic focus on nutrition and health – as articulated in their mission statements and strategic commitments – they can do more in terms of developing specific objectives and activities to improve nutrition and address malnutrition, and publicly disclose progress against these objectives.
- ATNI recommends that food and beverage manufacturers continue to integrate nutrition considerations into their core business functions, including linking executive pay to performance on nutrition objectives.
- These commitments could then be translated into specific actions, and research conducted into how best to use commercial opportunities to address specific needs of priority populations.

Findings on Products

The Product Profile results show that a sector-wide transformation is needed to improve the nutritional quality of the US food supply. Only 31% of all unique products assessed (3,381 out of 11,141) meet the independent 'healthy' threshold (an HSR of 3.5 stars or more), with substantial variation observed between companies. Overall, companies with mixed portfolios perform better in the Product Profile (Campbell and Conagra), compared to those that derive most sales from less healthy categories (Mars). Ten companies have adopted an NPM to guide their product (re)formulation strategies and define what products are considered 'healthy/healthier,' compared to six in 2018; Coca-Cola is the only company that has not yet formally adopted such system. So far, no company has publicly shown how the results of applying its own criteria/NPM, compared to applying an internationally recognized NPM to its portfolio. Only three companies have targets in place to increase sales from 'healthy' products, according to their company-specific criteria – and none include a US-specific target. Two companies disclose US-specific sales from 'healthy' products. More companies disclose specific nutrient (re)formulation targets.

Notable examples:

- PepsiCo published its NPM in a peer-reviewed journal article. The article presents PepsiCo Nutrition Criteria (PNC), a new internal NPM designed to guide and monitor improvements in nutrient density and the overall nutritional quality of foods and beverages. The new PNC NPM assigns food products to four classes of increasing nutritional value, based on the content of nutrients to limit, along with nutrients and ingredients to encourage. The nutrient standards used for category assignment follow those developed by global dietary authorities. Standards are proposed for calories, sodium, added sugars, saturated fats, and industrially-produced trans fats. In the article, the company provides examples of recently reformulated products according to these guidelines.
- Conagra uses an independent NPM (NutriScore) for some product categories. In its 2021 Citizenship report, the company describes the introduction of a new metric, Sustainable Nutrition, as measured by NutriScore A or B for vegan and vegetarian products. According to the company, 82% of its vegan and vegetarian meals and meat replacements currently qualify for this attribute. In addition, Conagra applies the FDA Healthy criteria to its Healthy Choice products, which include soups and ready-to-eat meals. Using external nutrition criteria.

Recommendations:

- Considering the limited progress in product healthiness of their portfolios, 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 are some of the ways companies can achieve this.
- ATNI recommends companies define concrete and time-bound targets to increase sales of 'healthy' products and report progress on delivering against their 'healthy' sales targets on an annual basis. Coupling financial growth targets with higher sales of healthier products could be an effective way to incentivize the increase in 'healthy' products.
- ATNI also recommends companies benchmark their definition of 'healthy' and/or full NPMs against externally validated and preferably internationally recognized (and, where applicable, government-endorsed) systems – such as the planned FDA standard on the criteria to use the term 'healthy' as a nutrient content claim.

Findings on Accessibility

This category remains the lowest-scoring category of the Index, with an average score of 1.5 out of 10. Most companies show limited evidence of addressing either the affordability or accessibility of their healthy products specifically through commercial channels. With food and nutrition insecurity being a major challenge in the US, it is crucial that companies go beyond federal assistance programs and charitable donations and adopt strategies to increase the commercial accessibility and affordability of their healthy products to those population groups most in need. That said, more companies than in 2018 now have some form of access and affordability strategies in place. However, with the exception on Unilever, companies' affordability strategies pay limited attention to addressing low-income or food-insecure consumers, and none were found to have concrete quantitative targets in place. The predominant approach to addressing access and affordability continues to be through charitable donations instead of a systemic commercial approach. Companies do not have policies in place to ensure donations are predominantly healthy, although two companies showed evidence of tracking the healthiness of their product donations.

Notable examples:

- Unilever, through its Knorr brand, specifically seeks to price some of its 'healthy' products appropriately for low-income consumers, which is a first for this Index.
- Campbell has started to track the relative pricing of its products that meet its healthiness criteria against the rest of its portfolio and publishes the overall price differential, the first company found to do so.

Recommendations:

- ATNI recommends that US food and beverage manufacturers adopt a clear policy on affordability and accessibility of healthy products. These include strong, unifying public commitments and SMART (specific, measurable, achievable, realistic, and timely) targets to guide their actions – such as the number/percentage of stores in food-insecure neighborhoods stocking 'healthier' products or the number of food-insecure households to reach through improved distribution, as defined by USDA definitions and ranges.
- Of the companies with affordability strategies in place, most could go further by specifically considering the affordability of their 'healthier' products for low-income consumers in the US. They could begin by conducting pricing analyses to ensure their 'healthier' products are priced appropriately and are affordable for these groups.
- ATNI recommends all companies disclose more information on their affordability strategies, enhancing transparency and accountability.
- Most companies that commit to addressing access to their 'healthy' products predominantly focus on charitable donations and federal assistance programs. These companies are encouraged to translate such commitments into commercial strategies to improve the distribution of their healthy products in low-income/food-insecure areas by working with their distribution and retail partners.
- Where philanthropic activities are undertaken to address food insecurity, it is essential that companies adopt policies and tracking systems to ensure these donations are predominantly healthy, to avoid inadvertently exacerbating malnutrition issues for the populations they are seeking to help.

Findings on Marketing

Responsible marketing seems to be on the agenda for all companies; however, strategies are not comprehensive and performance remains limited. Where some companies make a commitment to increasing their marketing spending on healthier products relative to overall marketing spending, none of the included companies have set quantitative targets for a specified timespan. As marketing influences purchasing behavior, all companies are encouraged to increase their marketing budgets for the promotion of healthier products relative to unhealthier or standard product varieties and make such commitments public, expressed as a percentage of the overall marketing budget. All companies commit to not marketing or advertising their products in elementary schools, but this commitment is made by just four companies for (junior) high schools. Even fewer companies (two) make such a commitment to marketing in other places where children gather (e.g. YMCAs, after-school clubs, Boys and Girls Clubs, etc.). Companies – and the Children’s Food and Beverage Advertising Initiative (CFBAI) – particularly need to focus on committing to ending marketing in and near secondary schools and extending this pledge to other places popular with children. Where all companies commit to applying their policies for children up to either 12 or 13 years, Unilever has announced it will increase this threshold to 16 years as of 2023. These are positive steps toward increasing the age threshold, but all companies – and CFBAI – are strongly encouraged to apply their policies to all children up to 18 years, protecting them from the harmful effects of marketing unhealthy foods.

Notable examples:

- Since 2018, Mars was, and remains, the only company that has commissioned an independent, third-party audit of its marketing compliance to all consumers. All companies are recommended to adopt this approach.
- Unilever made a new commitment not to market its products to children, but also announced in April 2022 that, as of 2023, it is raising the age threshold of this commitment to all children under 16. It is the first US Index company to use this age limit and the closest to the International Child Rights Convention’s definition of a ‘child’ (18 years).

The remaining companies commit to only marketing products meeting internal ‘healthy’ criteria to children, of which PepsiCo and Coca-Cola increased the threshold to 13 years. It is also worth noting that the CFBAI is due to raise its age threshold to 13 as of January 1, 2023, requiring all its member companies to do so.

Recommendations:

- ATNI recommends that US food and beverage manufacturers invest in improving marketing policies that accelerate efforts to drive sales of healthy options. Commitments should align with the International Chamber of Commerce marketing framework, widen the media channels to which policies apply, and explicitly address in-store/point-of-sale and sponsorship marketing in policies.
- While ATNI acknowledges that companies are slowly moving in the right direction, they are encouraged to further increase the age threshold for their marketing restrictions to 18 years, as recommended by WHO, to ensure *all* children are sufficiently safeguarded from the marketing of unhealthy products.
- Marketing restrictions in elementary schools could be extended to include secondary schools, other places where children gather, and areas surrounding these places. Also, an audience threshold of 25% should be adopted by all companies.
- ATNI recommends all companies commit not to market to children at all.
- All companies are encouraged to establish their own independent auditing systems and ensure that they have robust corrective mechanisms in place for when instances of non-compliance are found, and that these are publicly disclosed.

Findings on Workforce

Eight of the 11 companies make some commitment to improving the health of their employees through workforce nutrition programs involving at least one of the following elements: 1. Healthy food at work; 2. Nutrition Education; and/or 3. Nutrition-related health checkups. Only three companies (Kellogg, PepsiCo, and Unilever) were found to have all three in place. The scope of the workforce nutrition programs varies considerably: Kellogg, Mars, Nestlé, and Unilever were the only companies to demonstrate their programs are available to all company employees, while others limit the availability in some way. Six companies also make these programs available to some staff family members. Only four companies report conducting some form of evaluation on the health impact of their workforce nutrition program in the US during the last three years. Six companies formally commit to both granting paid parental leave, and to providing appropriate working conditions and facilities to facilitate breastfeeding. Another five companies formally commit to granting paid parental leave only.

Notable examples

- PepsiCo offers an employee wellbeing program called 'Healthy Living,' which is based on three pillars: Be Well, Find Balance, and Get Involved. Healthy eating is a key component of the 'Be Well' pillar, where free fruit is offered onsite and healthy food options are provided in cafeterias. Some locations offer nutrition advice and seminars to employees.

Recommendations:

- 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 workforce nutrition programs. These programs should contain elements of each of the workforce nutrition pillars, including healthy food at work, nutrition education, and nutrition-related health check-ups. They should be accessible to all employees and their families. Becoming a signatory of the Workforce Nutrition Alliance and utilizing its self-assessment scorecard is a good first step in this regard. Companies are advised to regularly and independently assess the impact of these programs and extend workforce nutrition commitments across the wider food supply chain, both in the US and beyond.
- ATNI recommends that companies that have not yet done so develop robust and publicly available paid parental policies that, at a minimum, go beyond current national regulations, but ideally for six months or more – to support the infant and maternal health of their employees. Companies are encouraged to develop a formal policy on extending support to breastfeeding mothers at work, applying equally in all facilities in the US.

Findings on Labeling

All companies commit to listing some nutritional information FOP, and six companies have implemented FOP labeling on more than 80% of their products. However, no company commits to implementing interpretive labeling. In the absence of uniform government guidance, companies need to take more responsibility for FOP labeling, to guide consumers in selecting healthier products. Considering the challenge of overweight and obesity in the US, having clear information on pack is important to help consumers make healthier choices. Companies should link interpretive FOP labeling to their NPMs. Encouragingly, all companies display online information for some products: Nine display this information for more than 80% of their product portfolios; a significant improvement over 2018.

Recommendations:

- Having clear information on pack is essential for consumers to make healthier choices. In the absence of clear government guidelines, companies are encouraged to step up and adopt an interpretive FOP labeling system in the US (as is in place in other countries). Ideally, this system should be applicable to the entire US market.
- Companies could collaborate to identify or adapt an existing interpretive FOP system and draw on experience from the use of such systems in other countries.
- Companies are encouraged to provide detailed nutrition information online for all products in the US to an equal or greater extent than on the physical product. Companies are also advised to display the amount of 'nutrient-dense' ingredients derived from fruits and vegetables contained on relevant product labels in the US, to provide consumers with a better understanding of the nutrient content and healthiness of these products.
- All relevant companies should consider enhancing the information disclosed on-pack regarding wholegrains claims – by displaying the percentage of wholegrains in a product vs. the percentage of all grains – to assist consumers in making informed decisions on the healthiness of products.

Findings on Engagement

Nearly all companies assessed assign to their boards oversight of their lobbying policies, processes, and activities, and conduct regular reviews of their trade association memberships. Some companies show evidence of lobbying in support of specific government policies to address nutrition challenges in the US, although no evidence of any company supporting key WHO-endorsed policies to address obesity could be found at federal, state, or local level. While most companies are transparent about their direct political contributions on their own domains, companies were less forthcoming about their spending on lobbyists and trade associations, and the spending of their employee-run political action committees (PACs). There was also limited improvement in the comprehensiveness of disclosure of trade association memberships since 2018. Moreover, clear disclosure regarding the companies' lobbying positions on important nutrition-related public health policies remains limited.

When it comes to engaging with governments and policymakers, encouragingly, all companies demonstrate some evidence of engaging with nutrition-related stakeholders in the US, the majority providing a wide range of examples and types: A noticeable improvement since 2018. Nevertheless, disclosure regarding stakeholder engagement lagged significantly behind performance.

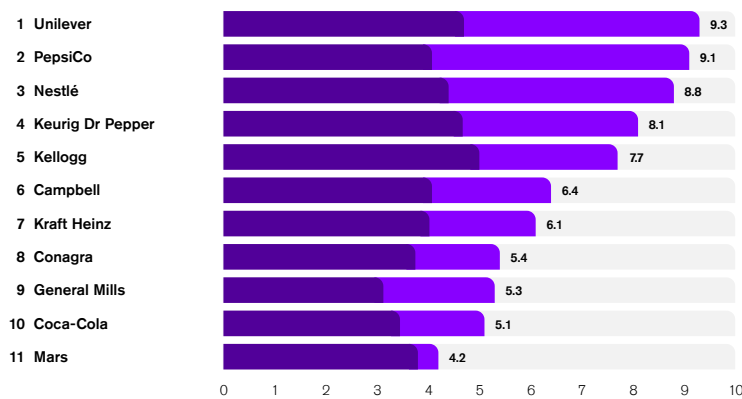
Notable examples:

- PepsiCo discloses its total spending on lobbying in the US annually, as well as publishing the names of its lobbyists and lobbying firms and which state jurisdictions it is actively lobbying in.
- Unilever publishes 'Advocacy and Policy Asks' on its website, covering a range of key nutrition-related policies. The company provides additional detail, publicly specifying under which conditions the company would support (or not support) certain policies, such as mandatory policies to reduce sugar content and FOP labeling.

- All companies could significantly improve their disclosure regarding lobbying positions on key public health policies that would affect the industry.
- Companies could strengthen their lobbying management systems by conducting internal and/or independent third-party audits of their lobbying activities and disclosure to ensure alignment with their policies and/or codes of conduct.
- Companies are encouraged to actively support (or commit to not lobby against) public policy measures in the US to benefit public health and address obesity.
- ATNI recommends that companies ensure their disclosure of trade association memberships in the US is as comprehensive as possible, including the specific dues paid that are used for lobbying purposes and any Board seats held at these organizations.
- To further enhance transparency, companies are encouraged to publish comprehensive lobbying information on their own domains, rather than only on public registries.
- Companies should ensure that – in the process of developing a new nutrition strategy, policy, or other nutrition-related activity, or when updating or reviewing an existing one – they engage directly with a range of stakeholders, such as civil society organizations, academic institutions, and scientific bodies with recognized expertise in nutrition and public health. All companies are encouraged to improve their transparency regarding which specific stakeholders they engage with and the identities (or, at minimum, affiliations) of experts they have consulted, as far as possible. In addition, the degree of financial compensation for these engagements should be disclosed.

Category Reports

The US Index 2022 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.

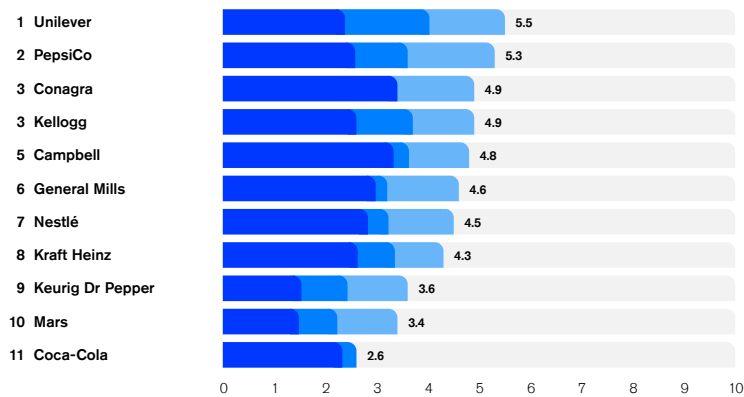


A1 Nutrition strategy **A2** Nutrition management



Governance

Category A looks at companies' corporate nutrition strategies and governance, and accountability systems related to nutrition. This Category carries 12.5% of the weight of the overall score. Category A assesses the extent to which a company's commercial strategy includes a specific commitment to contribute to improved nutrition, and whether this approach is embedded within its governance and accountability mechanisms.



Products

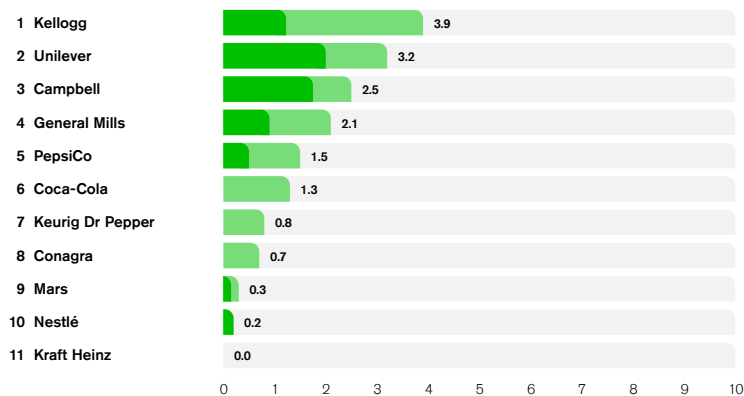
Category B looks at companies' efforts to formulate appropriate products, and carries 35% of the weight of the overall Index score. Category B also assesses the extent to which companies have established product (re)formulation targets, and the characteristics and transparency of their nutrient profiling models.

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

Product Profile

The Product Profile is an independent analysis of the healthiness of companies' US product portfolios.

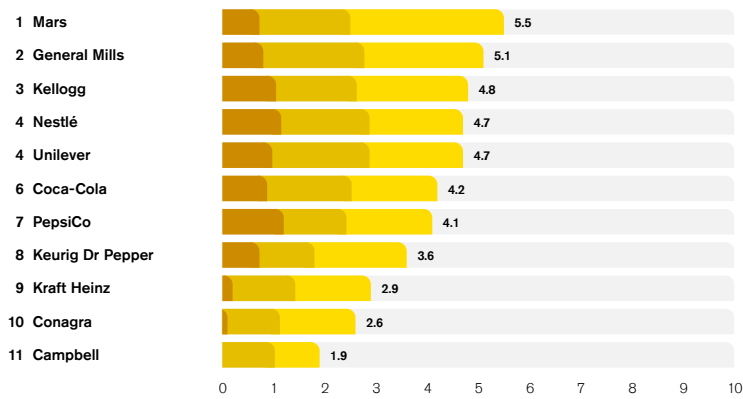
Read the Product Profile:
<https://accessstonutrition.org/app/uploads/2022/09/US-Product-Profile-2022.pdf>



Accessibility

Category C assesses companies' efforts to make healthy products affordable and accessible for all consumers in the US by ensuring they are priced appropriately and adequately distributed. Category C holds 17.5% weight of the overall Index score.

- C1 Product pricing
- C2 Product distribution

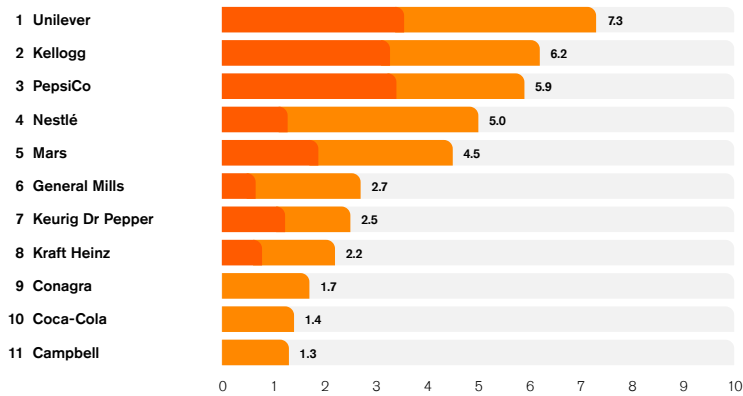


D1 Marketing policy **D2** Marketing to children **D3** Auditing and compliance



Marketing

Category D assesses the scope and strength of companies' corporate marketing policies for both general audiences and children – specifically how they align to best-practice marketing guidance and standards, and their systems for auditing compliance with their policies. Category D accounts for 20% of the overall Index score.

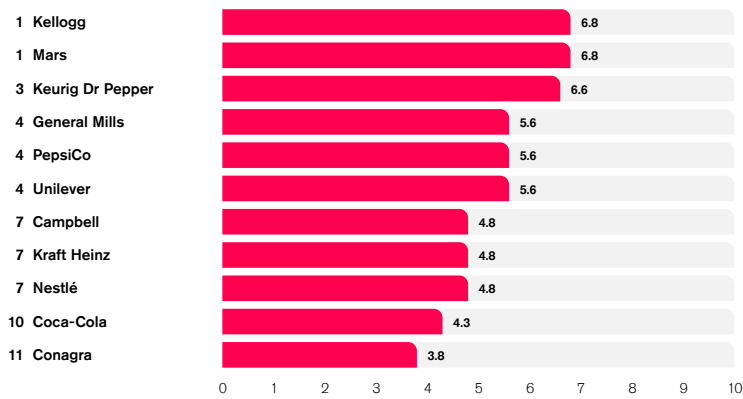


E1 Employee health **E2** Breastfeeding support



Workforce

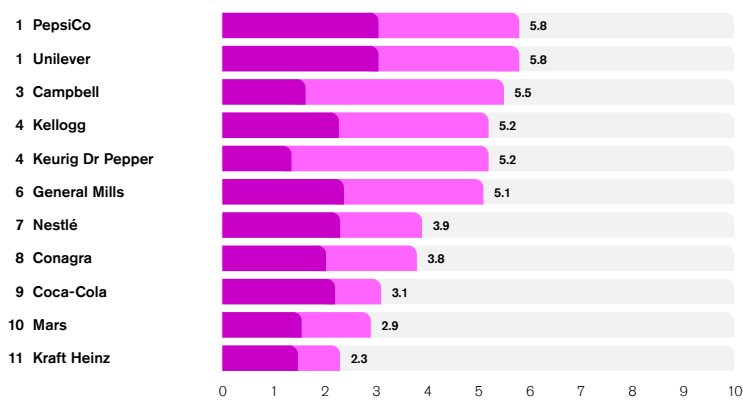
Category E assesses the extent to which companies support the nutritional wellbeing of their staff by implementing workforce nutrition programs; and support parent-friendly working practices, including for breastfeeding mothers at work. Category E holds 5% of the overall Index score.



Labeling

Category F assesses the extent to which companies provide consumers with comprehensive and easily understandable information about the nutritional composition and potential health impact of their products through labeling – both in-store and online. Category F accounts for 5% of the overall Index score.

F1 Product labeling



Engagement

Category G focuses on companies' engagement with government bodies and representatives through lobbying, along with their stakeholder engagement with civil society and academia on nutrition-related issues. Category G holds 5% weight of the overall Index score.

G1 Influencing policymakers **G2** Stakeholder engagement

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

ATNI encourages all stakeholders to actively use the US Index 2022 results and provide their feedback to ATNI. We hope that the rated companies will commit to make changes based on our recommendations and that their investors will use them in their engagement with those companies to press for improvements in their policies, practices and disclosure. Further, we hope that governments and policymakers, NGOs, academics and others are able to use our analysis and findings in their work to encourage better diets in the US.

Acknowledgements

The US Access to Nutrition Index (ATNI) 2022 would not have been possible without the generous support of the Robert Wood Johnson Foundation (RWJF). This report was produced by the US Index team, consisting of: Babs Ates, Elena Schmider, Estefania Marti Malvido, Laura Trijsburg, Lucy Cosenza, Mali Gravell, Mark Wijne, Nadine Nasser, Sameea Sheikh, and Will Sharp. The ATNI team drew on the expertise and advice of the ATNI US Index Expert Group (Linda Meyers, Mary Story, Mike Rayner, Shiriki Kumanyika, Terry Huang), ATNI consultant Amanda Berhaupt-Glickstein and other public health and subject specialists – Jennifer Harris, Nancy Roman, and Vivica Kraak – whose close engagement throughout the ATNI development process has been a source of invaluable guidance. 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 their institution. ATNI would also like to thank our partners Dr. Elizabeth Dunford from The George Institute for Global Health for research, Kummer & Herman and Studio September for design, Wren Media for editing, and Burness for communications.

Annex US Index 2022

Board

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ATNI US Expert Group

The function of the Access to Nutrition Initiative US 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.

Shiriki Kumanyika

Chair, ATNI Expert Group;
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

CS Pandav

Professor and Head,
Centre for Community Medicine,
All India Institute of Medical Sciences (AIIMS)

Kapil Yadav

Assistant Professor,
All India Institute of Medical Sciences (AIIMS)

Linda Meyers

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

Lindsay H. Allen

Director,
USDA ARS Western Human Nutrition Research Center;
Research Professor,
Department of Nutrition, UC Davis

Mike Rayner

Professor,
Population Health, Nuffield Department of Population Health, University of Oxford
Director,
Centre on Population Approaches for Non-Communicable Disease Prevention, University of Oxford

Terry T-K Huang

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

Campbell Soup Company

Product categories assessed

Baked Goods|Juice|Soup|Savoury Snacks|Sauces, Dressings and Condiments

Percentage of company US sales covered by Product Profile assessment
80-90%

Headquarters

Camden, New Jersey, US

Number of US employees

~14,500

Type of ownership

Public

Sales revenue (range) of packaged foods and beverages

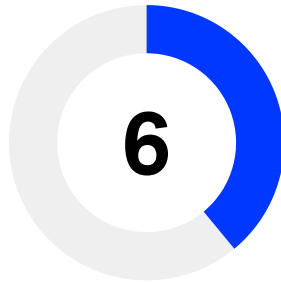
USD 7 - 12 Billion

US share in global packaged food and beverage sales

78-83%

Euromonitor International Limited [2021]

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Rank 6 / Score 3.9



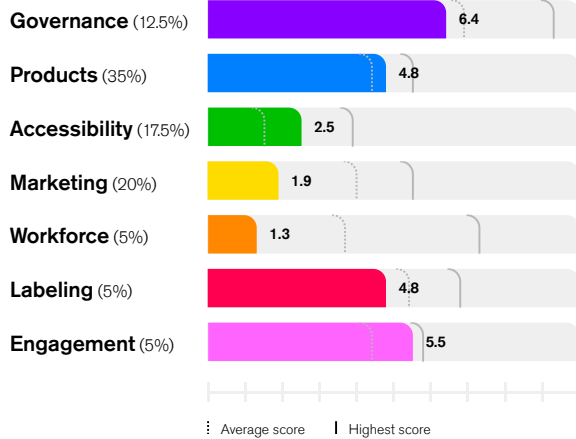
Product Profile ⓘ ⁴²

Rank 1 / HSR 2.9 ⓘ ⁴³

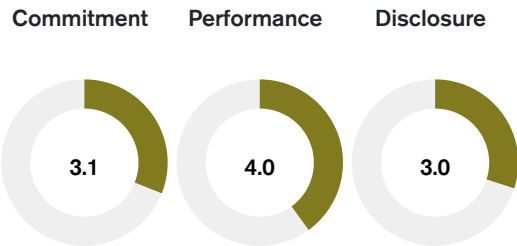
Important:

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. Therefore, in the case of limited or no engagement by such companies, this Index may not represent the full extent of their efforts.

Scoring Overview



(%) Figure in brackets is the weighting of the category
All category and criteria scores are out of 10



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.

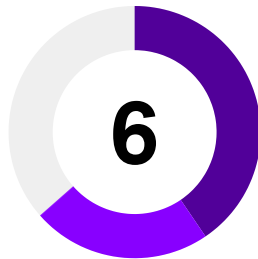
Categories

The US Index 2022 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

12.5% of overall score



Rank 6 / Score 6.4

Highest score 9.3

Average score 6.9

- A1 Nutrition strategy
- A2 Nutrition management

- Campbell focuses on nutrition in its core commercial strategy. The company takes a holistic environmental, social, and governance (ESG) approach, of which 'Trusted Food' is one of four pillars. Campbell defines this as 'delicious, wholesome, accessible, food made with trusted ingredients.' According to the company, trusted food is 'nutrition focused, accessible, and lower in negative nutrients.'
- The company launched new nutrition metrics that specifically focus on reducing calories, saturated fat, sodium, and added sugar – thus demonstrating a commitment to addressing obesity and diet-related diseases through its commercial strategy.
- Campbell adopts a comprehensive approach to addressing nutrition challenges in its commitments. The company employs multiple approaches, including committing to increase nutritious offerings by measuring the nutritional quality of portfolio over time; lowering negative nutrients for all products to inform product development for innovation and renovation; and increasing food access. The company also refers to using global and regional health authority guidelines, such as the United States Department of Agriculture (USDA) definition of food insecurity, while describing activities linked to food access.
- Campbell is one of seven companies that publicly disclose that their Executive Vice President, Chief Research and Development, and Innovation Officer are ultimately responsible for implementing the company's nutrition strategy. The Governance Committee of the Board oversee Campbell's ESG strategy and reporting.

Areas of improvement

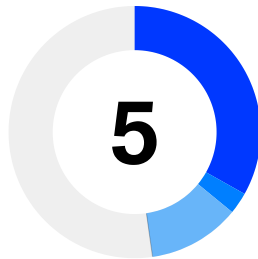
- Campbell has conducted several community programs as part of its food access agenda, such as community programs to address key nutrition issues (including food access, school nutrition, and community nutrition education) for priority populations. Most of these initiatives are limited in scale and philanthropic in nature. The company is recommended to include a stronger focus on priority populations through its commercial strategy by including explicit commitments for specific groups that are at higher risk of experiencing malnutrition, and report on the impact of its activities.
- The company is recommended to include nutrition-related targets within the trusted food pillar of its ESG framework.
- Campbell is advised to link executive compensation to performance on nutrition objectives and disclose this publicly.
- Campbell is also recommended to ensure nutrition plans and strategies are assessed regularly by internal audits and/or are subject to an annual management review to monitor progress.





Products

35% of overall score



Rank 5 / Score 4.8

Highest score 5.5

Average score 4.4

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

- Campbell achieved a relatively high score on product healthiness in categories such as Soups and Juices. However, the company is encouraged to further reduce salt, fat, and sugar levels – especially in the Savory Snacks category – and try to derive most sales from healthier product varieties.
- In 2022, Campbell released a new set of nutrition reporting metrics covering three areas: 'nutritious foods, reducing negative nutrients, and quantifying product accessibility and affordability.' More information about the accessibility metric can be found in Category C. ATNI welcomes this development, as it shows a concrete effort to track and advance nutrition and health throughout the company's core business strategy. Campbell has developed a new nutrient profiling model (NPM) called Nutrition Focused Foods, which sets standards for both positive and negative nutrients based on the categories 'Cannot Exceed (setting limits for negative nutrients) and "AND must meet at least 1" (lists positive nutrients), according to serving size. Campbell's NPM is across-the-board (i.e., covering all products, without distinction at the category level, except for more stringent sodium requirements for snacks).
- Furthermore, Campbell has a transparent reporting system, disclosing thematic Scorecards in its 2022 Corporate Responsibility Report, which covers nutrition-related performance. Campbell indicated that 56% of its portfolio currently meets the criteria for nutrition focused foods, representing 52% of 2021 sales. Meanwhile, 69% of its portfolio currently meets category-specific Guidelines for Product Development, which are focused on limiting negative nutrients (saturated fat, sodium, added sugar, and calories).

Areas of improvement

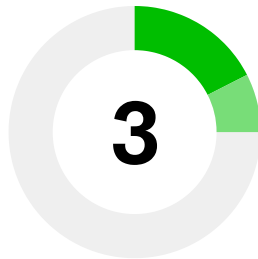
- The company is encouraged to benchmark performance of the healthiness of its portfolio against an externally recognized (and, where applicable, government-endorsed-) NPM. Campbell is encouraged to disclose its NPM in full on its website, including scores, criteria, and where and how it is applied.
- Campbell is encouraged to define a complete set of product (re)formulation targets, especially for sodium (given the current Food and Drug Administration guidance), and to publicly report on its progress.
- Campbell reports that 71% of its meals and beverages products meet the requirements for at least one federal nutrition program (WIC Eligible Foods, SNAP Staple Foods for Retailer Eligibility, and USDA Smart Snacks). Campbell is recommended to include a commitment in its nutrition policy to only sell products through retail and other outlets that have the same 'look and feel' as products sold under the Smart Snacks in School regulation, if they meet the same nutritional standards. Campbell is encouraged to review current product portfolio to reformulate all products sold under the Smart Snacks in School regulation to make them healthier.





Accessibility

17.5% of overall score



Rank 3 / Score 2.5

Highest score 3.9

Average score 1.5

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

- Campbell has made 'access and affordability' one of the three pillars in its new nutrition approach, especially in relation to its nutritious foods. A key feature of this pillar is to track the average price (per serving) of its 'Nutrition Focused Foods' relative to its general portfolio and disclose the result. In 2021, Campbell found that the price of its 'Nutrition Focused Foods' was slightly lower – \$0.62 per serving vs \$0.65 – for its overall portfolio. This is a clear improvement in the company's performance since 2018, and Campbell is the only company in this Index found to conduct this kind of analysis and report on it.
- The company explicitly adheres to USDA definitions of food insecurity in the US for its access-focused activities, which are predominantly philanthropic, rather than being driven by the company's commercial strategy.

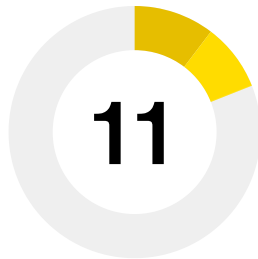
Areas of improvement

- While Campbell finds that the relative price of its 'healthy' foods is slightly lower than its general portfolio, there is scope to improve this price differential. The company is encouraged to formulate quantitative targets (including baseline and target year) to enhance in this area, and to develop a strategy for achieving this.
- Campbell is further encouraged to analyze the pricing and distribution of its nutritious products, specifically for low-income consumers and those living in food-insecure communities according to USDA definitions (as the company does for community programs).
- Campbell is advised to develop a US-specific strategy to improve the commercial distribution of its 'healthier' products, including one or more quantitative targets with baseline and target year.
- Campbell is encouraged to publish a commentary on how it has improved the affordability and accessibility of its 'Nutrition Focused Foods'. It is recommended to work with retailers and distribution partners to ensure the affordability and accessibility of its healthy products in the US through commercial channels.
- It is important that the company tracks the healthiness of the products it donates as part of its philanthropic food security efforts and ensures that the majority of product donations are of healthier product varieties.



Marketing

20% of overall score



Rank 11 / Score 1.9

Highest score 5.5

Average score 4

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

▪ As a Children's Food and Beverage Advertising Initiative (CFBAI) member, Campbell pledges to advertise only its foods and beverages that comply with CFBAI's Uniform Nutrition Criteria in its advertising to children under age 12 and will not advertise its foods and beverages primarily directed to children under age six.

Areas of improvement

- Campbell is strongly encouraged to develop and publish a clearly articulated responsible marketing/advertising policy, covering all consumers including children (defined as under aged 18), including all marketing communication channels, which applies to all products.
- Campbell is encouraged to commit to increasing the proportion of marketing spending on healthier products relative to overall marketing spending and publish a commentary outlining the changes to the company's marketing spending in support of healthier eating.
- Campbell undergoes CFBAI auditing and is encouraged to make the marketing compliance levels public. No information on auditing the compliance of marketing for the general audience was found. It is therefore recommended to ensure annual independent external auditing of the company's compliance with its general marketing policy applicable to the US, covering all media specified in the policy. Campbell could also ensure corrective measures are taken regarding any non-compliance with its marketing policy.
- Where Campbell's policy for children indicates no marketing or advertising in primary schools, no such commitment is made for secondary schools or other places where children gather. As a next step, the company is recommended to extend its policy of no marketing to children to the aforementioned places, and to consider advancing to a commitment and practice not to advertise unhealthy products at all to children.
- Campbell is advised to commit to or demonstrate that its non-commercial US programs relating to nutrition education exclude product- or brand-level branding in all programs.



Workforce

5% of overall score



Rank 11 / Score 1.3

Highest score 7.3

Average score 3.7

E1 Employee health

E2 Breastfeeding support

- Campbell formally commits to granting paid parental leave, by offering 10 weeks of fully paid leave to primary caregivers, and two weeks of fully-paid leave to non-primary caregivers, following the birth or adoption of a child.

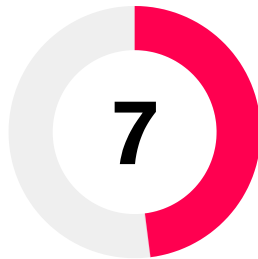
Areas of improvement

- Campbell should make a public commitment to support employee health and nutrition in the US through a workforce nutrition program, including expected outcomes (such as healthy behavior, health-related, or employee absenteeism outcomes).
- For its workforce nutrition program, Campbell should consider:
 - o A commitment to making the program available to all employees and all family members.
 - o Including healthy food at work, nutrition education, and nutrition-focused health checks.
 - o Disclosing the percentage of employees that participate in the program.
- Campbell is encouraged to evaluate the health impact of their workforce nutrition program(s) in the US regulated by a third-party independent evaluator. The company is further encouraged to disclose quantitative and qualitative information of the outcomes of the program.
- Campbell could commit to improve the health and nutrition of groups across the food value chains it is involved in, that are not directly employed by the company (supply chain partners in the US and abroad), through programs focused on nutrition.
- Campbell is encouraged to extend its current paid parental leave policies to ideally six months or more.
- Campbell is advised to develop and publish a US policy on supporting maternal health and breastfeeding mothers at work, which applies equally in all facilities. The policy should cover the following arrangements: 1) provide private, hygienic, safe rooms for expressing breastmilk (including refrigerators); 2) allow breastfeeding mothers breaks to express breastmilk; and 3) offer flexible working arrangements to support breastfeeding mothers.



Labeling

5% of overall score



Rank 7 / Score 4.8

Highest score 6.8

Average score 5.4

 Product labeling

- Campbell provides online nutrition information for almost 90% of its product portfolio in the US.
- Campbell uses the 'Facts up Front' (FuF) labeling icons to display front-of-pack (FOP) information, which shows calories, saturated fat, sodium, and total sugar contained in each serving of a food or beverage product.

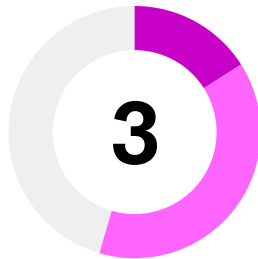
Areas of improvement

- Campbell is advised to adopt an interpretive FOP labeling system and apply this to all products in its portfolio. Information on the type of FOP labeling used by the company should be disclosed publicly.
- Campbell is encouraged to further track the percentage of its portfolio that is compliant with its approach to FOP labeling and publicly report on this.
- Campbell is advised to use an externally recognized NPM to underpin FOP labeling information in the US. Campbell currently uses the FuF labeling system, which pulls nutrient information from the Nutrition Facts Panel. However, this does not tell consumers what products the company considers healthier, and the criteria used for that purpose.
- Campbell could provide the percentage of wholegrain relative to all grain or refined grains on all relevant products, to assist consumers in making informed decisions on the healthiness of products. Campbell displays the 50% Wholegrain Stamp on 75 of its products, showing that at least 50% of the grains in the product are wholegrains.
- Campbell discloses the amount of fruit and vegetable information on some product packages. The company is encouraged to commit to providing fruit and vegetable content information on all relevant products.
- It is recommended that Campbell ensures 100% of its portfolio displays online nutrition information to ensure that, with growing online retail sales, consumers can easily access nutritional information.



Engagement

5% of overall score



Rank 3 / Score 5.5

Highest score 5.8

Average score 4.4

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

- Campbell's Board of Directors reviews reports of its political spending, trade association memberships and payments, and key regulatory issues.
- The company discloses a comprehensive list of trade association memberships and the precise dues used for lobbying purposes in its annual Political Accountability Reports, a leading practice. Campbell also discloses the combined amount spent on lobbying at federal and state levels (approximately \$250,000).
- Campbell states that, in 2020 and 2021, it spent \$0.00 on political contributions from the company treasury at state or local level (including political action committees (PACs) and candidates; direct contributions are banned at federal level). The company's PAC, Campbell Soup Company Political Action Committee, is being dissolved, but the company did not disclose its most recent (final) expenditures in the report.
- Campbell publishes a list of 'Key Legislative and Regulatory Issues'. However, it is not specific about its positions on important nutrition-related policies, other than indicating support for self-regulation of marketing to children.
- Regarding stakeholder engagement, Campbell states that it works with several advisory consultants to review the latest nutrition science and offer guidance on its nutrition strategy, as well as topics such as responsible labeling and affordability. For example, its new 'Nutrition Metrics' and 'Nutrition Focused Foods' nutrition profiling systems were developed with external specialists. It also engages with organizations such as the Produce for Better Health Foundation, the Academy of Nutrition & Dietetics, Tufts Food and Nutrition Innovation Council, and the Interfaith Center on Corporate Responsibility (ICCR) on specific nutrition topics.
- Campbell's new 'Full Futures' program, which replaces its 10-year 'Healthy Communities' program, sees different partner organizations run different parts of the program: 'The Food Bank of South Jersey' provides nutrition education to students and parents, two youth advisory councils advise on the Full Futures work, and the 'Alliance for a Healthier Generation' leads the measurement and evaluation work.

Areas of improvement

- Campbell is strongly encouraged to actively support (or commit to not lobby against) key World Health Organization-endorsed public policy measures to address obesity and diet-related non-communicable diseases – such as fiscal measures to address obesity, regulatory restrictions on marketing/advertising unhealthy products (to children), or increased FOP labeling requirements, whether at the federal, state, or local level where such proposals arise.
- Campbell could significantly improve its disclosure regarding its lobbying positions on key public health policies. These positions should be as specific and unambiguous as possible. Publishing links to specific documents used in government engagements is also encouraged.
- Campbell is advised to publish a link to its Lobbying Disclosure Act reports on its website or in its reports, and to disclose greater detail about the state and local governments it is active in lobbying, and the names of lobbying firms or individuals it employs.
- Campbell is recommended to enhance its processes to review and manage relationships with trade associations, and to undertake audits of the company's lobbying activities, disclosure, and compliance with its lobbying policies (as set out in its Political Accountability Report).
- Campbell should significantly improve its transparency regarding the identities of experts it consults on nutrition-related topics, as well as providing an indication of the degree of financial compensation for these engagements. It could also be more explicit about the outcomes of these engagements and consultations, and how it was used to change its nutrition-related practices or plans.

Product Profile ^{i 44}



Rank 1/11 / Score 2.9/5

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. The underlying nutrient profile model assesses nutrients of concern (sodium, total sugar, saturated fat, and overall energy) and positive food components/ nutrients (fruit and vegetable content, protein, fiber, and, in some cases, calcium) to score products on the basis of nutritional composition per 100g or 100mL. ATNI uses the threshold of 3.5 stars or more to classify products as generally healthier. Product Profile results account for 20% of the total Index score.

Portfolio-level Results

Average HSR (out of 5 stars) (sales-weighted)	Products meeting the 'healthy' threshold (HSR of (3.5 stars or more))			Range of total 2021 US sales covered ^{i 45}
	Total no. products assessed	% of distinct healthier products	% sales from healthier products*	
2.9	1026	52%	48%	80-90%

ATNI estimates this value by taking the proportion of 'healthy' products within each category assessed and multiplying that figure by the corresponding category US retail sales-values in 2021. The values are then aggregated to generate an estimate of the overall US healthy sales.

- Campbell's average sales-weighted HSR is 2.9 (stars) out of 5 (3.0 unweighted), ranking joint first out of the 11 companies assessed in the Product Profile (together with Conagra). A total of 1026 products across the company's five best-selling product categories were assessed using the HSR system. ▪ 52% of distinct products analyzed for Campbell met the 'healthy' threshold (3.5 stars or more in the HSR). When taking category sales values into account, the company was estimated to derive approximately half (48%) of its US 2021 sales from healthier products (mostly juices).



Mean Health Star Rating by category for Campbell Soup Company

	No. of products assessed	Mean HSR
Baked Goods	133	3.2
Juice	70	2.7
Sauces, Dressings and Condiments	119	3.2
Savoury Snacks	332	2.5
Soup	372	3.4

▪ Among categories assessed, Campbell products in the Soup category (brands include Campbell's and Pacific) had the highest mean HSR (3.4 out of 5). A total of 372 distinct Soup products were analyzed and 261 of them (or 70%) met the 'healthy' threshold. The company's lowest scoring category was Savoury Snacks, which was one of the best-selling categories in 2021. A total of 332 Savoury Snacks were assessed including products from the brands Pepperidge Farm, Snyder's of Hanover and Lance, among others. The category had a mean HSR of 2.5 out of 5 and 103 products (31%) met the 'healthy' threshold.

Coca-Cola

Product categories assessed

Bottled Water - Other|Carbonates|Juice|Energy Drinks|Bottled Water - Pure|Sports Drinks

Percentage of company US sales covered by Product Profile assessment
90-100%

Headquarters
Atlanta, Georgia, U.S.

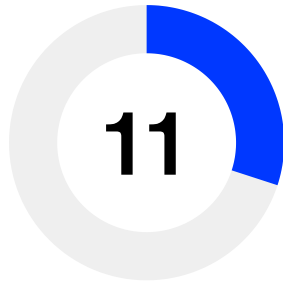
Number of US employees
~10,800

Type of ownership
Public

Sales revenue (range) of packaged foods and beverages
USD 23 – 28 Billion

US share in global packaged food and beverage sales
18-23%

Euromonitor International Limited [2021]
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Product Profile ⓘ ⁴⁶

Rank 11 / Score 3

Rank 9 / HSR 2 ⓘ ⁴⁷

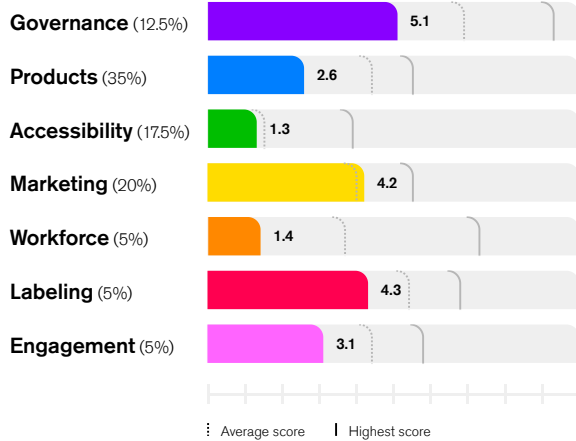
Rank 7 (2018)

Rank 8 (2018) ⓘ ⁴⁸

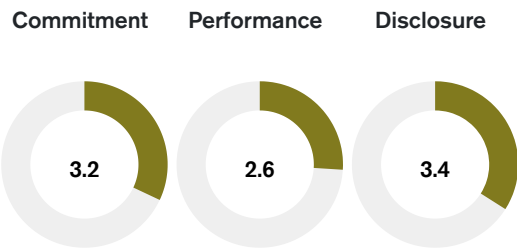
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Scoring Overview



(%) Figure in brackets is the weighting of the category
All category and criteria scores are out of 10



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.

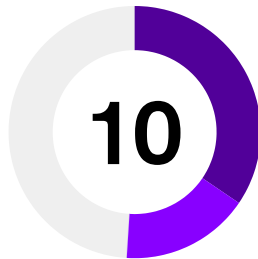
Categories

The US Index 2022 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

12.5% of overall score



Rank 10 / Score 5.1

Rank 8 (2018)

Highest score 9.3

Average score 6.9

A1 Nutrition strategy

A2 Nutrition management

- Together with PepsiCo and KDP, Coca-Cola is part of the American Beverage Association's Balance Calories Initiative (BCI). The BCI has committed to decrease beverage calories in the American diet by 20% by 2025. Through this association, Coca-Cola makes an implicit commitment to improving the nutritional quality of its products. In addition, the company commits to addressing obesity through a number of approaches – including reducing sugar while providing more drinks with nutrition benefits, optimizing the mix of products, offering more small packaging choices, and providing consumers with clear nutrition information.
- Through its association with BCI, Coca-Cola also commits to addressing the needs of priority populations in the US. BCI tracks calorie reduction efforts in five US communities where health disparities have led to higher obesity rates compared to national average, and where reducing beverage calories is expected to be most challenging. The most recent evaluation concluded that beverage calories per person fell in all five selected communities.
- Progress against the company's Environmental, Social, and Governance (ESG) goals is overseen by the Board's ESG and Public Policy Committee, which meets periodically for a self-evaluation. In addition, progress on the BCI annual reporting is audited through a third party.

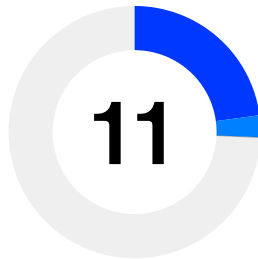
Areas of improvement

- The company is recommended to publish details of its nutrition efforts in the US more substantially in its global reporting. Currently, efforts to contribute to healthier diets in the US are mentioned sporadically and it is difficult to ascertain the commitments and progress specific to the US. While BCI reporting provides more details, it would be ideal if these details are also incorporated in Coca-Cola's own report.
- While the company's association with BCI illustrates a commitment to address the needs of priority populations, details of this work are only mentioned briefly in the company's own report. Coca-Cola is encouraged to report on the progress of the work conducted with BCI.
- Coca-Cola is advised to link executive compensation to performance on nutrition objectives and disclose this arrangement publicly.
- The company's ESG Committee of the Board receives periodic updates on priority ESG issues, including information on actions and progress toward goals. Annually, the Committee conducts a self-evaluation, which it presents to the full Board. However, it is unclear if this also applies to the company's nutrition strategy, as Coca-Cola's sustainability goals are not explicitly linked to nutrition targets. The company is encouraged to clearly develop nutrition targets and report on progress periodically.



Products

35% of overall score



Rank 11 / Score 2.6

Rank 8 (2018)

Highest score 5.5

Average score 4.4

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

- Coca-Cola reports annually on volumes sold of low- or no-calorie sparkling soft drink beverages (at 28% in 2021, according to the company's 2021 Business & ESG Report). However, there is no US-specific disclosure, nor a time-bound target to grow this proportion.
- Together with PepsiCo and KDP, Coca-Cola is part of the BCI. The BCI has committed to decrease beverage calories in the American diet by 20% by 2025. A BCI report released in early 2022 found that average calories per 8oz. serving have declined between 10-15.5% since 2014 in five selected communities.

Areas of improvement

- With a diverse beverage portfolio, including more options in the dairy and ready-to-drink coffee categories, Coca-Cola is strongly encouraged to adopt a nutrient profiling system (NPM). Coca-Cola is the only company in the Index that has not yet adopted an NPM or other external criteria to guide its product (re)formulation efforts.
- 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 grow its portfolio covering different beverage categories, like juices and dairy.
- While reporting on progress with the BCI is an important development, Coca-Cola is encouraged to establish its own US- and company-specific sugar or calorie reduction targets and to disclose progress annually.
- Coca-Cola is encouraged to publicly commit to sell products through retail and other outlets that have the same 'look and feel' as products sold under the Smart Snacks in School regulation, if they meet the same nutritional standards.



Accessibility

17.5% of overall score



Rank 6 / Score 1.3

Rank 7 (2018)

Highest score 3.9

Average score 1.5

C1 Product pricing

C2 Product distribution

- As part of its participation in BCI, Coca-Cola has developed a clear commitment to improve the distribution and promotion of its zero-/reduced-calorie beverages, specifically in five low-income areas with above-average rates of obesity in the US. Its strategy involves working with retailers and quick service restaurants to stock and display these beverages. This is a clear improvement since 2018.
- Coca-Cola makes in-kind donations of its products in the US, primarily for disaster relief efforts. However, the company does not have a policy in place to limit the donation of unhealthy products and prioritize donations of healthy products, nor does it track its product donations.

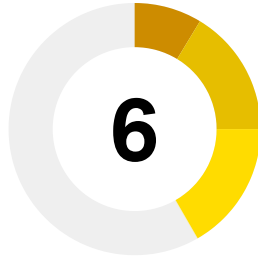
Areas of improvement

- Coca-Cola is recommended to develop an affordability strategy for its healthy (or low-/reduced-calorie) products, to complement its accessibility efforts and further encourage a shift toward consumption of healthier options. The company could start by tracking the relative prices (per serving) and developing targets to improve the price differential between its healthy (or low-/reduced-calorie) products, with a baseline and target year. It is also advised to carry out analysis to ensure pricing is affordable for those on low incomes, and to work with retail partners to ensure the price is reflected at point-of-sale.
- Coca-Cola is encouraged to publish a commentary on how it has improved the affordability and accessibility of its healthy (or low-/reduced-calorie) products.
- Coca-Cola is encouraged to develop a policy to ensure its product donations are made responsibly, consisting predominantly of nutritious products, so that they do not unintentionally exacerbate public health issues. For example, it could commit to responsible donation guidelines such as the Healthy Eating Research (HER) Nutrition Guidelines. In addition, it is recommended to track the nutritional profile of its product donations for philanthropic programs, including disaster relief.



Marketing

20% of overall score



Rank 6 / Score 4.2

Rank 4 (2018)

Highest score 5.5

Average score 4

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

- Coca-Cola updated its Global Responsible Marketing policy in early 2022. The marketing policy for all audiences, including the specific policy for children, includes information on the forms of marketing it entails and gives an extensive list of commitments regarding a fair representation of their products.
- Coca-Cola commits not to market their product to children at all (under age 13), based on an International Food and Beverage Associated (IFBA) pledge, and to not market or advertise in primary schools and other places where children gather.

Areas of improvement

- Coca-Cola undergoes Children's Food and Beverage Advertising Initiative auditing and is encouraged to make the marketing compliance levels public. No information on auditing the compliance of marketing for the general audience was found. It is therefore recommended to ensure annual independent external auditing of the company's compliance with its general marketing policy, applicable to the US, and covering all media specified in the policy. Coca-Cola could also ensure corrective measures are taken regarding any non-compliance with its marketing policy.
- Although Coca-Cola made a commitment to increase spending of marketing on healthier products, it is recommended the company publishes a commentary outlining the changes to its marketing spend in support of healthier products, relative to their overall marketing budget.
- Where Coca-Cola's policy for children indicates no marketing or advertising in primary schools, no such commitment is made for secondary schools. The company is recommended to extend its policy of no marketing to children to secondary schools.
- Coca-Cola is advised to commit to or demonstrate that its non-commercial US programs relating to nutrition education exclude product- or brand-level branding in all programs.



Workforce

5% of overall score



Rank 10 / Score 1.4

Rank 6 (2018)

Highest score 7.3

Average score 3.7

 Employee health

 Breastfeeding support

- Coca-Cola partners with Virgin Pulse, a wellbeing and health platform, although it is vague what is offered to employees and family members through this and whether workforce nutrition is a key element.
- Coca-Cola's paid parental leave policy provides a formal commitment to grant eight weeks' paid parental leave to eligible employees.
- Coca-Cola supports mothers at work by providing rooms in all US facilities for them to express breastmilk – and these rooms include refrigerators in which breastmilk can be stored.

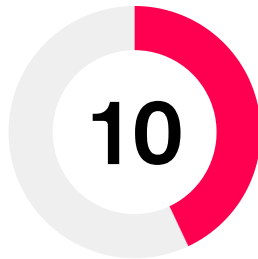
Areas of improvement

- Coca-Cola should make a public commitment to support employee health and nutrition in the US through a workforce nutrition program, which includes expected outcomes (such as healthy behavior, health-related, or employee absenteeism outcomes).
- For its workforce nutrition program, Coca-Cola should consider:
 - 1) A commitment to making the program available to all employees and all family members;
 - 2) Including healthy food at work, nutrition education, and nutrition-focused health checks;
 - 3) Disclosing the percentage of employees that participate in the program.
- Coca-Cola is encouraged to evaluate the health impact of their workforce nutrition program(s) in the US, regulated by a third-party independent evaluator. The company is further encouraged to disclose quantitative and qualitative information of the outcomes of the program.
- Coca-Cola could commit to improve the health and nutrition of groups across the food value chains it is involved in, that are not directly employed by the company (supply chain partners in the US and abroad), through programs focused on nutrition.
- Coca-Cola is encouraged to extend its current paid parental leave policies to ideally six months or more. Furthermore Coca-Cola is advised to publish its paid parental leave policy.
- Coca-Cola should adopt a policy to support breastfeeding mothers, including offering flexible working arrangements and daily intermittent breaks to express breastmilk.



Labeling

5% of overall score



Rank 10 / Score 4.3

Rank 4 (2018)

Highest score 6.8

Average score 5.4

 Product labeling

- Coca-Cola displays numerical front-of-pack (FOP) information for calories on all packaging. This includes displaying the total calories per container on beverages 20 ounces or smaller (for containers larger than 20 ounces, calories are labeled per 12 ounces in most cases), as part of the Clear on Calories Initiative.

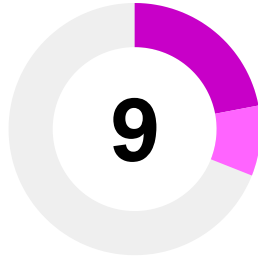
Areas of improvement

- Coca-Cola is advised to adopt an interpretive element to its FOP labeling system and apply this to all products in its portfolio, providing information on multiple nutrients. Information on the type of FOP labeling used by the company could be disclosed publicly.
- Coca-Cola is encouraged to further track the percentage of its portfolio that is compliant with this approach to FOP labelling and publicly report on this.
- Coca-Cola is encouraged to use an externally recognized NPM to underpin FOP labeling information in the US
- Coca-Cola is encouraged to commit to providing fruit and vegetable content information on all relevant products.
- Coca-Cola provides information for most US products via SmartLabel, but it is recommended that the company ensures 100% of its portfolio displays online nutrition information to ensure that, with growing online retail sales, consumers can easily access nutritional information.
- Coca-Cola is encouraged to use a healthy filter aligned with FOP information or at least three nutrient-based filters on direct-to-consumer channels. These filters could be 'low in in sugar' or 'low in calories'.



Engagement

5% of overall score



Rank 9 / Score 3.1

Rank 8 (2018)

Highest score 5.8

Average score 4.4

- G1 Influencing policymakers
- G2 Stakeholder engagement

- The 'ESG and Public Policy Committee' of Coca-Cola's Board of Directors reviews the company's Political Engagement Policy and lobbying activities several times a year. The company also regularly reviews its participation in trade associations, indicating that, where instances of misalignment in lobbying positions are found, it chooses to work within the trade associations to find a balanced position.
- Coca-Cola shared no evidence of lobbying in support of government policies to address malnutrition (including obesity and diet-related non-communicable diseases (NCDs)) in the US, at federal, state, or local levels.
- Coca-Cola only discloses trade association memberships to which it contributes \$25,000 or more in membership dues. For these, it also discloses the precise portion of dues that are used for lobbying purposes.
- For each election cycle, the company discloses on its website all political contributions made directly by the company to state and local candidates, as well as all contributions from its federal PAC (Coca-Cola PAC), Georgia PAC, and Massachusetts PAC, to political candidates and groups at federal, state, and local levels.
- Coca-Cola discloses its quarterly Lobbying Disclosure Reports directly on its website, which include the names of lobbyists employed and the amounts spent lobbying at federal level.
- Coca-Cola indicates 'Key Advocacy Areas' in the US, in which it states that it "continue[s] to oppose taxes that single out beverages. We believe there are more effective ways to address obesity and address the budget needs of governments across the country." Aside from this, no other nutrition-related policy positions are clearly disclosed.
- While Coca-Cola reports that it engages with a range of stakeholders in the US, it does not provide specific examples related to nutrition. The company is a sponsor of the NASEM/IOM Food Forum, which convenes stakeholders from academia, government, industry, non-profits, professional societies, and consumer groups on an ongoing basis, to discuss and share approaches to address issues related to food, including health and nutrition.



Areas of improvement

- Coca-Cola is strongly encouraged to commit to not lobby against key World Health Organization-endorsed public policy measures to address obesity and diet-related NCDs, such as fiscal measures to address obesity, regulatory restrictions on marketing/advertising unhealthy products (to children), or increased FOP labelling requirements, whether at federal, state, or local levels, where such proposals arise.
- Coca-Cola also has scope to significantly improve its disclosure regarding its lobbying positions on these key public health policies. These positions should be as specific and unambiguous as possible. Publishing links to specific documents used in government engagements is also encouraged.
- While Coca-Cola states that it is “in strict compliance with” its Code of Business Conduct and US Political Engagement Policy, it could clarify further whether it audits this compliance.
- Coca-Cola is encouraged to disclose a more comprehensive list of trade association memberships, reducing the threshold for disclosure to \$10,000 in membership dues, for example. Moreover, it could indicate which Board it holds seats on, if any.
- Coca-Cola is strongly encouraged to ensure that it directly engages with a wide range of nutrition-specific stakeholders regarding its nutrition strategies and activities in the US, such as civil society organizations, academic institutions, and scientific bodies with recognized expertise in nutrition and public health. This engagement should seek to inform these stakeholders about the companies' existing activities and future plans, and aim to solicit feedback and gather insights to ensure these are sufficiently aligned with the public health interest.
- Coca-Cola should be transparent about the identities of experts and stakeholders it consults and organizations it engages with on nutrition-related topics, as well as the degree of financial compensation for these engagements. It should also be clear about the outcomes of the engagements, and how they were used to change its nutrition-related practices or plans.

Product Profile ^{i 49}



Rank 9/11 / Score 2/5

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. The underlying nutrient profile model assesses nutrients of concern (sodium, total sugar, saturated fat, and overall energy) and positive food components/ nutrients (fruit and vegetable content, protein, fiber, and, in some cases, calcium) to score products on the basis of nutritional composition per 100g or 100mL. ATNI uses the threshold of 3.5 stars or more to classify products as generally healthier. Product Profile results account for 20% of the total Index score.

Portfolio-level Results

Average HSR (out of 5 stars) (sales-weighted)	Products meeting the 'healthy' threshold (HSR of (3.5 stars or more)			Range of total 2021 US sales covered ^{i 50}
	Total no. products assessed	% of distinct healthier products	% sales from healthier products*	
2	396	30%	34%	90-100%

ATNI estimates this value by taking the proportion of 'healthy' products within each category assessed and multiplying that figure by the corresponding category US retail sales-values in 2021. The values are then aggregated to generate an estimate of the overall US healthy sales.

- Coca-Cola's average sales-weighted HSR is 2.0 (stars) out of 5 (2.1 unweighted), ranking ninth out of the 11 companies assessed in the Product Profile. A total of 396 beverage products across the company's five best-selling product categories were assessed using the HSR system.
- 30% of distinct products analyzed for Coca-Cola met the 'healthy' threshold (3.5 stars or more in the HSR). When taking category sales values into account, the company was estimated to derive 34% of its 2021 U.S. retail sales from healthier products. These results are largely linked to sales of low or zero sugar Carbonates and Bottled Water – Plain beverages. The latter receiving an automatic maximum HSR of 5.0.

Mean Health Star Rating by category for Coca-Cola

	No. of products assessed	Mean HSR
Bottled Water - Other	55	3.6
Bottled Water - Pure	9	5
Carbonates	139	1.4
Juice	138	1.9
Sports Drinks	55	2.2

▪ Among categories assessed, Coca-Cola's products in the Bottled Water – Plain category (Dasani brand) had the highest mean HSR (5.0) followed by the Bottled Water – Other category (includes functional and flavoured bottled water). Regarding the company's largest category 'Carbonates', 139 products were analyzed and 39 of them (or 28%) met the 'healthy' threshold. These results show the company has significant scope to continue its sugar reformulation efforts among its best selling beverages in the US.

ConAgra Brands

Product categories assessed

Dairy|Processed Fruit and Vegetables|Ready Meals|Savoury Snacks|Processed Meat, Seafood and Alternatives to Meat

Percentage of company US sales covered by Product Profile assessment
80-90%

Headquarters
Chicago, Illinois, US

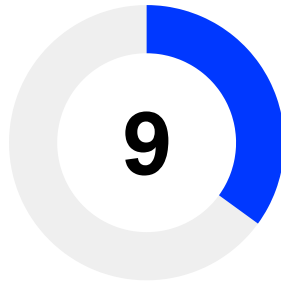
Number of US employees
~16,260

Type of ownership
Public

Sales revenue (range) of packaged foods and beverages
USD 11.2 Billion

US share in global packaged food and beverage sales
87-92%

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Rank 9 / Score 3.5

Rank 7 (2018)



Product Profile ⓘ ⁵¹

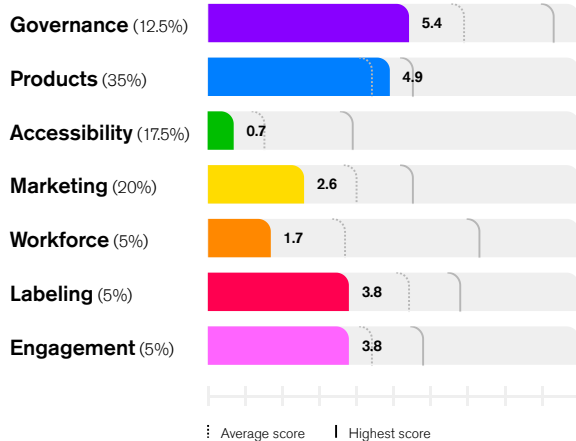
Rank 1 / HSR 2.9 ⓘ ⁵²

Rank 1 (2018) ⓘ ⁵³

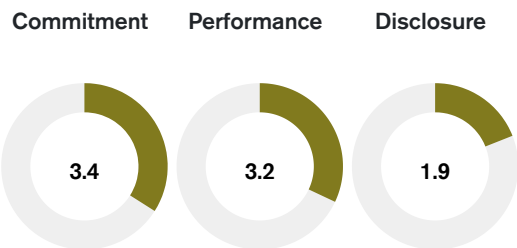
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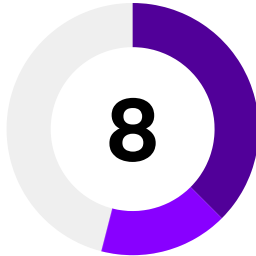
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Governance

12.5% of overall score



Rank 8 / Score 5.4

Rank 5 (2018)

Highest score 9.3

Average score 6.9

A1 Nutrition strategy

A2 Nutrition management

- Conagra's nutrition strategy is centered on the idea of nourishing consumers with good food that provides them choices, while meeting high quality and food safety standards.
- Conagra commits to developing foods that help consumers adhere to their personal nutrition goals and philosophies, such as keto, low carb, paleo, vegan, vegetarian, heart healthy, or no added sugar. For their health and wellness products, their food design framework includes nutrient guardrails that deliver intended nutrition attributes. These attributes come to life in products like Healthy Choice single-serving meals that meet the regulated United States Food and Drug Administration (FDA) definition of 'healthy' and provide lower carbohydrate, gluten free, and heart-healthy options. Conagra has transformed its portfolio over time through innovation, introducing better-for-you brands, and the acquisition of Pinnacle Foods. This implies that the company has a strategic commitment to grow through a focus on health and nutrition.
- The company focuses on four areas within this commitment: Nutrient-Rich Whole Food, Access to Healthy Food, Sustainable Nutrition, and Personal Health Goals.
- Accountability of the company's nutrition strategy lies with the Nominating and Corporate Governance Committee that reports to the Board on its activities. The Board, in its capacity as a governing body, reviews and guides strategy, sets performance objectives, and oversees the corporate sustainability strategy. During Board meetings, board members are able to provide feedback on these governance mechanisms and their relationship to managing corporate social responsibility/sustainability.

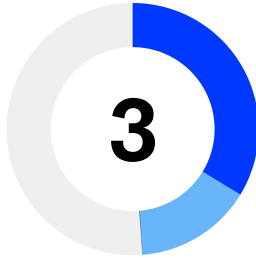
Areas of improvement

- Currently, Conagra's strategy to improve food access mostly focuses on formulating products to qualify for the WIC program, which are then made available to low-income women and children through government intervention, rather than through the company's own commercial channels. Conagra is encouraged to include a focus on addressing the needs of priority populations in its commercial strategy, including products targeting health concerns faced by these communities as defined by public authorities.
- While Conagra discloses its formal accountability arrangements in depth, it is encouraged to ensure that its nutrition strategy is assessed regularly through audit and/or subject to an annual management review to monitor progress. If these are already part of sustainability reviews, the company is encouraged to disclose more details about it.
- Conagra is advised to link executive compensation to performance on nutrition objectives and disclose this arrangement publicly.



Products

35% of overall score



Rank 3 / Score 4.9

Rank 7 (2018)

Highest score 5.5

Average score 4.4

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

- Conagra has adopted a new metric – Sustainable nutrition – to track improvements in its product portfolio using the NutriScore, an externally recognized NPM. According to the company, 82% of vegan and vegetarian meals and meat replacements currently meet NutriScore A or B. In addition, the company uses the FDA healthy criteria to guide the development of its Healthy Choice product range.
- In alignment with Sustainability Accounting Standards Board (SASB) standards, Conagra reports \$9.7 billion in revenue from products labeled and/or marketed to promote health and nutrition attributes in FY2021. However, this metric is not specific for the US portfolio.

Areas of improvement

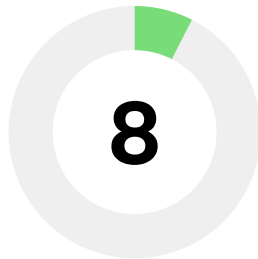
- While the company uses the NutriScore and the FDA healthy criteria to guide its product (re)formulation efforts, there is limited information about how those models are used and to which products they are applicable. To enhance transparency in this area, Conagra is encouraged to publish a policy on the details of its product reformulation criteria, to adopt a target to increase sales of healthier products covering its entire US portfolio, and to report progress annually.
- Further, Conagra is encouraged to disclose quantitative targets on progress made to reduce key nutrients of public health relevance, especially for sodium in alignment with the FDA guidance.





Accessibility

17.5% of overall score



Rank 8 / Score 0.7

Rank 5 (2018)

Highest score 3.9

Average score 1.5

C1 Product pricing

C2 Product distribution

▪ 'Access to healthy food' is one of the four pillars of Conagra's 'Health for All' nutrition platform. Its main approach is to formulate products to qualify for WIC, which are then made available to low-income women and children through government intervention, rather than through the company's own commercial channels.

Areas of improvement

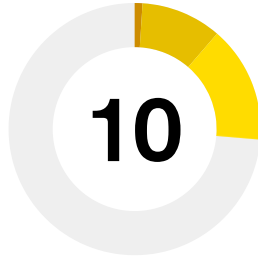
▪ Conagra is encouraged to develop a commercial affordability and accessibility strategy for its healthy products, in order to encourage a shift in consumption toward healthier options and ensure that those on low-incomes and/or experiencing food insecurity have access to nutritious food. The company is recommended to start by tracking the relative prices (per serving) of its healthy products and develop targets (with baseline and target year) to improve the price differential between them. It could also work with retailers and distributors to ensure that its healthy products are offered at an affordable price and are distributed in low-income neighborhoods.

▪ Since Conagra makes donations to Feeding America and other food security programs, the company is encouraged to develop a policy to ensure its product donations are made responsibly, consisting predominantly of nutritious products, so that they do not unintentionally exacerbate public health issues. For example, it could commit to responsible donation guidelines such as the Healthy Eating Research (HER) Nutrition Guidelines. In addition, it is recommended to track the nutritional profile of its product donations for philanthropic programs.



Marketing

20% of overall score



Rank 10 / Score 2.6

Rank 7 (2018)

Highest score 5.5

Average score 4

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

▪ As a Children's Food and Beverage Advertising Initiative (CFBAI) member, Conagra commits that all its advertising primarily directed at children under age 12 in covered media will be for foods that meet CFBAI's Category-Specific Uniform Nutrition Criteria.

Areas of improvement

- Conagra is encouraged to commit to increasing the proportion of marketing spending on healthy products relative to overall marketing spending and publish a commentary outlining the changes to the company's marketing spending in support of healthier eating.
- Conagra is strongly encouraged to develop and publish a clearly articulated responsible marketing/advertising policy, covering all consumers including children (defined as being those under age 18), including all marketing communication channels, and is applied to all products.
 - Where Conagra's policy for children indicates no marketing or advertising in primary schools, no such commitment is made for secondary schools or other places where children gather. The company is recommended to extend its policy of no marketing to children to the aforementioned places.
- Conagra undergoes CFBAI auditing and is encouraged to make its marketing compliance levels public. No information on auditing the compliance of marketing for the general audience was found. It is therefore recommended to ensure annual independent external auditing of the company's compliance with its general marketing policy applicable to the US, covering all media specified in the policy. Conagra could also ensure corrective measures are taken regarding any non-compliance with its marketing policy.
- Conagra is advised to commit to or demonstrate that its non-commercial US programs relating to nutrition education exclude product- or brand- level branding in all programs.



Workforce

5% of overall score





Rank 9 / Score 1.7

Rank 8 (2018)

Highest score 7.3

Average score 3.7

-  Employee health
-  Breastfeeding support

- Conagra has a lactation policy, in which it commits to provide private, hygienic, safe rooms to express breastmilk, as well as daily intermittent breaks to express breastmilk.

Areas of improvement

- Conagra should make a public commitment to support employee health and nutrition in the US through a workforce nutrition program, including expected outcomes (such as healthy behavior, health-related, or employee absenteeism outcomes). For its workforce nutrition program, Conagra should consider:
 - 1) A commitment to making the program available to all employees and all family members;
 - 2) Including healthy food at work, nutrition education, and nutrition-focused health checks;
 - 3) Disclosing the percentage of employees that participate in the program.
- Conagra is encouraged to evaluate the health impact of its workforce nutrition program(s) in the US, regulated by a third-party independent evaluator. The company is further encouraged to disclose quantitative and qualitative information of the outcomes of the program.
- Conagra could commit to improve the health and nutrition of groups across the food value chains it is involved in, that are not directly employed by the company (supply chain partners in the US and abroad), through programs focused on nutrition.
- Conagra is encouraged to extend its current paid parental leave policies of six weeks to ideally six months or more.
- Conagra could extend arrangements to support breastfeeding mothers and maternal health by offering flexible working arrangements..
- Conagra is advised to publish both its lactation policy and paid parental leave policy.



Labeling

5% of overall score



Rank 11 / Score 3.8

Rank 9 (2018)

Highest score 6.8

Average score 5.4

 Product labeling

- Conagra uses the Facts up Front (FuF) labeling scheme to display front-of-pack (FOP) information, which shows the calories, saturated fat, sodium, and total sugar contained in each serving of a food or beverage product.
- Conagra uses SmartLabel to provide online nutrition information for more than 80% of its products. This is an improvement since the 2018 US index, where Conagra were not credited for displaying online nutrition information.

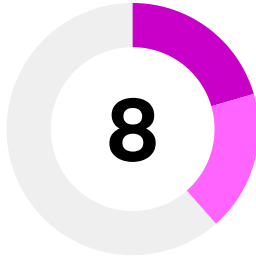
Areas of improvement

- Conagra is advised to adopt an interpretive FOP labeling system and apply this to all products in its portfolio. It is also encouraged to track the percentage of its portfolio that is compliant with its approach to FOP labeling and publicly report on this.
- Conagra is encouraged to use an externally recognized NPM to underpin FOP labeling information in the US. Conagra currently uses the FuF labeling system, which pulls nutrient information from the Nutrition Facts Panel. However, this does not tell consumers what products the company considers healthier and the criteria used for that purpose.
- To ensure transparency and assist consumers in making informed decisions on the healthiness of products, Conagra could provide the following information on pack for all relevant products:
 - 1)The percentage of wholegrain relative to all grain or refined grains
 - 2)The amount of fruit and vegetables.
- It is recommended that Conagra displays online nutrition information for 100% of its portfolio, to ensure that with growing online retail sales, consumers can easily access nutritional information.



Engagement

5% of overall score



Rank 8 / Score 3.8

Rank 7 (2018)

Highest score 5.8

Average score 4.4

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

- The Nominating, Governance and Public Affairs Committee of the Board oversees Conagra's political activities, including political contributions, lobbying expenditures, and trade association participation.
- While Conagra states that 'Nutrition' is one of its key topics of political activity, it does not clarify which policies it lobbies on, or what its positions are on these topics. Conagra shared no evidence of lobbying in support of government policies to address malnutrition (including obesity and diet-related non-communicable diseases (NCDs)) in the US, at federal, state, or local level.
- Each year, Conagra discloses a list of trade associations that use a portion its membership dues for lobbying purposes and discloses this precise amount. It also publishes a link to the Lobbying Disclosure Act website, which contains its Lobbying Disclosure reports.
- The company discloses its contributions to the Democratic and Republican national party conventions, Governors' conferences, and state and local candidates. While it does not contribute corporate funds to external political action committees, it does contribute to federal, state, and local candidates via the Conagra Brands Employee Political Action Committee (PAC), publishing a link directly to its disclosure of its disbursements on the Federal Election Committee (FEC) website.
- Conagra reports that it engages with the wider nutrition community to further its understanding of nutrition, and integrates this awareness into its product innovation process. The company has dissolved its Scientific Advisory Council since 2018.
- Through the Conagra Brands Foundation, the company delivers nutrition education, cooking skills, and healthy and active lifestyle programs in the US. These are in partnership with local and national non-profits, who design the programs themselves, and are co-implemented together with the non-governmental organizations having strong leadership in the process.

Areas of improvement

- Conagra is strongly encouraged to lobby in support of (or commit to not lobby against) key World Health Organization-endorsed public policy measures to address obesity and diet-related NCDs, such as fiscal measures to address obesity, regulatory restrictions on marketing/advertising unhealthy products (to children), or increased FOP labeling requirements, whether at federal, state, or local levels, where such proposals arise. It also has scope to significantly improve its disclosure regarding its lobbying positions on key public health policies. These positions should be as specific and unambiguous as possible. Publishing links to specific documents used in government engagements is also encouraged.
- Conagra should also be more transparent on its own domain about its lobbying expenditures and activities, including publishing the names of its lobbyists/lobbying firms, and what state jurisdictions it is actively lobbying in.
- Conagra is recommended to enhance its processes to review and manage relationships with trade associations, and to undertake audits of the company's lobbying activities, disclosure, and compliance with its lobbying policies.
- Conagra should ensure it directly engages with a wider range of nutrition-specific stakeholders regarding its nutrition strategies and activities in the US, such as civil society organizations, academic institutions, and scientific bodies with recognized expertise in nutrition and public health. This engagement should seek to inform these stakeholders about the companies' existing activities and future plans, and aim to solicit feedback and gather insights to ensure these are sufficiently aligned with the public health interest.
- Conagra is encouraged to improve its public reporting of the content of discussions during stakeholder engagements, and which aspects of the company's nutrition-related activities are being discussed. Importantly, the company should also be clear about the outcomes of the engagements, and how they were used to change its practices or plans.

Product Profile ^{i 54}



Rank 1/11 / Score 2.9/5

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. The underlying nutrient profile model assesses nutrients of concern (sodium, total sugar, saturated fat, and overall energy) and positive food components/ nutrients (fruit and vegetable content, protein, fiber, and, in some cases, calcium) to score products on the basis of nutritional composition per 100g or 100mL. ATNI uses the threshold of 3.5 stars or more to classify products as generally healthier. Product Profile results account for 20% of the total Index score.

Portfolio-level Results

Average HSR (out of 5 stars) (sales-weighted)	Products meeting the 'healthy' threshold (HSR of (3.5 stars or more))			Range of total 2021 US sales covered ^{i 55}
	Total no. products assessed	% of distinct healthier products	% sales from healthier products*	
2.9	1264	54%	49%	80-90%

ATNI estimates this value by taking the proportion of 'healthy' products within each category assessed and multiplying that figure by the corresponding category US retail sales-values in 2021. The values are then aggregated to generate an estimate of the overall US healthy sales.

- Conagra's average sales-weighted HSR is 2.9 (stars) out of 5 (3.1 unweighted), ranking joint first out of the 11 companies assessed in the Product Profile (together with Campbell). A total of 1264 products across the company's five best-selling product categories were assessed using the HSR system.
- 54% of distinct products analyzed for Conagra met the 'healthy' threshold (3.5 stars or more in the HSR). When taking category sales values into account, the company was estimated to derive 49% of its 2021 US retail sales from 'healthy' products, the highest figure among the Index companies.

Mean Health Star Rating by category for ConAgra Brands

	No. of products assessed	Mean HSR
Dairy	90	2.4
Processed Fruit and Vegetables	302	4
Processed Meat, Seafood and Alternatives to Meat	176	1.5
Ready Meals	541	3.3
Savoury Snacks	155	2.5

▪ Among categories assessed, Conagra's Processed Fruit and Vegetables category (Birds Eye and Hunt's brands among others) had the highest mean HSR (4.0 out of 5), followed by the Ready Meals category (3.3 out of 5). A total of 302 products from the Processed Fruit and Vegetables category were analyzed and 261 (86%) met the 'healthy' threshold. A total of 541 Ready Meals (brands Marie Callender's and Healthy Choice among others) products were analyzed, and 342 of them (or 63%) met the 'healthy' threshold. The company's lowest scoring category was Processed Meat, Seafood and Alternatives to Meat (including Banquet, Slim Jim, Gardein brands), with 20 out of the 176 products (11%) assessed meeting the 'healthy' threshold. These results illustrate Conagra has scope to improve the performance of its Processed Meat, Seafood and Alternatives to Meat products by reducing levels of sodium and saturated fat.

General Mills, Inc.

Product categories assessed

Breakfast Cereals|Dairy|Ready Meals|Soup|Sweet Biscuits, Snack Bars and Fruit Snacks

Percentage of company US sales covered by Product Profile assessment
80-90%

Headquarters
Minneapolis, Minnesota, US

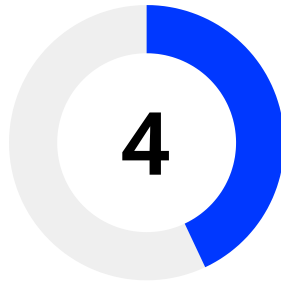
Number of US employees
~15,000

Type of ownership
Public

Sales revenue (range) of packaged foods and beverages
USD 8-12 Billion

US share in global packaged food and beverage sales
59-64%

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Product Profile ⓘ ⁵⁶

Rank 3 / HSR 2.6 ⓘ ⁵⁷

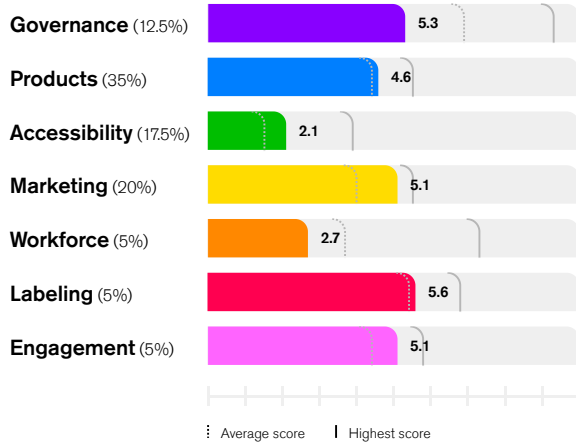
Rank 3 (2018) ⓘ ⁵⁸

Rank 6 (2018)

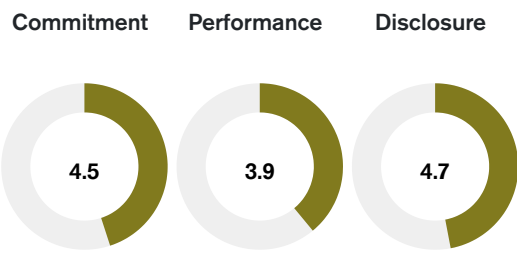
Important:

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. Therefore, in the case of limited or no engagement by such companies, this Index may not represent the full extent of their efforts.

Scoring Overview



(%) Figure in brackets is the weighting of the category
All category and criteria scores are out of 10



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.

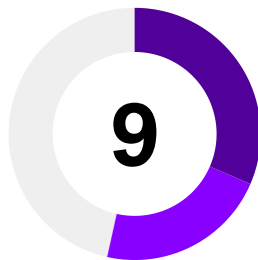
Categories

The US Index 2022 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

12.5% of overall score



Rank 9 / Score 5.3

Rank 6 (2018)

Highest score 9.3

Average score 6.9

A1 Nutrition strategy

A2 Nutrition management

- General Mills commits to producing more 'Nutrition-Forward' foods, which is the framework of nutrition metrics as defined by the company. The company's 'Accelerate Business Strategy' calls for growing sales across key categories, many of which are Nutrition-Forward foods. In addition, the company commits to providing a diverse portfolio of products that contribute to the wellbeing of consumers and meet a variety of needs, including nutrient density, affordability, and accessibility, offering lower calorie options and portion control, and scientific communication on maintaining healthy weight.
- General Mills publicly discloses that senior executives in the company are accountable for product nutrition. The Bell Institute of Health and Nutrition reports to the senior executive, who approves the overall health and wellness strategy and updates the responsible board committee, which ultimately approves the nutrition strategy. General Mills is one of five companies in the Index that conducts annual management reviews and audits of its nutrition plan.

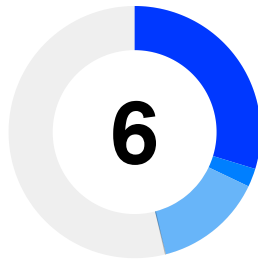
Areas of improvement

- While General Mills commits to "improving the variety, nutrient density, affordability, and accessibility" of its products and "enabling access to affordable, nutrient-dense foods," this approach translates to formulating products to qualify for federal nutrition assistance programs, such as WIC and NSLP, where the company's products are made available to low-income beneficiaries. General Mills is encouraged to include a focus on addressing the needs of priority populations in its commercial strategy (beyond creating and formulating products that meet the requirements of government assistance programs), including products targeting health concerns faced by these communities as defined by public authorities such as the United States Department of Agriculture (USDA).
- General Mills is advised to link executive compensation to performance on nutrition objectives and disclose this arrangement publicly.



Products

35% of overall score



Rank 6 / Score 4.6

Rank 6 (2018)

Highest score 5.5

Average score 4.4

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

▪ In 2019, the company updated its nutrient profiling model (NPM) and established the Nutrition-Forward Foods framework. A product can be considered Nutrition-Forward if it meets one of the following two criteria per serving: a) provides at least 8g of wholegrain; provides half a serving of low-fat or non-fat dairy per regional definition; provides half a serving of fruits, vegetables, or nuts/seeds; or b) meets US FDA Healthy criteria. In FY2021, 47% of General Mills US volume met the Nutrition-Forward criteria. Disclosing US-specific progress is a positive development. However, products with unhealthy levels of sugar and salt, for example, can still be compliant under the Nutrition-Forward Foods (as long as it provides at least 8g of wholegrain; provides half a serving of low-fat or non-fat dairy per regional definition; provides half a serving of fruits, vegetables, or nuts/seeds).

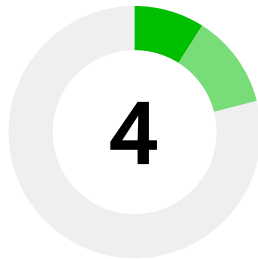
Areas of improvement

- General Mills is strongly encouraged to apply stringent thresholds for nutrients of concern (e.g. sugar, salt, fat) to criterion a) of its 'Nutrition-Forward Foods' criteria, since high consumption of these nutrients can exacerbate public health outcomes. Ideally, the company would apply a single approach to defining products as 'Nutrition-Forward Foods', such as compliance with the FDA Healthy Criteria.
- When the FDA releases its new definition of 'healthy', ATNI expects that General Mills will align their internal nutrition criteria against these new standards. General Mills could consider reporting progress and setting targets in relation to the FDA Healthy Criteria for all products: this independent metric would help other stakeholders compare and evaluate progress over time.
- In addition, the company has not yet set a quantitative target (with baseline and target year) to increase sales of healthier products. The company is encouraged to do this and report on US-specific progress annually. In addition, the company has not defined concrete targets to reduce levels of saturated fat, sugar, and sodium in its products.
- General Mills participates in the Smart Snacks in School program and has over 80 items eligible to be sold in schools – with several of these products also available in the retail settings. The company is encouraged to commit and provide evidence that all Smart Snacks in School products sold in retail settings are formulated with the same standards as in schools. General Mills is encouraged to continuously review its portfolio intended for children and reformulate less healthy products following (inter)national guidelines for healthy products reformulation.



Accessibility

17.5% of overall score



Rank 4 / Score 2.1

Rank 4 (2018)

Highest score 3.9

Average score 1.5

C1 Product pricing

C2 Product distribution

- General Mills commits to “improving the variety, nutrient density, affordability, and accessibility” of its products and “enabling access to affordable, nutrient-dense foods.” Its main approach in this regard is to formulate products to qualify for federal nutrition assistance programs such as WIC, the Child and Adult Care Food Program (CACFP), the School Breakfast Program (SBP), and the National School Lunch Program (NSLP). The company’s products are then made available to low-income beneficiaries through government intervention.
- General Mills also emphasizes the affordability of its own ready-to-eat cereals, which, according to the company, all meet its internal definition of ‘healthy’ (as ‘Nutrition-Forward Foods’), and are available in both economy- and value-bag formats. In addition, it has also developed temporary promotional deals for the joint purchase of its cereals with the company’s Yoplait yoghurts and Chiquita bananas, to facilitate the consumption of ‘balanced breakfasts’ at \$1 per serving.
- However, ATNI notes that General Mills’ ‘Nutrition-Forward’ criteria enable products without thresholds on negative nutrients, such as added sugar and sodium, to be classified as ‘healthy’ by the company’s definition. As such, it is difficult to distinguish whether the company is making such products, as affordable as products with lower amounts of negative nutrients.
- General Mills also has a commitment to address inequitable food access through its philanthropy. In the US, this involves making considerable in-kind donations, working with Food Research and Action Center (FRAC) to provide school meals and No Kid Hungry for summer meals, as well as donating meals to Feeding America during the pandemic and diverting food loss and waste to food banks. However, the company does not have a policy in place to limit the donation of unhealthy products and prioritize donations of healthy products, nor does it track the nutritional profile of its product donations.

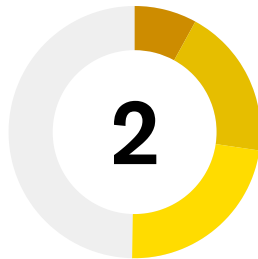
Areas of improvement

- General Mills is strongly encouraged to develop an affordability strategy specifically for the 'Nutrition-Forward' products that meet the FDA Healthy Criteria only, or to consider revising the second 'Nutrition-Forward' criterion to ensure that only products with a threshold on negative nutrients qualify. Products with unhealthy levels of added sugar and salt, for example, should not be promoted as an affordable nutritious food.
- For 'Nutrition-Forward' products with an upper threshold on negative nutrients, General Mills is encouraged to track the relative prices (per serving) of these products and develop targets to improve the price differential between them. It could also work with retailers and distributors to ensure that its healthy products are offered at an affordable price at point-of-sale and are adequately distributed in low-income neighborhoods. In doing so, the company can reach a wider number of consumers than only those that qualify for federal nutrition assistance programs, and therefore have greater and more systemic impact.
- Especially given that philanthropic food donations are core to General Mills' approach to addressing inequitable food access, it is important that the company develops a policy to ensure its product donations are made responsibly, consisting predominantly of nutritious products, so that they do not unintentionally exacerbate public health issues. For example, it could commit to responsible donation guidelines, such as the Healthy Eating Research (HER) Nutrition Guidelines. In addition, it is recommended to track the nutritional profile of its product donations for philanthropic programs.



Marketing

20% of overall score



Rank 2 / Score 5.1

Rank 8 (2018)

Highest score 5.5

Average score 4

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

- General Mills reports its compliance levels for TV and digital marketing to children, as assessed by the Children's Food and Beverage Advertising Initiative (CFBAI), in its General Mills' 2021 Responsibility Report. Furthermore, it has a well-structured response mechanism to ensure corrective measures are taken regarding any non-compliance with its marketing policy.
- The extensive marketing policy for children of General Mills commits to no marketing or advertising in secondary schools and to only market or advertise 'healthy' products in (or near) other settings where children gather in consultation with their management and users. General Mills distinguishes their commitments applicable to child (under 13) and teen (13-17) audiences. General Mills is the only company awarded age multiplier u18 for extending its commitment to all media relevant to the school environment, including educational websites and games. It also includes in its commitments not to provide any branded educational and other materials to be used in schools, other than in agreement with schools/parents.
- General Mills is one of two companies that has an extensive mechanism in place to ensure that its digital marketing does not reach younger age groups (together with Mars). General Mills has various techniques in place to achieve this, such as creative designing (so adverts primarily appeal to older audiences), using age-screening techniques, and reviewing available audience data.

Areas of improvement

- No information on auditing the compliance of marketing for the general audience was found on General Mills' website. It is therefore recommended to ensure annual independent external auditing of the company's compliance with its general marketing policy applicable to the US, covering all media specified in the policy.
- General Mills is encouraged to commit to increasing the proportion of marketing spending on healthy products relative to overall marketing spending, and publish a commentary outlining the changes to the company's marketing spending in support of healthier eating.



Workforce

5% of overall score



Rank 6 / Score 2.7

Rank 6 (2018)

Highest score 7.3

Average score 3.7

E1 Employee health

E2 Breastfeeding support

- General Mills makes a commitment to support employee health with a focus on nutrition through its My Wellbeing program in the US.
- General Mills formally commits to granting paid parental leave to employees. Maternity leave offered is 18-20 weeks, and parental leave offered to fathers, partners, and adoptive parents is 12 weeks.

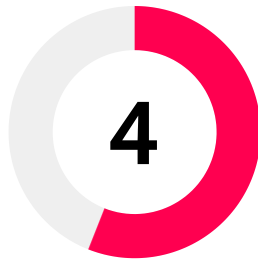
Areas of improvement

- General Mills should ensure its My Wellbeing program includes expected outcomes (such as healthy behavior, health-related, or employee absenteeism outcomes).
- General Mills should also consider for its workforce nutrition program:
 - 1) A commitment to making the program available to all employees and all family members;
 - 2) Including nutrition education and nutrition-focused health checks;
 - 3) Disclosing the percentage of employees that participate in the program.
- General Mills is encouraged to evaluate the health impact of its workforce nutrition program in the US, regulated by a third-party independent evaluator. The company is further encouraged to disclose quantitative and qualitative information of the outcomes of the program.
- General Mills could commit to improve the health and nutrition of groups across the food value chains it is involved in, that are not directly employed by the company (supply chain partners in the US and abroad), through programs focused on nutrition.
- General Mills is encouraged to extend its current paid parental leave policies to ideally six months or more.
- General Mills states that it complies with the Minnesota breastfeeding law across its twin city locations. General Mills is encouraged to publish a US policy on supporting breastfeeding mothers at work and supporting to maternal health, which applies equally in all facilities. The policy should cover the following arrangements: 1) provide private, hygienic, safe rooms for expressing breastmilk (including refrigerators); 2) allow breastfeeding mothers breaks to express breastmilk; and 3) offer flexible working arrangements to support breastfeeding mothers.



Labeling

5% of overall score



Rank 4 / Score 5.6

Rank 1 (2018)

Highest score 6.8

Average score 5.4

 Product labeling

- General Mills uses the Facts up Front (FuF) labeling icons to display front-of-pack (FOP) information for the majority of its US products. This label shows calories, saturated fat, sodium, and total sugar contained in each serving of a food or beverage product.
- General Mills displays online nutrition for all products in its US portfolio via SmartLabel.

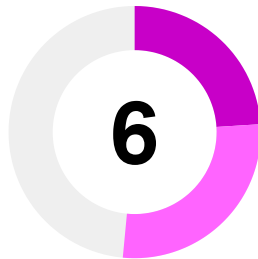
Areas of improvement

- General Mills is advised to adopt an interpretive FOP labeling system and apply this to all products in its portfolio.
- General Mills is encouraged to further track the percentage of its portfolio that is compliant with its approach to FOP labelling and publicly report on this. Currently, the company states that the majority of its US products carry FOP labels.
- General Mills is encouraged to use an externally recognized NPM to underpin FOP labeling information in the US. General Mills currently uses the FuF labeling system, which pulls nutrient information from the Nutrition Facts Panel. However, this does not tell consumers what products the company considers healthier and the criteria used for that purpose.
- General Mills could provide the percentage of wholegrain relative to all grain or refined grains on all relevant products, to assist consumers in making informed decisions on the healthiness of products. The company currently displays wholegrain first in the ingredients list, but for consumers to easily decipher the ratio of wholegrain to refined grains in a product, either the quantity of both grains or the percentage of wholegrains is needed on the product label.
- General Mills displays the amount of fruit and/or vegetables on some product labels, but the company could ensure this information is displayed on all relevant products.
- General Mills offers a 'special diet' filter option on its online product website (Progresso), which includes a filter for 'reduced sodium' products. General Mills could provide an online healthy filter that is aligned with FOP information and/or ensure at least three nutrient-based filters are available on its online product website, e.g., 'high in fiber' and 'low in sugar'.



Engagement

5% of overall score



Rank 6 / Score 5.1

Rank 6 (2018)

Highest score 5.8

Average score 4.4

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

- The Public Responsibility Committee of the Board of Directors oversees General Mills' political activities, including its policy, disclosure of corporate political contributions, trade association memberships, and independent political expenditures. The company also audits (internally) its compliance with its Civic Policy and lobbying disclosures.
- On its website, General Mills describes some of its lobbying activities relating to addressing malnutrition in the US, including supporting flexibilities in USDA food and nutrition programs to ensure full benefit access to WIC, School Lunch, Breakfast, and SNAP during the COVID-19 pandemic. It also publishes its formal comments on the FDA's Voluntary Short Term Sodium Targets, the FDA's definition of 'healthy', and the Dietary Guidelines for Americans, which is a leading practice for transparency among companies assessed.
- However, the company provides no examples of lobbying in support of World Health Organization (WHO)-endorsed government policies to address malnutrition (including obesity and diet-related non-communicable diseases (NCDs)) in the US, at a federal, state, or local level; nor does the company publish its position on these policies.
- General Mills publishes a limited list of trade association memberships, only disclosing those to which its membership dues used specifically for lobbying are over \$25,000. For the associations it discloses, it now discloses the specific amount of dues used for lobbying purposes, an improvement on previous years. General Mills also publishes a link to the Lobbying Disclosure Act website on its domain, and is one of few companies to disclose which states it is registered as a lobbying entity (Minnesota and California).
- General Mills publishes about its political contributions from the company treasury, having made no such contributions in the last two years. The company also discloses that it has an employee-run Political Action Committee (PAC), the General Mills Political Action Committee (G-PAC), and publishes a link to its FEC filings, but does not publish details about its expenditures directly on its domain.
- General Mills has a Health and Wellness Advisory Council consisting of external experts from academia and research institutes, who provide input on the company's strategies, policies, and research programs. In addition, the company actively engages with a range of stakeholders through the Obesity Round Table and Portion Balance Coalition on addressing obesity, and is also involved in the Tufts University Food and Nutrition Innovation Council and University of Illinois' Personalized Nutrition Initiative. It also has the General Mills' nutrition strategy and approach at the American Heart Association (AHA)'s Foodscape Summit.

Areas of improvement

- General Mills is recommended to enhance and publish about its processes to review and manage relationships with its trade associations. It is also encouraged to disclose a more comprehensive list of its memberships – reducing the threshold for disclosure to \$10,000 in total membership dues, for example – and to indicate which, if any, it holds Board seats on.
- General Mills is strongly encouraged to actively support (or commit to not lobby against) key WHO-endorsed public policy measures to address obesity and diet-related NCDs – such as fiscal measures to address obesity, regulatory restrictions on marketing/advertising unhealthy products (to children), or increased FOP labelling requirements, whether at federal, state, or local level, where such proposals arise. General Mills is also encouraged to significantly improve its disclosure regarding its lobbying positions on these key public health policies. These positions should be as specific and unambiguous as possible.
- General Mills could also be more transparent on its own domain about its lobbying expenditures and activities, including publishing the names of its lobbyists/lobbying firms.
- General Mills is encouraged to continue engaging with external stakeholders with expertise in nutrition and public health to further improve its nutrition strategies and policies. This should include targeted one-to-one meetings to solicit feedback and gather insights to ensure these are sufficiently aligned with the public health interest.
- General Mills is encouraged to improve its transparency regarding the identities of experts it consults and organizations it engages with on nutrition-related topics, as well as the degree of financial compensation for these engagements. Importantly, the company should also be clear about the purpose and outcomes of the engagements, and how they were used to change its nutrition-related practices or plans.

Product Profile ^{i 59}



Rank 3/11 / Score 2.6/5

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. The underlying nutrient profile model assesses nutrients of concern (sodium, total sugar, saturated fat, and overall energy) and positive food components/ nutrients (fruit and vegetable content, protein, fiber, and, in some cases, calcium) to score products on the basis of nutritional composition per 100g or 100mL. ATNI uses the threshold of 3.5 stars or more to classify products as generally healthier. Product Profile results account for 20% of the total Index score.

Portfolio-level Results

Average HSR (out of 5 stars) (sales-weighted)	Products meeting the 'healthy' threshold (HSR of (3.5 stars or more))			Range of total 2021 US sales covered ^{i 60}
	Total no. products assessed	% of distinct healthier products	% sales from healthier products*	
2.6	1540	26%	27%	80-90%

ATNI estimates this value by taking the proportion of 'healthy' products within each category assessed and multiplying that figure by the corresponding category US retail sales-values in 2021. The values are then aggregated to generate an estimate of the overall US healthy sales.

- General Mills' average sales-weighted HSR is 2.6 (stars) out of 5 (2.3 unweighted), ranking third out of the 11 companies assessed in the Product Profile. A total of 1540 products across the company's five best-selling product categories were assessed using the HSR system.
- 26% of distinct products analyzed for General Mills met the 'healthy' threshold (3.5 stars or more in the HSR). When taking category sales values into account, the company was estimated to derive 27% of its 2021 U.S. retail sales from 'healthy' products. General Mills is encouraged to improve the product mix and increase its marketing efforts to derive more of its sales from healthier products.

Mean Health Star Rating by category for General Mills, Inc.

	No. of products assessed	Mean HSR
Baked Goods	456	1.2
Breakfast Cereals	181	2.6
Dairy	343	3.9
Ready Meals	129	2.2
Sweet Biscuits, Snack Bars and Fruit Snacks	431	2.3

▪ Among categories assessed, General Mill's Dairy category (Yoplait and Oui brands among others) had the highest mean HSR (3.9 out of 5), followed by the Breakfast Cereals category (2.6 out of 5). A total of 343 products from the Dairy category were analyzed and 277 of them (or 81%) met the 'healthy' threshold, indicating that on average the company sells a wide variety of dairy products low in fat and added sugar in the U.S. A total of 181 Breakfast Cereal (Cheerios, Lucky Charms among others) products were analyzed, but only 36 of them (or 20%) met the 'healthy' threshold. The company's lowest scoring category was Baked Goods (including Betty Crocker and Pillsbury brands), with one of the 456 products assessed meeting the 'healthy' threshold. These results illustrate General Mills should accelerate its efforts to reduce high levels of added sugar, saturated fat and calories in its products and change the product mix to derive more sales from healthier products.

Kellogg Company

Product categories assessed

Baked Goods|Breakfast Cereals|Savoury Snacks|Sweet Biscuits, Snack Bars and Fruit Snacks|Processed Meat, Seafood and Alternatives to Meat

Percentage of company US sales covered by Product Profile assessment
90-100%

Headquarters
Battle Creek, Michigan, U.S.

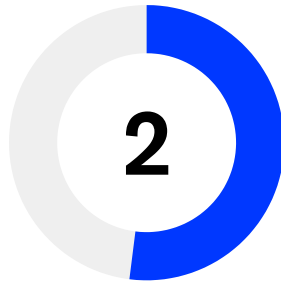
Number of US employees
-

Type of ownership
Public

Sales revenue (range) of packaged foods and beverages
USD 8 – 13 Billion

US share in global packaged food and beverage sales
48-53%

Euromonitor International Limited [2021]
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Rank 2 / Score 5.2
Rank 5 (2018)

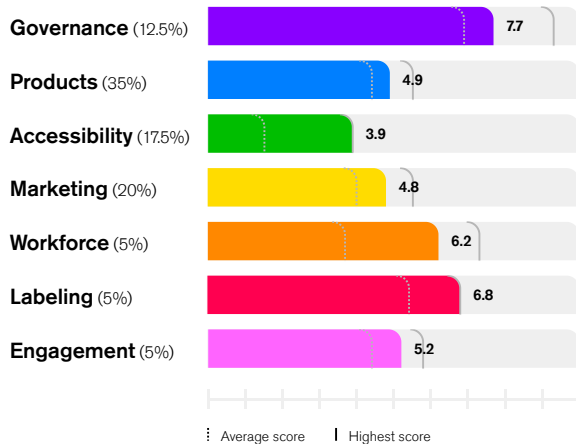


Product Profile ⓘ ⁶¹
Rank 5 / HSR 2.3 ⓘ ⁶²
Rank 4 (2018) ⓘ ⁶³

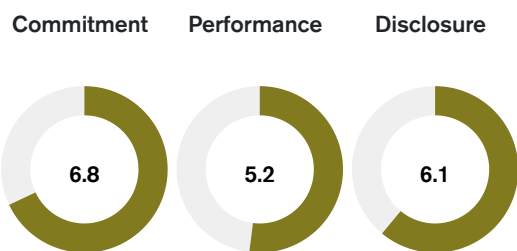
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Scoring Overview



(%) Figure in brackets is the weighting of the category
All category and criteria scores are out of 10



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.

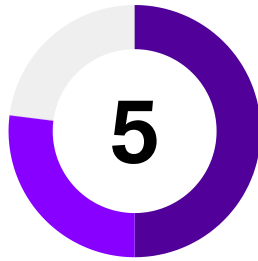
Categories

The US Index 2022 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

12.5% of overall score



Rank 5 / Score 7.7

Rank 4 (2018)

Highest score 9.3

Average score 6.9

A1 Nutrition strategy

A2 Nutrition management

- Kellogg is one of four companies on the Index that include a commitment on nutrition in their mission statement, as well as their core business operations. Kellogg's vision includes a focus on nutrition and health and this is integrated into the company's 'Deploy for growth' business strategy. One of its tenets is 'Nourish with our foods', while another is 'Feed people in need'. The company commits to crafting foods that include nutrients of need, address hidden hunger or malnutrition, and support a healthy gut microbiome.
- In the U.S., Kellogg activates its Better Days Promise with its brands and categories through the US Foodprint strategy. Foodprint encompasses action on nourishment and addressing hunger with a focus on feeding those in need through an equitable, diverse, and inclusive approach. That encompasses focusing efforts on groups most at risk from hidden hunger, obesity, and undernutrition due to income, geographic location, and ethnicity, and those in food-insecure households. In addition, the company launched its 'Kellogg Childhood Wellbeing Promise', which focuses strongly on childhood obesity. The company recognizes childhood obesity as one of the greatest public health challenges in the US and commits to addressing it cohesively through multiple approaches: Increasing access to healthy foods, consumer education, strengthening marketing to children standards, reformulation, and portion control.
- Some specific strategies that Kellogg employs under these approaches include: Strengthening internal standards for foods marketed to children under age 13; evolving the company's portfolio of foods most visible to kids to enable positive eating habits; delivering shortfall nutrients like fiber and vitamin D; and driving wholegrain, fruit, and vegetable intake. The company also focuses on increasing portion-controlled servings and messaging – and this is in line with its balanced approach to wellbeing which, according to Kellogg, starts with balanced consumption. The company brings this wellbeing messaging to life through a variety of marketing channels and approaches, including leveraging its brands and characters by building on programs like Mission Tiger and Rice Krispies Treats 'Love Notes', as well as launching new initiatives.
- Kellogg presents its commitment to improving nutrition in the US by publishing all details in a US-specific document called 'US Wellbeing Policies and Milestones'. This report, in addition to Kellogg's commitments, makes references to external benchmarks, such as the US Dietary Guidelines for Americans and the Institute of Medicines Report on Accelerating Progress in Obesity Prevention, and includes time-bound targets. Kellogg commits to nourishing one billion people with its foods by the end of 2030 with a baseline of 2015, and to deliver smart choices across its portfolio, including options with less sugar, sodium, and saturated fat by the end of 2030. This is elaborated on further on the Wellbeing section of the company's Better Days Promise website. Kellogg's wellbeing strategy, including its approach to nutrition and philanthropy, is led by its Senior Vice President, Global Research and Development and Senior Vice President, Global Corporate Affairs both of whom report to the company's CEO. Senior leadership is accountable for the company's nutrition strategy, and report to the company's CEO.
- The company conducts regular reviews of its Environmental, Social, and Governance (ESG) strategy and governance program, including in the US. The last review was held in 2021. Following a materiality assessment, Kellogg identified nutrition and wellbeing as its number one priority. Commencing in 2022, a refreshed ESG strategy and governance program is being implemented across the business, including in the US.

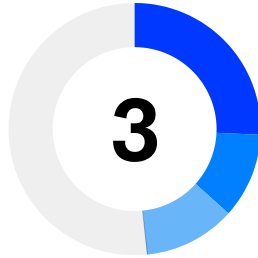
Areas of improvement

- Kellogg clearly acknowledges the importance of addressing the needs of priority populations in general, and it is encouraging that the company includes a specific focus on feeding those in need. However, the company can further strengthen this by including more specific commitments on affordability and accessibility of healthy food for specific groups that are at a higher risk of poor nutrition.
- Kellogg is advised to link executive compensation to performance on nutrition objectives and disclose this arrangement publicly.



Products

35% of overall score



Rank 3 / Score 4.9

Rank 5 (2018)

Highest score 5.5

Average score 4.4

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

- Kellogg is committed to improving the nutritional quality of its portfolio and has defined relevant (re)formulation targets – for example, 70% of cereals most visible to kids should have 35g or less of sugar per 100g by 2025 from a 2020 baseline. However, no US-specific progress report against this target was found.
- The company updated its nutrient profiling model (NPM) – Kellogg Global Nutrition Criteria (KGNC) – in early 2022, expanding its coverage to all its global categories and including both positive (micronutrient, fiber, protein, or wholegrains, among others) and negative (calories, total sugar, sodium, and saturated fat) components. Kellogg has agreed on following standardized global standards based on international and national guidance. For example, according to the company, 80% of its US portfolio currently falls below upper-bound levels of the United States Food and Drug Administration’s (FDA) new voluntary sodium targets.
- The company participates in the US Department of Agriculture (USDA) Smart Snacks in School program. According to the company, in 2021, 16% of its K-12 Smart Snack portfolio was sold in other sectors of the ‘Away From Home’ channels. Notably, Kellogg was the only company in the Index to publicly disclose a commitment to sell Smart Snacks with the same nutrition standards outside schools. Kellogg is encouraged to continuously review its portfolio intended for children and reformulate less healthy products following (inter)national guidelines for healthy products reformulation.

Areas of improvement

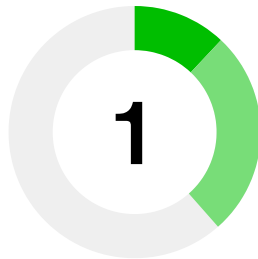
- As part of its commitment to nourishing one billion people by the end of 2030, Kellogg’s ‘Deploy for Growth’ business strategy focuses on increasing sales of foods meeting criteria in the KGNC. However, the company has not defined a time-bound target to increase the sales of healthy foods. In addition, the company discloses the percentage of foods meeting KGNC at the category level, for example 57% of breakfast cereals. While this transparency is a welcomed development, the company is encouraged to annually disclose the percentage of total US portfolio sales that comply with the KGNC.
- The company states that when revising its KGNC, it followed Children’s Food and Beverage Advertising Initiative (CFBAI) and International Food and Beverage Association benchmarks to ensure the criteria reflect the latest science and dietary guidelines. However, no assessment of company’s portfolio against external nutrition standards was found. The company has committed to continue the revision of its KGNC by 2024. ATNI encourages Kellogg to continue strengthening its model by, for example, including a ranking system – which would allow for bettering track and accelerate (re)formulation strategies to improve the overall healthiness of its US portfolio. When FDA releases its new definition of ‘healthy’, ATNI hopes all companies, including Kellogg, can benchmark their internal nutrition criteria against these new standards.





Accessibility

17.5% of overall score



Rank 1 / Score 3.9

Rank 1 (2018)

Highest score 3.9

Average score 1.5

C1 Product pricing

C2 Product distribution

▪ In its reporting, Kellogg acknowledges the importance of affordability and accessibility of food in general, and the company includes a specific focus on low-income consumers in the US. However, emphasis on the affordability and accessibility of 'healthy' food specifically does not feature prominently in its commitments and reporting.

▪ Kellogg reports examples of making some products that it defines as 'healthy' affordable and accessible, and it is the only company to disclose this information publicly. For example, it reports that it offers its fortified cereal brands and 'healthy snacks' at the \$1 dollar price-point and in family-value packs, and ensures they are stocked in retail chains frequently found in low-income neighborhoods, such as dollar stores. More recently, the company has worked with Dollar General to increase the accessibility of Eggo(R) Waffles (which meet the company's internal Kellogg Global Nutrition Criteria), specifically for low-income Black female shoppers, who are at above-average risk of experiencing food insecurity in the US. While this approach is commendable in terms of working with retailers and researching the purchasing habits of priority populations, it should be noted that many of these products do not meet criteria for internationally-acknowledged definitions of 'healthy', such as the Health Star Rating >3.5. While making such products more affordable and accessible may be helping to relieve micronutrient shortfalls in the US, these actions also risk contributing to the obesity crisis, especially among low-income populations.

▪ Kellogg also considers its efforts to formulate products that qualify for the WIC program as a key element of its access and affordability strategy – although it should be noted that government intervention makes these affordable for low-income women and children, rather than the company itself.

▪ The company donates both funds and products to a range of hunger relief organizations, such as Feeding America, No Kid Hungry, Action for Healthy Kids, and the Food Research and Action Center. According to Kellogg, "foods provided in these programs are aligned to US nutrition guidelines and help to increase micronutrient uptake on vitamins and minerals needed in children." It is the only company to explicitly state that the products it donates are aligned with specific nutrition guidelines.

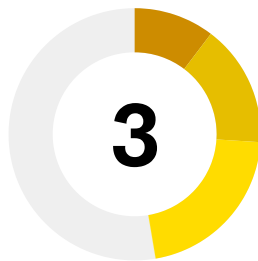
Areas of improvement

- While it is encouraging that Kellogg seeks to ensure its fortified cereals and snacks are affordable and accessible to low-income and food insecure consumers in the US, it is encouraged to consider the levels of added sugars, calories, and sodium in these products, and how these may contribute to the obesity crisis. It is therefore recommended to enhance its KGNC and establish stricter limits on sugar/carbohydrate levels for foods, and to develop affordability and accessibility strategies for these products specifically. For example, it is encouraged to continue its work with retailers such as Dollar General and in its efforts to reach priority populations specifically, but with products that meet stricter healthy nutrition criteria.
- In doing so, Kellogg is also advised to track the prices per serving of such products relative to its general portfolio, develop targets to improve the price differential between them, and publicly report on its performance.
- While the company reports that its product donations to hunger relief organizations are aligned with US nutrition guidelines, it is encouraged to codify this in a formal policy. For example, it could commit to responsible donation guidelines such as the Healthy Eating Research (HER) Nutrition Guidelines. In addition, it is recommended to track the nutritional profile of its product donations for philanthropic programs.



Marketing

20% of overall score



Rank 3 / Score 4.8

Rank 6 (2018)

Highest score 5.5

Average score 4

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

- During the assessment for the US index, Kellogg published its US Wellbeing Policies Milestones 2022 report. This includes the marketing policy for all audiences, also referring to the specific policy for children, and gives extensive information on the forms of marketing it entails and a vast list of commitments regarding a fair representation of their products.
- Kellogg's is one of three Index companies (together with General Mills and KDP) that makes their CFBAI audited marketing compliance levels for children for TV and digital marketing publicly available. Furthermore, it publicly discloses that it is audited annually by CFBAI.

Areas of improvement

- Although Kellogg's made a commitment to increase spending of marketing on healthier products, it is recommended to publish a commentary outlining the changes to the company's marketing spending in support of healthier eating, relative to their overall marketing budget.
- Kellogg includes marketing principles directed to children for primary and secondary schools, though not for other places children gather. The company could consider also including the mention of marketing to children in places like YMCA, early childhood education centers, or children's care service centers.
- Kellogg is advised to commit to or demonstrate that its non-commercial US programs relating to nutrition education exclude product- or brand-level branding in all programs.



Workforce

5% of overall score



Rank 2 / Score 6.2

Rank 5 (2018)

Highest score 7.3

Average score 3.7

 Employee health

 Breastfeeding support

- Kellogg commits to support employee health through its Total Health program, which includes expected outcomes such as improved performance at work, lower absenteeism, and improved people safety. This program is offered to all employees and their family members.
- Kellogg's employee health programs provide support by offering healthy food at work (via Sodexo), nutrition education (through Total Health), and nutrition-focused health checks (via Total Health).
- Kellogg formally commits to granting 12 weeks' paid parental leave to its employees. Kellogg offers flexible working arrangements to breastfeeding mothers (through Milk Stork), has reserved locations for breast feeding (including a refrigerator to store the milk), and provides allocated breaks for mothers to express milk.

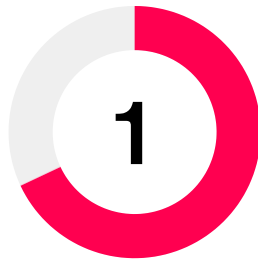
Areas of improvement

- Kellogg is encouraged to evaluate the health impact of its workforce nutrition program in the US, regulated by a third-party independent evaluator. The company is further encouraged to disclose quantitative and qualitative information of the outcomes of the program. During engagement, Kellogg clarified that it has begun to assess the impacts of its program but does not yet have sufficient data to share publicly.
- Kellogg could disclose the percentage of employees that participate in its employee health programs.
- Kellogg could commit to improve the health and nutrition of groups across the food value chains it is involved in, that are not directly employed by the company (supply chain partners in the US and abroad), through programs focused on nutrition.
- Kellogg is encouraged to extend its current paid parental leave policies to ideally six months or more.



Labeling

5% of overall score



Rank 1 / Score 6.8

Rank 5 (2018)

Highest score 6.8

Average score 5.4

 Product labeling

- Kellogg uses the Facts up Front (FuF) labeling icons to display front-of-pack (FOP) information, which shows the calories, saturated fat, sodium, and total sugar contained in each product. Kellogg clarified during engagement that more than 80% of its portfolio carries the FUF label.▪ Kellogg provides online nutrition information for all products through SmartLabel.

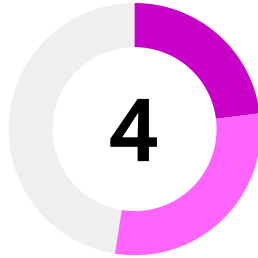
Areas of improvement

- Kellogg is advised to adopt an interpretive FOP labeling system for all products in its portfolio. Information on the type of FOP labeling used by the company should be disclosed publicly.
- Kellogg is encouraged to ensure 100% of its portfolio is compliant with this approach to FOP labelling and publicly report on this.
- Kellogg is encouraged to use an externally recognized NPM to underpin FOP labeling information in the US.
- Kellogg could provide the percentage of wholegrain relative to all grain or refined grains on all relevant products, to assist consumers in making informed decisions on the healthiness of products. Currently, the company provide guidance stating that product with less than 50% wholegrain need to display this information but for consumers to easily decipher the ratio of wholegrain to refined grains in a product, either the quantity of both grains or the percentage of wholegrains is needed on the product label.
- Kellogg is encouraged to commit to providing fruit and vegetable content information on all relevant products.



Engagement

5% of overall score



Rank 4 / Score 5.2

Rank 3 (2018)

Highest score 5.8

Average score 4.4

- G1 Influencing policymakers
- G2 Stakeholder engagement

- The Board of Directors has oversight over Kellogg's political activities, which are managed by the Head of US Government Relations in collaboration with the Senior Vice-President, Global Corporate Affairs. The company undertakes reviews of its trade association memberships annually and engages with trade associations throughout the year to ensure alignment with their advocacy positions.
- Kellogg reports that it engages with the US government on a range of nutrition-related topics, including: Various federal nutrition assistance programs such as SNAP and WIC; petitioning the FDA on the use of vitamin D in breakfast cereal and bars; providing comments on the Dietary Guidelines for Americans; providing technical clarifications on closing the fiber shortfall in the Us through regulatory change; and supporting updated school meals, school breakfast, and WIC nutrition criteria.
- The company discloses its nutrition-related trade association memberships, and indicates that it holds a Board seat on one of them (the Consumer Brands Association). Beyond this, the company only discloses its other trade association memberships for which its dues exceed \$50,000.
- Kellogg discloses semi-annually its direct contributions to candidates, political parties, or political committees, as well as super Political Action Committees (PACs), 527 organizations, or 501(c)(4) organizations. In recent years, it reports it has not made any such contributions, nor plans to do so. The company also has its own PAC, called the Kellogg Company Better Government Committee, but this is not disclosed on the company's own domain.
- In addition to reporting that it engaged with Oxford University, United Nations partner organizations, and the World Business Council for Sustainable Development (among others) on its global Wellbeing Strategy, the company also reports that its Childhood Wellbeing Promise nutrition strategy was informed by pediatric dietitians, the American Heart Association, and experts in food access. Meanwhile, it states that its KGNC are informed by external registered dietitians.
- Kellogg supports healthy eating and nutrition education programs for individuals and communities that are developed and implemented either by independent groups or by the company itself.

Areas of improvement

- Kellogg is encouraged to actively support (or commit to not lobby against) key WHO-endorsed public policy measures to address obesity and diet-related NCDs, such as fiscal measures to address obesity, regulatory restrictions on marketing/advertising unhealthy products (to children), or increased FOP labeling requirements, whether at federal, state, or local levels, where such proposals arise.
- Kellogg could significantly improve its disclosure regarding its lobbying positions on these key public health policies. These positions should be as specific and unambiguous as possible. For the political activities it does disclose, the company could be more specific about its position and the content of its input. Publishing links to specific documents used in government engagements is also encouraged.
- Kellogg is encouraged to enhance its transparency regarding trade associations and disclose a more comprehensive list of its memberships, reducing the threshold for disclosure to \$10,000 in membership dues, for example. It is also recommended to disclose the portion of dues used for lobbying purposes for each trade association it discloses.
- Kellogg should also be more transparent on its own domain about its lobbying expenditures and activities, including publishing a direct link to its Lobbying Disclosure Act reports, disclosing the names of its lobbyists/lobbying firms it uses, and clarifying what state jurisdictions it is actively lobbying in.
- Kellogg is advised to undertake audits of the company's lobbying activities and disclosure to ensure accuracy and compliance with its lobbying policies.
- Kellogg is encouraged to improve its transparency regarding the identities of experts it consults on nutrition-related topics, as well as indicating the degree of financial compensation provided for these engagements. Kellogg is encouraged to improve its public reporting of the content of discussions during stakeholder engagements, and which aspects of the company's nutrition-related activities are being discussed. Importantly, the company should also be clear about the outcomes of the engagements, and how they were used to change its practices or plans.
- Kellogg is encouraged to only support healthy eating and nutrition education programs that are developed and implemented by independent groups with relevant expertise.

Product Profile ^{i 64}



Rank 5/11 / Score 2.3/5

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. The underlying nutrient profile model assesses nutrients of concern (sodium, total sugar, saturated fat, and overall energy) and positive food components/ nutrients (fruit and vegetable content, protein, fiber, and, in some cases, calcium) to score products on the basis of nutritional composition per 100g or 100mL. ATNI uses the threshold of 3.5 stars or more to classify products as generally healthier. Product Profile results account for 20% of the total Index score.

Portfolio-level Results

Average HSR (out of 5 stars) (sales-weighted)	Products meeting the 'healthy' threshold (HSR of (3.5 stars or more))			Range of total 2021 US sales covered ^{i 65}
	Total no. products assessed	% of distinct healthier products	% sales from healthier products*	
2.3	709	22%	17%	90-100%

ATNI estimates this value by taking the proportion of 'healthy' products within each category assessed and multiplying that figure by the corresponding category US retail sales-values in 2021. The values are then aggregated to generate an estimate of the overall US healthy sales.

- Kellogg's average sales-weighted HSR is 2.3 (stars) out of 5 (2.4 unweighted), ranking fifth out of the 11 companies assessed in the Product Profile. A total of 709 products across the company's five best-selling product categories were assessed using the HSR system.
- 22% of distinct products analyzed for Kellogg met the 'healthy' threshold (3.5 stars or more in the HSR). When taking category sales values into account, the company was estimated to derive 17% of its 2021 US retail sales from healthier products. These results are influenced by the fact that the company derives a large share of its total US sales from the Snacks category.

Mean Health Star Rating by category for Kellogg Company

	No. of products assessed	Mean HSR
Baked Goods	124	2.2
Breakfast Cereals	187	3
Processed Meat, Seafood and Alternatives to Meat	75	4
Savoury Snacks	186	1.6
Sweet Biscuits, Snack Bars and Fruit Snacks	137	2

▪ Among categories assessed, Kellogg's Processed Meat, Seafood, and Alternatives to Meat category (Morningstar Farms brand among others) had the highest mean HSR (4.0 out of 5), followed by the Breakfast Cereal category (3.0 out of 5). A total of 75 products from the Processed Meat, Seafood, and Alternatives to Meat category were analyzed and almost all of them (96%) met the 'healthy' threshold. A total of 187 Breakfast Cereal products (Special K and Froot Loops among others) were analyzed with 63 of them (34%) meeting the 'healthy' threshold, indicating the company has significant scope to continue reducing added sugars in this segment. The company's lowest scoring category was Savoury Snacks (1.6 out of 5). None of the products assessed for Savoury Snacks (Pringles and Cheez-It brands among others) were found to achieve 3.5 stars or more out of 5.

Keurig Dr Pepper

Product categories assessed

Bottled Water - Other|Carbonates|Juice|Processed Fruit and Vegetables|RTD Tea

Percentage of company US sales covered by Product Profile assessment
90-100%

Headquarters
Frisco, TX; Burlington, MA

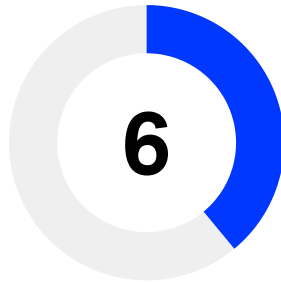
Number of US employees
~27,000

Type of ownership
Public

Sales revenue (range) of packaged foods and beverages
USD 8 – 13 Billion

US share in global packaged food and beverage sales
88-93%

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Rank 6 / Score 3.9
Rank 10 (2018)

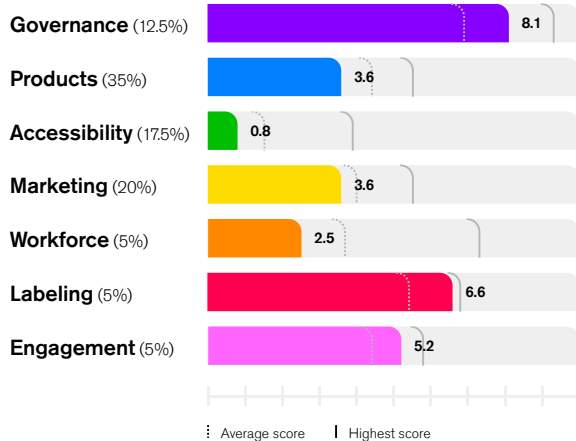


Product Profile ⓘ ⁶⁶
Rank 10 / HSR 1.4 ⓘ ⁶⁷
Rank 8 (2018) ⓘ ⁶⁸

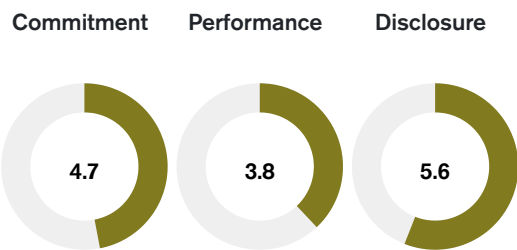
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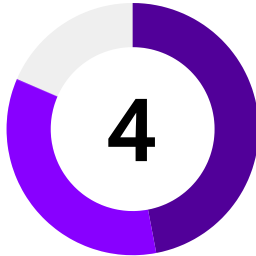
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Governance

12.5% of overall score



Rank 4 / Score 8.1

Rank 9 (2018)

Highest score 9.3

Average score 6.9

A1 Nutrition strategy

A2 Nutrition management

▪ KDP is one of four companies on the Index that include a commitment on nutrition in their mission statement as well as their core business operations. Health and wellbeing are included as one of four pillars in the company's mission statement. As part of this pillar, KDP commits to offering 60% positive hydration products by 2025, increasing transparency on labeling and marketing, and launching better-for-you offerings across multiple categories. The company strives to make a positive impact by offering a broad, well-balanced portfolio that is accessible to all consumers. It also commits to accelerating its portfolio innovation and transparency through partnerships with leading organizations.

▪ Together with PepsiCo and Coca Cola, KDP is part of the American Beverage Association's (ABA) Balance Calories Initiative (BCI). The BCI has committed to decrease beverage calories in the American diet by 20% by 2025. Through this association, KDP has an additional commitment to improving the nutritional quality of its products.

▪ Through its association with the BCI, KDP also commits to addressing the needs of priority populations in the US. BCI tracks calorie reduction efforts in five communities in the US where health disparities have led to higher obesity rates compared to national average, and where reducing beverage calories is expected to be most challenging. The most recent evaluation concluded that beverage calories per person fell in all five selected communities.

▪ Senior leadership is accountable for the company's nutrition strategy, and reports to the Board. Progress against the company's Environmental, Social, and Governance goals is overseen by the Board, which meets quarterly for a management review. In addition, annual reporting on progress of the BCI is audited through a third party. Through this association, KDP's performance against nutrition commitments is also subjected to an audit.

▪ KDP is one of four companies on the Index that links remuneration of its executives to the company's nutrition performance and sustainability goals.

Areas of improvement

▪ The company's association with the BCI implies its commitment to reduce beverage calories in five low-income neighborhoods with above-average rates of obesity in the US. However, the company is encouraged to publish its own strategy or commentary to report on its efforts in addressing the needs of priority populations.



Products

35% of overall score



Rank 9 / Score 3.6

Rank 9 (2018)

Highest score 5.5

Average score 4.4

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

- In its 2020 Corporate Responsibility Report, KDP introduces its new nutrient profiling model (NPM) – Positive Hydration – framework. While KDP does not formally adopt a definition of ‘healthy’ as guided by an external NPM, the company discloses its definition of positive hydration. Products qualify if they provide a serving of fruits/vegetables without added sugar, or are below 40 calories per serving with a functional attribute or at least 10% daily value of a nutrient to encourage. The company has the ambition of 60% of KDP products to meet the positive hydration criteria in the US by 2025. In 2021, 56% of its portfolio followed this criterion (54% in 2020).
- KDP is one of three Index companies (together with Kraft Heinz and Unilever) to disclose a target to increase the number/sales of ‘healthy’ products according to company-specific criteria (‘Positive Hydration’). In addition, the company collaborates with Partnership for a Healthier America (PHA) to verify progress against its target.

Areas of improvement

- While the company has adopted a NPM and set a target to increase Positive Hydration products, the Positive Hydration definition has not been benchmarked against external standards. To improve trust and performance, the company is encouraged to revise its criteria and publish results of a benchmarking exercise against an externally validated NPM. KDP is encouraged to continue revising its NPMs to develop a model which can rank or classify beverages based on healthiness. For its US portfolio, KDP is recommended to benchmark its criteria against the FDA upcoming new definition of ‘healthy’.
- The company has not set a threshold regarding the levels of added sugar in its Positive Hydration framework, and is strongly encouraged to adopt SMART (Specific, Measurable, Attainable, Relevant, Time-bound), company-specific sugar reformulation targets.
- In addition to its participation in the BCI, the company is encouraged to adopt its own targets and report on progress specifically for the US market.
- KDP provides information about the products it sells in schools (Smart Snacks in School program). KDP is encouraged to review current product portfolio to reformulate all products sold under the Smart Snacks in School regulation to make them healthier.



Accessibility

17.5% of overall score



Rank 7 / Score 0.8

Rank 7 (2018)

Highest score 3.9

Average score 1.5

C1 Product pricing

C2 Product distribution

▪ KDP commits to “prioritize accessible nutrition by expanding distribution of [its] well-being offerings.” It is also part of the BCI, which has led to the development of a clear commitment to improve the distribution and promotion of its zero-/reduced-calorie beverages, specifically in five low-income neighborhoods with above-average rates of obesity in the U.S. However, there is no further information explaining how this commitment is translated into practice through a strategy or a commentary of its activities.

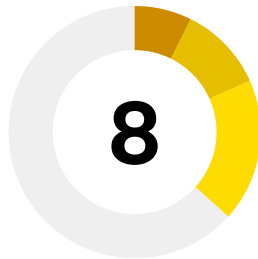
Areas of improvement

- KDP is recommended to commit to addressing the affordability of its healthy products and develop a strategy to make this a reality, to encourage a shift in consumption toward healthier options. The company is advised to start by tracking the relative prices (per serving) of its healthy products, disclose the results, and develop targets (with a baseline and target year) to improve the price differential between them. Conducting analyses into how products can be priced appropriately for low-income consumers specifically is also recommended.
- KDP is encouraged to develop a commercial strategy regarding the accessibility and distribution of its “well-being offerings”. The company could also consider setting targets (with a baseline and target year) to drive accountability on this topic.
- KDP is encouraged to work with retailers and distribution partners to ensure the affordability and accessibility of its healthy products in the US at point-of-sale, and to disclose a commentary on the steps taken to achieve this.
- While the company does not currently make in-kind donations of its products in the US (with the exception of water and coffee), it is encouraged to codify this in a policy statement, or adopt a policy that, in the case that it does make such donations in the future, it will do so responsibly, with nutritious products prioritized.



Marketing

20% of overall score



Rank 8 / Score 3.6

Rank 10 (2018)

Highest score 5.5

Average score 4

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

- KDP is one of the three Index companies (together with General Mills and Kellogg's) that makes their Children's Food and Beverage Advertising Initiative audited marketing compliance levels for children for TV and digital marketing publicly available.
- The company commits to and discloses its commitment to increase marketing spending of healthy products relative to products not meeting healthy standards. It is also the only Index company to disclose its marketing budget relative to their overall budget assigned to promote healthy products.

Areas of improvement

- In its BCI report, KDP states "our 2017 marketing spend on zero sugar and reduced sugar beverages increased 450% since 2015." Recent numbers on marketing spending of healthier products were not found, so ATNI recommends KDP publishes updated percentages – including a commentary outlining the changes to the company's marketing spending in support of healthier eating.
- Where KDP's policy for children indicates not to market or advertise in primary schools, no such commitment is made for secondary schools or other places where children gather. The company is recommended to extend its policy of no marketing to children to the aforementioned places.
- KDP is advised to commit to or demonstrate that its non-commercial US programs relating to nutrition education exclude product- or brand-level branding in all programs.



Workforce

5% of overall score



Rank 7 / Score 2.5

Rank 9 (2018)

Highest score 7.3

Average score 3.7

E1 Employee health

E2 Breastfeeding support

▪ KDP's Live Well program includes a focus on nutrition. This is a voluntary program available to all employees and family members.

Areas of improvement

- KDP should ensure its workforce nutrition programs include expected outcomes (such as healthy behavior, health-related, or employee absenteeism outcomes).
- For all its workforce nutrition programs, KDP should consider:
 - 1) A commitment to making the program available to all employees and all family members;
 - 2) Including healthy food at work, nutrition education, and nutrition-focused health checks;
 - 3) Disclosing the percentage of employees that participate in the program.
- KDP is encouraged to evaluate the health impact of its workforce nutrition program(s) in the US, regulated by a third-party independent evaluator. The company is further encouraged to disclose quantitative and qualitative information of the outcomes of the program.
- KDP could commit to improve the health and nutrition of groups across the food value chains it is involved in, that are not directly employed by the company (supply chain partners in the US), through programs focused on nutrition.
- KDP is encouraged to extend its current paid parental leave of four weeks to ideally six months or more.
- KDP is advised to develop and publish a US policy on supporting maternal health and breastfeeding mothers at work, which applies equally in all facilities. The company currently has a Californian lactation policy which should be extended to cover the whole US and should include the following arrangements: 1) provide private, hygienic, safe rooms for expressing breastmilk (including refrigerators); 2) allow breastfeeding mothers breaks to express breastmilk; and 3) offer flexible working arrangements to support breastfeeding mothers.



Labeling

5% of overall score



Rank 3 / Score 6.6

Rank 8 (2018)

Highest score 6.8

Average score 5.4

 Product labeling

- KDP is part of the 'Clear on Calories' initiative from the ABA, in which it commits to placing calorie information on the front of its products. This front-of-pack (FOP) labeling has been rolled out on 100% of its products in the US.
- Online information is available for all KDP products on its website.

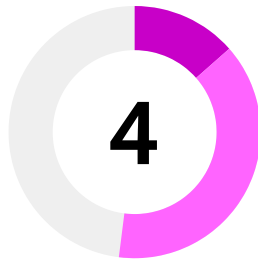
Areas of improvement

- KDP is advised to adopt an interpretive FOP labeling system, displaying multiple nutrients FOP, and apply this to all products in its portfolio. Information on the type of FOP labeling used by the company should be disclosed publicly.
- KDP is encouraged to further track the percentage of its portfolio that is compliant with its approach to FOP labelling and publicly report on this.
- KDP should use an externally recognized NPM to underpin FOP labeling information in the US
- KDP is encouraged to commit to providing fruit and vegetable content information on all relevant products.



Engagement

5% of overall score



Rank 4 / Score 5.2

Rank 9 (2018)

Highest score 5.8

Average score 4.4

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

- KDP's Board of Directors has ultimate oversight of the company's political engagement activities, with the Vice President of Government Affairs periodically updating the Board on the company's activities.
- KDP shared no evidence of lobbying in support of government policies to address malnutrition (including obesity and diet-related non-communicable diseases (NCDs)) in the US, at federal, state, or local levels.
- KDP discloses a highly comprehensive list of trade association memberships. In addition to indicating the range of total membership dues it pays to these, it also discloses the precise dues used for lobbying purposes for the associations that receive more than \$25,000 in such dues.
- KDP discloses that it has not made any political contributions from the company treasury in the last three years. The company also discloses that it has an employee-run Political Action Committee (PAC) – the KDP US Political Action Committee (KDP PAC), and publishes a link to its Federal Election Committee (FEC) filings, but does not publish details about its expenditures directly on its domain.
- KDP now reports that it engages with external, credentialed experts in public health, nutrition, fitness, mindfulness, and academia, as well as the Partnership for Healthier America and other public health-oriented civil society organizations, to help shape its nutrition-related activities. This includes the development of its 'Positive Hydration' strategy and discussing the marketing of its beverages.
- KDP engages in consumer education via the BCI, which partners with a range of organizations – including Barrio Action Youth & Family Center, The Campaign Against Hunger, Washington Literacy Center, Positive Atmosphere Reaches Kids, and Casa Familiar – in implementing nutrition education, particularly concerning reducing sugar consumption. It is not clear the extent to which the industry initiative is involved in designing these programs.

Areas of improvement

- KDP is advised to undertake audits of the company's lobbying activities, disclosure, and compliance with its lobbying policies.
- KDP is strongly encouraged to actively support (or commit to not lobby against) key World Health Organization-endorsed public policy measures to address obesity and diet-related NCDs, such as fiscal measures to address obesity, regulatory restrictions on marketing/advertising unhealthy products (to children), or increased FOP labeling requirements, whether at federal, state, or local levels. It is also encouraged to improve its disclosure regarding its lobbying positions on key public health policies. These positions should be as specific and unambiguous as possible. Publishing links to specific documents used in government engagements is also encouraged.
- KDP is recommended to publish the dues used for lobbying purposes for all trade associations it discloses, and indicate which Board it holds seats on, if any.
- While KDP publishes a link to its Lobbying Disclosure Act reports, the company should also be more transparent in its own domain about its lobbying expenditures and activities, including publishing the names of its lobbyists/lobbying firms, and what state jurisdictions it is actively lobbying in.
- KDP is strongly encouraged to improve its transparency regarding the identities of experts it consults and organizations it engages with on nutrition-related topics, as well as indicating the degree of financial compensation for these engagements.

Product Profile ^{i 69}



10

Rank 10/11 / Score 1.4/5

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. The underlying nutrient profile model assesses nutrients of concern (sodium, total sugar, saturated fat, and overall energy) and positive food components/ nutrients (fruit and vegetable content, protein, fiber, and, in some cases, calcium) to score products on the basis of nutritional composition per 100g or 100mL. ATNI uses the threshold of 3.5 stars or more to classify products as generally healthier. Product Profile results account for 20% of the total Index score.

Portfolio-level Results

Average HSR (out of 5 stars) (sales-weighted)	Products meeting the 'healthy' threshold (HSR of (3.5 stars or more)			Range of total 2021 US sales covered ^{i 70}
	Total no. products assessed	% of distinct healthier products	% sales from healthier products*	
1.4	717	23%	21%	90-100%

ATNI estimates this value by taking the proportion of 'healthy' products within each category assessed and multiplying that figure by the corresponding category US retail sales-values in 2021. The values are then aggregated to generate an estimate of the overall US healthy sales.

- KDP's average sales-weighted HSR is 1.4 (stars) out of 5 (1.6 unweighted), ranking 10th out of the 11 companies assessed in the Product Profile. A total of 717 products across the company's five best-selling product categories were assessed using the HSR system. KDP's plain coffee products were not included in this analysis.
- 23% of distinct products analyzed for KDP met the 'healthy' threshold (3.5 stars or more in the HSR). When taking category sales values into account, the company was estimated to derive 21% of its 2021 US retail sales from healthier products. These results are largely influenced by the fact that the company derives a majority of its US sales from the Carbonates category.



Mean Health Star Rating by category for Keurig Dr Pepper

	No. of products assessed	Mean HSR
Bottled Water - Other	61	3.2
Carbonates	401	1.2
Juice	171	1.5
Processed Fruit and Vegetables	39	3.9
RTD Tea	45	2.1

▪ Among categories assessed, KDP's products in the Processed Fruit and Vegetables category (Mott's brand) had the highest mean HSR (3.9 out of 5.), followed by the Bottled Water – Other category (3.2 out of 5). A total of 39 products from the Processed Fruit and Vegetables category were analyzed and all of them met the 'healthy' threshold. Regarding the company's largest category, a total of 401 Carbonates products were analyzed with 83 of them (21%) meeting the 'healthy' threshold. These results illustrate KDP has significant scope to continue its sugar reduction programs and increase marketing towards healthier beverages.

Kraft Heinz

Product categories assessed

Dairy|Juice|Ready Meals|Processed Meat, Seafood and Alternatives to Meat|Sauces, Dressings and Condiments

Percentage of company US sales covered by Product Profile assessment
80-90%

Headquarters
Chicago, Illinois, U.S.

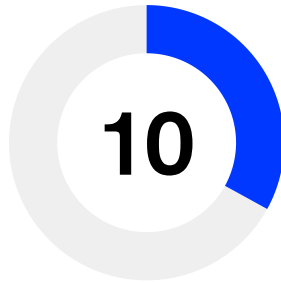
Number of US employees
~19,000

Type of ownership
Public

Sales revenue (range) of packaged foods and beverages
USD 18– 23 Billion

US share in global packaged food and beverage sales
60-65%

Euromonitor International Limited [2021]
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Rank 10 / Score 3.3
Rank 9 (2018)



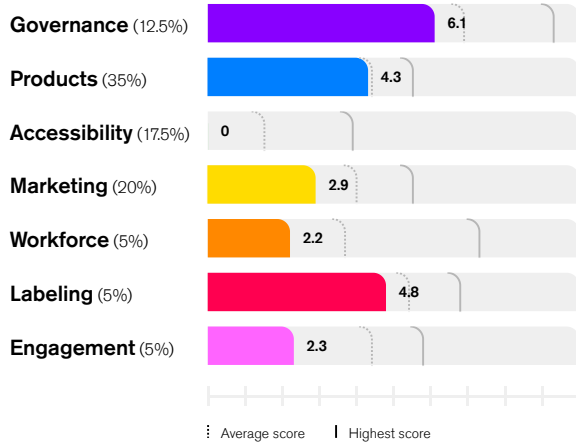
Product Profile **71**

Rank 5 / HSR 2.3 **72**
Rank 2 (2018) **73**

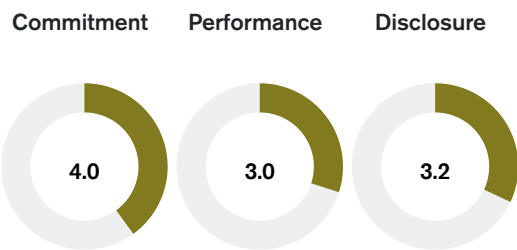
Important:

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. Therefore, in the case of limited or no engagement by such companies, this Index may not represent the full extent of their efforts.

Scoring Overview



(%) Figure in brackets is the weighting of the category
All category and criteria scores are out of 10



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.

Categories

The US Index 2022 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

12.5% of overall score



Rank 7 / Score 6.1

Rank 10 (2018)

Highest score 9.3

Average score 6.9

A1 Nutrition strategy

A2 Nutrition management

- Kraft Heinz's ESG strategy is centered across three pillars: environmental stewardship, responsible sourcing and healthy living & community support. Within each pillar, the company sets multiple time-bound targets across metrics it considers most important, according to its materiality matrix.
- The company commits to improving product health and nutrition by achieving 85% compliance according to its own 'Global Nutrition Targets' by 2025, as well as to reducing sugar, sodium, saturated fat, and calories.
- The company adopts multiple approaches to support this commitment, including ongoing improvements to the nutrition of its product portfolio, transparent and responsible marketing and communications, and alignment with credible science and public health goals. The company commits to contribute to key priorities and target achievements outlined by the World Health Organization's (WHO) Global Action Plan for the Prevention and Control of Non-communicable Diseases (NCDs).
- The company has an Environmental, Social, and Governance (ESG) team in place that is responsible for the ESG strategy. The team is accountable to the company's Board of Directors, Operations, and Strategy Committee. The Board of Directors helps establish and oversee the company's global ESG objectives and framework, including matters related to nutrition. Members of the committee review all significant ESG policies, processes, and commitments, and receive regular updates from the ESG team on progress against key performance indicators and other relevant developments.

Areas of improvement

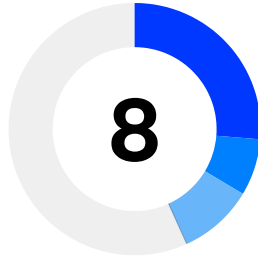
- While Kraft Heinz has a target to deliver 1.5 billion meals to people in need by 2025, and the company is involved in several non-commercial activities in this regard, it is encouraged to commit to increasing access to healthy foods for priority populations as part of its main commercial activities.
- The company is recommended to link executive remuneration to nutrition objectives and disclose these arrangements publicly.





Products

35% of overall score



Rank 8 / Score 4.3

Rank 9 (2018)

Highest score 5.5

Average score 4.4

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

- Kraft Heinz released its 'Global Nutrition Guidelines' in 2020, establishing standardized upper limits per serving of product for calories, saturated fat, sodium, and sugar. The company aims to achieve 85% compliance (sales weighted volume) of its global portfolio with these limits by 2025. The company is encouraged to report progress against this target for its US portfolio on an annual basis.

Areas of improvement

- The company's nutrient profiling model (NPM) – 'Global Nutrition Guidelines' – only takes into account negative nutrients. To improve performance, the company is encouraged to revise these guidelines to incorporate positive nutrients and ingredients and develop a ranking system, allowing for better tracking improvements at portfolio and category levels. Importantly, the company is encouraged to show how criterion align with external benchmarks.
- With the US being the largest market for Kraft Heinz, the company is encouraged to set time-bound and US-specific product (re)formulation targets, including a focus on increasing the proportion of positive nutrients and/or ingredients in its products like wholegrains, fruits and vegetables, and micronutrients of public health relevance.
- The company has committed to reducing total sugar in its products by more than 60 million lbs across its global portfolio, but US-specific reporting was not available. In addition, this target is not externally verifiable. The company should also consider expanding its sodium target to cover all relevant categories and show alignment with the recently released United States Food and Drug Administration (FDA) voluntary sodium reduction guidelines. Apart from aiming to comply with its Global Nutrition Guidelines, Kraft Heinz is currently committed to reducing sodium in only two categories – BBQ Sauce and Kraft Salad Dressings – in North America by an additional 5% by 2025.
- Kraft Heinz is recommended to provide more information about the products it sells in schools (Smart Snacks in School program). It is encouraged to publicly commit to sell products through retail and other outlets that have the same 'look and feel' as products sold under the Smart Snacks in School regulation, but only when they meet the same nutritional standards.





Accessibility

17.5% of overall score



Rank 11 / Score 0

Rank 7 (2018)

Highest score 3.9

Average score 1.5

C1 Product pricing

C2 Product distribution

▪ Kraft Heinz makes philanthropic product donations from its manufacturing operations to hunger relief organizations in the US: In 2020, it donated 20 million pounds of product to Feeding America. It also provides food directly to food-insecure families. However, it does not have a policy for responsible food donations, nor commits to donate predominantly healthier products (according to either an internal or internationally-recognized 'healthy' criteria).

Areas of improvement

▪ Kraft Heinz has neither a commitment nor a commercial strategy to improve the affordability of its healthy products, nor to ensure that these are affordable or accessible to low-income consumers in the US. It is recommended to commit to addressing the affordability of its healthy products and develop a strategy to make this a reality, to encourage a shift in consumption toward healthier options. The company could start by tracking the relative prices (per serving) of its healthy products against its general portfolio, and developing targets to improve the price differential between them. Conducting analysis into how products can be priced appropriately for low-income consumers specifically is also encouraged. Kraft Heinz is recommended to work with retailers and distributors to ensure that its healthy products are offered at an affordable point-of-sale price in low-income neighborhoods.

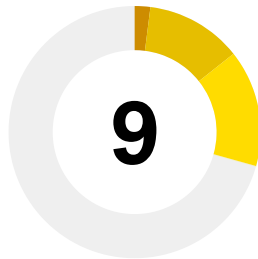
▪ Kraft Heinz has neither a commitment nor a commercial strategy to improve the accessibility of its healthy products, or to ensure that these are distributed and accessible in low-income and/or food-insecure communities in the US. It is encouraged to commit to and develop a commercial strategy to address the accessibility and distribution of its healthy and affordable products. The company could also consider setting targets to drive accountability on this topic. Kraft Heinz is recommended to work with retailers and distributors to ensure that its healthy products are distributed in food-insecure neighborhoods.

▪ The company makes sizeable product donations to hunger relief organizations in the US. Thus, it is encouraged to adopt a policy for responsible food donations which prioritizes nutritious healthy products and limits the donations of unhealthy products, in order to prevent its philanthropic efforts from inadvertently contributing to obesity and other diet-related NCDs. For example, it could commit to responsible donation guidelines such as the Healthy Eating Research (HER) Nutrition Guidelines. In addition, it is recommended to track the nutritional profile of its product donations for philanthropic programs.



Marketing

20% of overall score



Rank 9 / Score 2.9

Rank 9 (2018)

Highest score 5.5

Average score 4

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

- Kraft Heinz's marketing policy for children includes information on the forms of marketing it entails and gives an extensive list of commitments regarding a fair representation of their products. It also commits to not advertise in schools, both at primary and secondary level.

Areas of improvement

- Kraft Heinz undergoes auditing by the Children's Food and Beverage Advertising Initiative (CFBAI), an industry-led third-party, which publishes aggregated results of its members. The company is encouraged to make its individual compliance results publicly available on its own domain. Kraft Heinz could also ensure corrective measures are taken regarding any non-compliance with its marketing policy.
- Kraft Heinz is encouraged to adopt a more comprehensive responsible marketing policy for all audiences, for example, by pledging to the International Chamber of Commerce (ICC) Advertising and Marketing Communications Code.
- Kraft Heinz is encouraged to commit to increasing the proportion of marketing spending on healthy products relative to overall marketing spending and publish a commentary outlining the changes to the company's marketing spending in support of healthier eating.



Workforce

5% of overall score



Rank 8 / Score 2.2

Rank 10 (2018)

Highest score 7.3

Average score 3.7

 Employee health

 Breastfeeding support

- The Kraft Heinz Live Well program includes a focus on nutrition, involving nutrition-focused health-checks, and is available to some employees.
- Kraft Heinz supports breastfeeding mothers by providing private, hygienic, safe rooms to express breastmilk, which include refrigerators to store breastmilk.

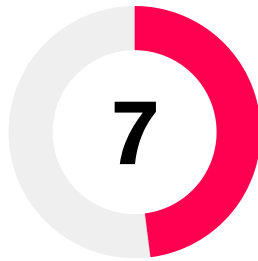
Areas of improvement

- Kraft Heinz should ensure its workforce nutrition programs include expected outcomes (such as healthy behavior, health-related or employee absenteeism outcomes).
- For its workforce nutrition program, Kraft Heinz should consider:
 - 1) A commitment to making the program available to all employees and all family members;
 - 2) Including healthy food at work and nutrition education;
 - 3) Disclosing the percentage of employees that participate in the program.
- Kraft Heinz is encouraged to evaluate the health impact of its workforce nutrition program in the US, regulated by a third-party independent evaluator. The company is further encouraged to disclose quantitative and qualitative information of the outcomes of the program.
- Kraft Heinz could commit to improve the health and nutrition of groups across the food value chains it is involved in, that are not directly employed by the company (supply chain partners in the US and abroad), through programs focused on nutrition.
- Kraft Heinz is encouraged to publish its paid parental leave policy and extend its current paid parental leave to ideally six months or more.
- Kraft Heinz could extend arrangements to support breastfeeding mothers by offering flexible working arrangements, along with daily intermittent breaks to express milk.



Labeling

5% of overall score



Rank 7 / Score 4.8

Rank 9 (2018)

Highest score 6.8

Average score 5.4

 Product labeling

- Kraft Heinz displays online nutrition information for more than 80% of its products through SmartLabel.
- Kraft Heinz uses the Facts up Front (FuF) labeling icons to display FOP information, including the calories, saturated fat, sodium and total sugar contained in each serving of a food or beverage product.

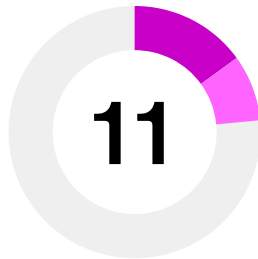
Areas of improvement

- Kraft Heinz is advised to adopt an interpretive FOP labeling system and apply this to all products in its portfolio. Information on the type of FOP labeling used by the company should be disclosed publicly.
- Kraft Heinz is encouraged to further track the percentage of its portfolio that is compliant with its approach to FOP labelling and publicly report on this.
- Kraft Heinz is encouraged to use an externally recognized NPM to underpin FOP labeling information in the US. Kraft Heinz currently uses the FuF labeling system, which pulls nutrient information from the Nutrition Facts Panel. However, this does not tell consumers what products the company considers healthier and the criteria used for that purpose.
- To ensure transparency and assist consumers in making informed decisions on the healthiness of products, if making claims about content of wholegrains or fruit and vegetables, Kraft Heinz should provide the following information on product labels:
 - 1) The percentage of wholegrain relative to all grain or refined grains;
 - 2) The amount of fruit and vegetables in the product.
- It is recommended that Kraft Heinz ensures 100% of its portfolio displays online nutrition information to ensure that, with growing online retail sales, consumers can easily access nutritional information.



Engagement

5% of overall score



Rank 11 / Score 2.3

Rank 9 (2018)

Highest score 5.8

Average score 4.4

G1 Influencing policymakers

G2 Stakeholder engagement

- The Kraft Heinz Board of Directors receives an annual update on political and lobbying activities and discusses with management their strategies and recommendations. The company's outside counsel conducts internal audits of all lobbying practices and reporting.
- Kraft Heinz shared no evidence of lobbying in support of government policies to address malnutrition (including obesity and diet-related NCDs) in the US, at federal, state, or local level, and the company does not publish its position on these policies.
- Kraft Heinz only discloses trade associations to which it pays over \$50,000 in membership dues. For each that it discloses, it publishes the dues used for lobbying.
- Kraft Heinz publishes a detailed breakdown of the political contributions made by the Kraft Heinz PAC, but does not disclose its corporate contributions to political committees, state candidates, and state political parties.
- Kraft Heinz reports that it engages with the Portion Balance Coalition, which convenes different stakeholders, including the USDA and several reputable civil society organizations and academic institutions, to address obesity.
- Kraft Heinz reports that it does not support commercial nutrition education programs in the US.

Areas of improvement

- Kraft Heinz is recommended to enhance and publish its processes relating to the review and management of relationships with trade associations.
- Kraft Heinz is encouraged to actively support (or commit to not lobby against) key WHO-endorsed public policy measures which address obesity and diet-related NCDs – such as fiscal measures to address obesity, regulatory restrictions on marketing/advertising unhealthy products (to children), or increased FOP labeling requirements, whether at federal, state, or local level. It could also significantly improve its disclosure regarding its lobbying positions on these key public health policies. These positions should be as specific and unambiguous as possible. Publishing links to specific documents used in government engagements is also encouraged.
- While it publishes a link to its Lobbying Disclosure Act reports on its website, Kraft Heinz should also be more transparent in its own domain about its lobbying expenditures and activities, including publishing the names of its lobbyists/lobbying firms, and what state jurisdictions it is actively lobbying in.
- Kraft Heinz is encouraged to disclose a more comprehensive list of trade association memberships, reducing the threshold for disclosure to \$10,000 in membership dues, for example. Moreover, it could indicate on which Board it holds seats on, if any.
- Kraft Heinz should ensure it engages with a wide range of nutrition-specific stakeholders in one-to-one discussions regarding its nutrition strategies and activities in the US. Engagement should seek to inform these stakeholders about the companies' existing activities and future plans, and aim to solicit feedback and gather insights to ensure these are sufficiently aligned with the public health interest.
- Kraft Heinz is recommended to be transparent about the identities of experts it consults and organizations it engages with, as well as indicating the degree of financial compensation for these engagements.
- Kraft Heinz is encouraged to improve its public reporting of the content of discussions during stakeholder engagements, and which aspects of the company's nutrition-related activities are being discussed. Importantly, the company should also be clear about the outcomes of the engagements, and how they were used to change its practices or plans.

Product Profile ^{i 74}



Rank 5/11 / Score 2.3/5

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. The underlying nutrient profile model assesses nutrients of concern (sodium, total sugar, saturated fat, and overall energy) and positive food components/ nutrients (fruit and vegetable content, protein, fiber, and, in some cases, calcium) to score products on the basis of nutritional composition per 100g or 100mL. ATNI uses the threshold of 3.5 stars or more to classify products as generally healthier. Product Profile results account for 20% of the total Index score.

Portfolio-level Results

Average HSR (out of 5 stars) (sales-weighted)	Products meeting the 'healthy' threshold (HSR of (3.5 stars or more)			Range of total 2021 US sales covered ^{i 75}
	Total no. products assessed	% of distinct healthier products	% sales from healthier products*	
2.3	1363	30%	30%	80-90%

ATNI estimates this value by taking the proportion of 'healthy' products within each category assessed and multiplying that figure by the corresponding category US retail sales-values in 2021. The values are then aggregated to generate an estimate of the overall US healthy sales.

- Kraft Heinz's average sales-weighted HSR is 2.3 (stars) out of 5 (2.3 unweighted), ranking fifth out of the 11 companies assessed in the Product Profile. A total of 1363 products across the company's five best-selling product categories were assessed using the HSR system.
- 30% of distinct products analyzed for Kraft Heinz met the 'healthy' threshold (3.5 stars or more in the HSR). When taking category sales values into account, the company was estimated to derive 30% of its 2021 US retail sales from healthier products. Most of the company's healthier sales are derived from the following categories: Dairy, Ready Meals and Processed Meat, Seafood, and Alternatives to Meat.

Mean Health Star Rating by category for Kraft Heinz

	No. of products assessed	Mean HSR
Dairy	98	2.2
Juice	43	1.6
Processed Meat, Seafood and Alternatives to Meat	162	2.4
Ready Meals	569	2.7
Sauces, Dressings and Condiments	491	2

▪ Among categories assessed Kraft Heinz's products in the Ready Meals category (including Oscar Mayer, Kraft, and Ore-ida brands) had the highest mean HSR (2.7 out of 5). A total of 569 products from the Ready Meals category were analyzed, and 244 (or 43%) met the 'healthy' threshold.

Mars

Product categories assessed

Confectionery|Ice Cream|Rice, Pasta and Noodles|Savoury Snacks|Sweet Biscuits, Snack Bars and Fruit Snacks

Percentage of company US sales covered by Product Profile assessment
90-100%

Headquarters
McLean, Virginia, U.S.

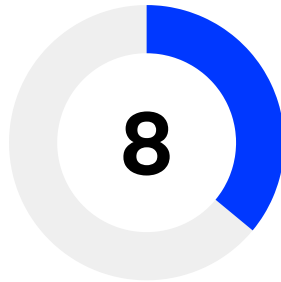
Number of US employees
-

Type of ownership
Private

Sales revenue (range) of packaged foods and beverages
USD 7–12 Billion

US share in global packaged food and beverage sales
35-40%

Euromonitor International Limited [2021]
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Rank 8 / Score 3.6
Rank 4 (2018)



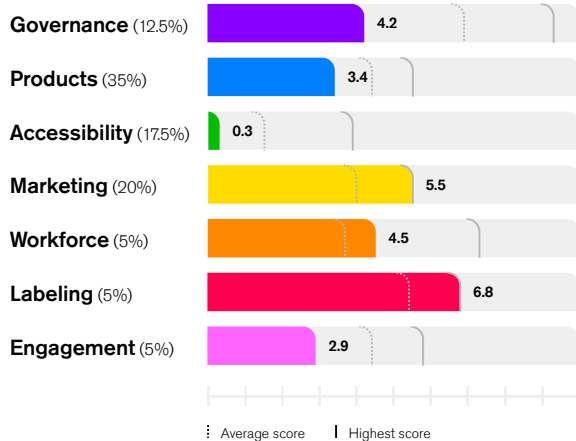
Product Profile ⓘ ⁷⁶

Rank 11 / HSR 1.3 ⓘ ⁷⁷
Rank 10 (2018) ⓘ ⁷⁸

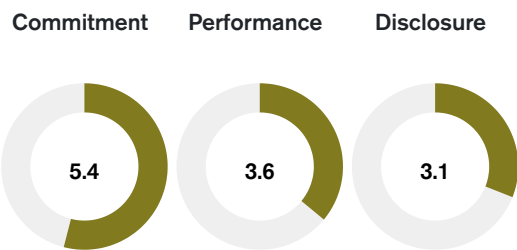
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Scoring Overview



(%) Figure in brackets is the weighting of the category
All category and criteria scores are out of 10



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.

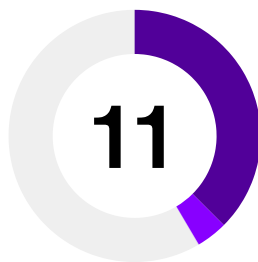
Categories

The US Index 2022 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

12.5% of overall score



Rank 11 / Score 4.2

Rank 7 (2018)

Highest score 9.3

Average score 6.9

A1 Nutrition strategy

A2 Nutrition management

- Mars' sustainability strategy is centered on its 'Sustainable in a Generation Plan', which details the company's strategic commitments and is organized across three pillars: Healthy planet, thriving people, and nourishing wellbeing. The nourishing wellbeing pillar includes commitments to make the company's products healthier.
- This commitment applies to Mars Food and comprises several approaches, including nutrition transparency, reducing sodium and added sugar, and adding vegetables, wholegrains, and legumes. Mars Wrigley also has targets in place to reduce calories, trans fats, and sugars, while creating smaller portion-size offerings. The company tracks progress against these goals using the 'Mars Food Nutrition Criteria', which includes targets for calories, added sugar, salt, and fat content in all the company's products.
- Formal accountability for implementing the company's nutrition strategy lies with the President of each of the three human food segments (Mars Food, Mars Wrigley, and Mars Edge). This person holds responsibility for their respective segment's strategy, which is ultimately subject to the Board's approval.

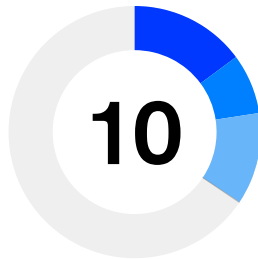
Areas of improvement

- The company is encouraged to commit to increasing access to healthy foods for priority populations as part of its main commercial activities.
- The company is recommended to link executive remuneration to nutrition objectives and disclose these arrangements publicly.
- Mars is recommended to further improve its nutrition governance and management systems by performing standard internal audits and management reviews of its nutrition strategy.



Products

35% of overall score



Rank 10 / Score 3.4

Rank 4 (2018)

Highest score 5.5

Average score 4.4

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

- Mars has committed to continue improving the nutritional quality of its products by reducing levels of sodium, added sugar, saturated fat, and calories in its food segment, and improving the content of whole grains, vegetables, legumes, and fiber. To strengthen its (re)formulation strategy, the company released the third edition of its nutrient profiling model (NPM) – Mars Food Nutrition Criteria – in 2021. The company commits to aim to have 95% of its global food portfolio meet these standards by 2025, and discloses progress over time. Mars shows industry best practice by providing a benchmarking of its sodium limits against external standards (UK's Public Health England target 2024 and World Health Organization's (WHO) global sodium benchmarks).
- In addition, to meet its ambition to provide 5.5 billion healthy meals to families globally by 2025, the company plans to provide four billion servings of vegetables, increase fiber servings in its products by 30%, and reduce sodium in its portfolio by 5% by 2025. The company is encouraged to report US-specific progress over time.

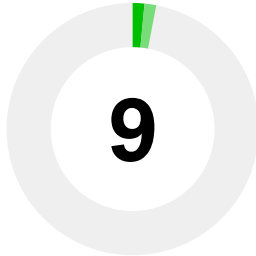
Areas of improvement

- While the company has released a new edition of its NPM, the standards are only applicable to its food segment. Mars continues to derive most of its US sales from Mars Wrigley (chocolate, candies, and gums products); therefore, the company is encouraged to further connect its overall nutrition and wellbeing strategies and to set ambitious sugar/calorie reduction targets for its confectionery products. Indeed, the company's confectionery segment has committed to offering treats and snacks which contain no more than 250 calories per serving, and has defined the ambition for half of its global portfolio to provide no more than 200 calories per single serving by 2023. No US-specific reporting could be found, although there is evidence the company is collaborating with Partnerships for Healthier America to track progress over time.
- The company has committed to 95% of its global food portfolio meeting its nutrition standards (Mars Food Nutrition Criteria) by 2025. However, no US-specific targets to increase sales of its 'healthy' foods was defined. To improve performance and enhance transparency, ATNI recommends the company adopts a time-bound sales target covering its entire Mars Food and Mars Wrigley portfolios.
- Mars is encouraged to provide more information about the products it sells in schools (Smart Snacks in School program). ATNI recommends that Mars publicly commits to sell products through retail and other outlets that have the same 'look and feel' as products sold under the Smart Snacks in School regulation, but only when they meet the same nutritional standards. Currently, the only relevant information is included in Mars' marketing policy, whereby the company commits not to place vending machines offering its products in primary schools or in locations where the majority of users are under 13.



Accessibility

17.5% of overall score



Rank 9 / Score 0.3

Rank 7 (2018)

Highest score 3.9

Average score 1.5

C1 Product pricing

C2 Product distribution

- Mars demonstrates awareness of the importance of ensuring the affordability of its healthy products, stating that it is committed to make its products healthier without compromising affordability. Meanwhile, its Mars Food segment aims to provide consumers “with healthy, easy, [and] affordable” meals. However, beyond these statements, Mars showed no evidence of a strategy, targets, or practical examples of making its healthy products more affordable in the US.
- Accessibility of healthy food is featured as a core commitment of Mars Food's 'Open Access to Better Food' strategy, which states that, by 2025, it will “build strategic partnerships to tackle hunger and provide access to healthy food, which gives more people the opportunity to share a meal.” The commitment is not specific to the US, however, and only appears to relate to one of Mars' food-related business segments, Mars Food. Moreover, as with affordability, no evidence of a commercial strategy, targets, or practical examples of making its healthy products more accessible in the US was provided by the company.
- Mars Food makes philanthropic food donations to hunger relief organizations. For example, in 2021, it donated \$3.1 million-worth of Ben's Original™ products to Feeding America and CARE. However, details of the healthiness of its product donations are not provided, and the company does not have a formal policy to ensure it donates predominantly healthy products.

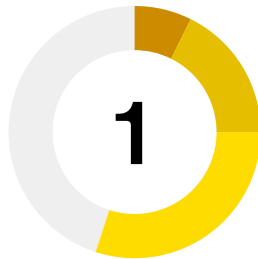
Areas of improvement

- Given that Mars recognizes the importance of affordability of healthy products, it is recommended to develop a strategy to make this a reality, to encourage a shift in consumption toward healthier options. The company could start by tracking the relative prices (per serving) of its healthy products vs its general portfolio, and developing targets to improve the price differential between them. Conducting analysis into how products can be priced appropriately for low-income consumers specifically is also encouraged.
- Mars is encouraged to develop a commercial strategy to address the accessibility and distribution of its healthy and affordable products. The company could also consider setting targets to drive accountability on this topic.
- Mars could also work with retailers and distributors to ensure its healthy products are offered at an affordable point-of-sale price and are distributed in food-insecure neighborhoods.
- Since the company makes sizeable product donations to hunger relief organizations in the US, Mars is encouraged to adopt a policy for responsible food donations which prioritizes nutritious products and limits the donations of unhealthy products, to prevent its philanthropic efforts from inadvertently contributing to obesity and other diet-related non-communicable diseases (NCDs). For example, it could commit to responsible donation guidelines such as the Healthy Eating Research (HER) Nutrition Guidelines. In addition, it is recommended to track the nutritional profile of its product donations for philanthropic programs.



Marketing

20% of overall score



Rank 1 / Score 5.5

Rank 1 (2018)

Highest score 5.5

Average score 4

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

- Mars has an extensive auditing system in place, and it is the only company assessed where an external auditing organization annually examines marketing compliance for the general audience and children as a special group. This audit assesses the commitments made in the marketing policy for all audiences and children, and both give extensive information on the forms of marketing it entails and a vast list of commitments regarding fair representation of their products. It also has a robust and well-structured process in place to take corrective measures when non-compliances are detected.
- Mars is one of the two companies (together with General Mills) that has an extensive mechanism in place to ensure its digital marketing does not reach younger age groups. Mars Global Marketing Code 2022 mentions that the company partners with social media platforms and services that offer age screening – and, if such mechanisms are not present, Mars seeks parental controls or notices to uphold this commitment.
- The company commits not to market products to children under the age of 13.

Areas of improvement

- Mars is encouraged to commit to increasing the proportion of marketing spending on healthy products relative to overall marketing spending, and publish a commentary outlining the changes to the company's marketing spending in support of healthier eating.
- Where Mars does include commitments regarding marketing to children in schools, both primary and secondary, the marketing policy does not include other places where children gather (e.g., YMCA, boys/girls clubs, zoos, etc.) The company could consider including such places in their policy.
- Where Mars does disclose auditing results, these could be more specific regarding the compliance for the different forms of marketing. It could also disclose results for its main markets on country level (including the US).
- Mars is advised to commit to or demonstrate that its non-commercial US programs relating to nutrition education exclude product- or brand-level branding in all programs.



Workforce

5% of overall score



Rank 5 / Score 4.5

Rank 4 (2018)

Highest score 7.3

Average score 3.7

E1 Employee health

E2 Breastfeeding support

- The Mars Be Well program includes a focus on nutrition, has measurable and specific outcomes, and is available to all employees.
- Mars formally commits to granting paid parental leave, and to providing private safe and hygienic rooms for mothers to breastfeed at work.

Areas of improvement

- For the Be Well program and other workforce nutrition programs run by Mars, the company should consider:

- 1) A commitment to making the program available to all employees and all family members;
- 2) Including healthy food at work and nutrition-focused health checks;
- 3) Disclosing the percentage of employees that participate in the program.

- Mars is encouraged to evaluate the health impact of its workforce nutrition program(s) in the US, regulated by a third-party independent evaluator. The company is further encouraged to disclose quantitative and qualitative information of the outcomes of the program.

- Mars could commit to improve the health and nutrition of groups across the food value chains it is involved in, that are not directly employed by the company (supply chain partners in the US and abroad), through programs focused on nutrition.

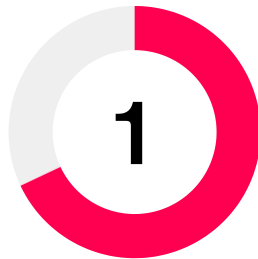
- Mars is encouraged to publicly disclose its paid parental leave policy and extend its current policies to ideally six months or more.

- Mars could extend arrangements to support breastfeeding mothers by ensuring refrigerators are available to store breast milk at all locations, and by providing daily intermittent breaks for mothers to express milk.



Labeling

5% of overall score



Rank 1 / Score 6.8

Rank 5 (2018)

Highest score 6.8

Average score 5.4

 Product labeling

- Mars provides front-of-pack (FOP) information on the amount of calories, sodium, sugar, and fats per serving on 100% of product labels, with exemptions including “gum, mints, drops, medicated confectionery, herbs, spices and condiments.” Exempted foods are those with nutritional or dietary insignificance, or foods in small packs. The company confirmed that this commitment spans both Mars Food and Mars Wrigley.
- Mars displays online nutrition information for 96% of Mars Food products. Mars provided evidence of some Mars Wrigley’s products displaying online information, but the proportion is unclear.

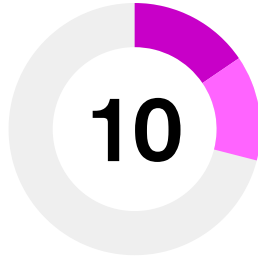
Areas of improvement

- Mars should publicly provide more clarity on the policies and practices that drive decisions for the Mars Wrigley brand of products. In some cases during engagement Mars provided this information, but not on the company website or in public reports.
- Mars is advised to adopt an interpretive FOP labeling system for all products and apply this to all products in its portfolio. Information on the type of FOP labeling used by the company should be disclosed publicly.
- Mars encouraged to use an externally recognized NPM to underpin FOP labeling information in the US.
- Mars could provide the percentage of wholegrain relative to all grain or refined grains on all relevant products, to assist consumers in making informed decisions on the healthiness of products. Some Mars products carry the Whole Grain Stamp.
- Mars is encouraged to commit to providing fruit and vegetable content information on all relevant products.
- It is recommended that Mars ensures 100% of its portfolio displays online nutrition information to ensure that, with growing online retail sales, consumers can easily access nutritional information.



Engagement

5% of overall score



Rank 10 / Score 2.9

Rank 1 (2018)

Highest score 5.8

Average score 4.4

- G1 Influencing policymakers
- G2 Stakeholder engagement

- Mars is a member of the Sustainable Food Policy Alliance (SFPA), which engages with the government on reducing dietary sodium and added sugar in consumers' diets; updating definitions of terms like 'healthy'; encouraging timely implementation of the new nutrition facts panel; and advocated for increased flexibilities in the United States Department of Agriculture food and nutrition programs to extend access to WIC, School Lunch and Breakfast Programs, and SNAP for food insecure families and children during the COVID-19 pandemic.
- However, the company provides no examples of lobbying in support of World Health Organization (WHO)-endorsed government policies to address malnutrition (including obesity and diet-related NCDs) in the US, at federal, state, or local levels, and it does not publish its position on these policies.
- Mars publishes a partial list of trade association memberships in the US, and indicates which it holds Board seats on.
- Mars does not make any political contributions in the US from the company treasury, nor does it have an employee political action committee.
- Regarding stakeholder engagement in the US, Mars is a member of several nutrition-related multistakeholder platforms, including the Obesity Roundtable, NASEM/IOM Food Forum, and Tufts University Food and Nutrition Innovation Council.

Areas of improvement

- Mars is encouraged to: assign to its board oversight of its lobbying activities and policies; enhance its processes to review and manage relationships with trade associations; and undertake audits of the company's lobbying activities, disclosure, and compliance with its lobbying policies.
- Mars is strongly encouraged to actively support (or commit to not lobby against) key WHO-endorsed public policy measures to address obesity and diet-related NCDs, such as fiscal measures to address obesity, regulatory restrictions on marketing/advertising unhealthy products (to children), or increased FOP labeling requirements, whether at federal, state, or local level. It could also significantly improve its disclosure regarding its lobbying positions on these key public health policies. These positions should be as specific and unambiguous as possible. Publishing links to specific documents used in government engagements is also encouraged.
- Mars is also recommended to be more explicit on its website about the role of the SFPA as one of the company's key channels for nutrition-related lobbying in the US.
- Mars is recommended to disclose a more comprehensive list of trade association memberships in the US, and to disclose the amount of dues used for lobbying purposes for each.
- While it publishes a link to its Lobbying Disclosure Acts reports on its website, Mars should also be more transparent in its own domain about its lobbying expenditures and activities, including publishing the names of its lobbyists/lobbying firms, and what state jurisdictions it is actively lobbying in.
- Mars should ensure it engages with a wide range of nutrition-specific stakeholders in one-to-one discussions regarding its nutrition strategies and activities in the US. This engagement should seek to inform these stakeholders about the companies' existing activities and future plans, and aim to solicit feedback and gather insights to ensure these are sufficiently aligned with the public health interest.
- Mars is recommended to be transparent about the identities of any experts it consults and the organizations and platforms it engages with, as well as indicating the degree of financial compensation for these engagements.
- Mars is encouraged to improve its public reporting of the content of discussions during stakeholder engagements, and which aspects of the company's nutrition-related activities are being discussed. Importantly, the company should also be clear about the outcomes of the engagements, and how they were used to change its practices or plans.

Product Profile ^{i 79}



11

Rank 11/11 / Score 1.3/5

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. The underlying nutrient profile model assesses nutrients of concern (sodium, total sugar, saturated fat, and overall energy) and positive food components/ nutrients (fruit and vegetable content, protein, fiber, and, in some cases, calcium) to score products on the basis of nutritional composition per 100g or 100mL. ATNI uses the threshold of 3.5 stars or more to classify products as generally healthier. Product Profile results account for 20% of the total Index score.

Portfolio-level Results

Average HSR (out of 5 stars) (sales-weighted)	Products meeting the 'healthy' threshold (HSR of (3.5 stars or more)			Range of total 2021 US sales covered ^{i 80}
	Total no. products assessed	% of distinct healthier products	% sales from healthier products*	
1.3	1166	15%	13%	90-100%

ATNI estimates this value by taking the proportion of 'healthy' products within each category assessed and multiplying that figure by the corresponding category US retail sales-values in 2021. The values are then aggregated to generate an estimate of the overall US healthy sales.

- Mars' average sales-weighted HSR is 1.3 (stars) out of 5 (1.4 unweighted), ranking 11th out of the 11 companies assessed in the Product Profile. A total of 1166 products across the company's five best-selling product categories were assessed using the HSR system.
- 15% of distinct products analyzed for Mars met the 'healthy' threshold (3.5 stars or more in the HSR). When taking category sales values into account, the company was estimated to derive 13% of its 2021 US retail sales from healthier products. These results are largely influenced by the fact that Mars derives majority of its US sales from the Confectionery category (leading brands include M&M's, Snickers and Extra).



Mean Health Star Rating by category for Mars

	No. of products assessed	Mean HSR
Confectionary	920	1.1
Ice Cream	45	1.3
Rice, Pasta and Noodles	82	3
Savoury Snacks	19	0.7
Sweet Biscuits, Snack Bars and Fruit Snacks	100	2.9

▪ Among categories assessed, Mars' products in the Rice, Pasta and Noodles category (including Ben's original and Seeds of Change brands) had the highest mean HSR (3.0 out of 5), followed by the Sweet Biscuits, Snack Bars and Fruit Snacks (KIND Bars and Nature's Bakery) category (2.9 out of 5). A total of 82 products from the Rice, Pasta and Noodles category were analyzed, and 48 (or 59%) met the 'healthy' threshold. A total of 100 Sweet Biscuits, Snack Bars and Fruit Snacks products were analyzed, with 27 meeting the 'healthy' threshold. A total of 920 Confectionery products were analyzed, with 98 (11%) meeting the 'healthy' threshold.

Product categories assessed

Bottled Water - Other|Dairy|Other Hot Drinks|Ready Meals|Bottled Water - Pure

Percentage of company US sales covered by Product Profile assessment
90-100%

Headquarters

Vevey, Switzerland (Global HQ); Rosslyn, Virginia (USA HQ)

Number of US employees

31,000

Type of ownership

Public

Sales revenue (range) of packaged foods and beverages

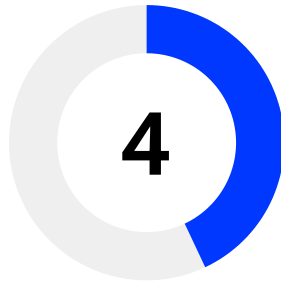
USD 16 –21 Billion

US share in global packaged food and beverage sales

17-22%

Euromonitor International Limited [2021]

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Rank 4 / Score 4.3

Rank 1 (2018)



Product Profile ⁸²

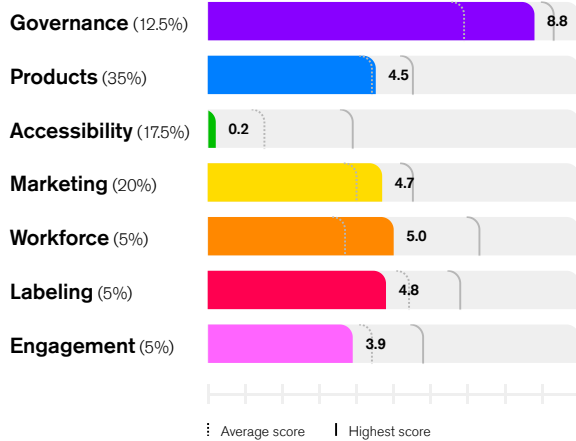
Rank 4 / HSR 2.5 ⁸³

Rank 4 (2018) ⁸⁴

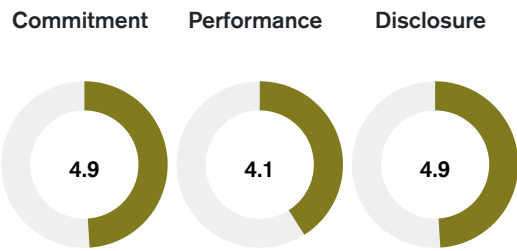
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Scoring Overview



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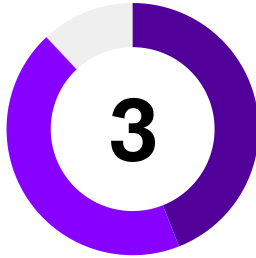
Categories

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Governance

12.5% of overall score



Rank 3 / Score 8.8

Rank 1 (2018)

Highest score 9.3

Average score 6.9

A1 Nutrition strategy

A2 Nutrition management

- Nestlé commits to launching more nutritious foods and beverages, simplifying ingredient lists, and removing artificial colors, while adding micronutrients where they are deficient in the local population and further reducing sodium.
- Nestlé adopts a comprehensive approach to deliver on its nutrition strategy and help tackle obesity. The company's commitments cover: Reformulation (decreasing sugars, sodium, and saturated fat, and increasing vegetables, fiber-rich grains, pulses, nuts, and seeds in their foods and beverages), marketing (leveraging marketing efforts to promote healthy cooking, eating, and lifestyles), and portion control (offering guidance on portions for its products). These commitments are accompanied by several time-bound targets in the company's 'Creating Shared Value' report. Nestlé also publicly commits to support US Dietary Guidelines. As a 'National Strategic Partner' with the United States Department of Agriculture's (USDA) Nutrition Communicator's Network, several Nestlé US brands will develop a series of innovative communications efforts to promote the Dietary Guidelines Consumer Messages, encouraging consumers to make healthier food choices and exercise more.
- Nestlé links remuneration of senior leadership to ESG objectives. According to Nestlé's Remuneration Policy, which applies to the US, leadership remuneration at the company is based on the following principles: 1) performance of short-term and long-term objectives, and 2) alignment with long-term group strategy and shareholder interest. Group strategy is clearly defined in its strategic roadmap, with nutrition, health, and wellness included in this. Individual objectives of Executive Board members are integrated into the business and functional objectives. Quantitative and qualitative objectives set by the Board of Directors determine the Nestlé Group performance and reflect Nestlé's Creating Shared Value framework – and include the proportion of products with nutrition, health, and wellness benefits. These objectives are kept under review by the Board of Directors to ensure they are aligned with Nestlé's business objectives and strategic ambition. In addition to the bonus-able financial elements, the Board of Directors also approves additional quantitative targets and projects that include nutrition.

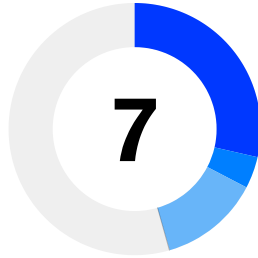
Areas of improvement

- While Nestlé seems to have strong commitments in place to improve nutrition and address diet-related diseases, it is recommended it translates these into concrete actions and reports on progress regularly at a country-level. This is especially the case for the US, as it is one of the company's major markets.
- Nestlé adopts a multi-faceted approach to tackle childhood obesity in the US. However, it is recommended to also develop strategies to increase access to healthy foods relative to unhealthy products for communities that may face food and nutrition insecurity, or that may be at a higher risk than average of experiencing diet-related diseases.



Products

35% of overall score



Rank 7 / Score 4.5

Rank 2 (2018)

Highest score 5.5

Average score 4.4

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

- Nestlé met its global sugar reduction target in 2021 to reduce sugars added to its products by 5%. According to the company, between 2014 and 2020, it reported a removal of more than 99,000 equivalent tons of sugars. However, no US-specific progress reporting on this metric was found.

- Nestlé’s nutrient profiling model (NPM) – Nestlé Nutritional Foundation (NF) – is currently being updated. The company informed ATNI that the new model is expected to be released by the end of 2022. Moreover, the company has used the Health Star Rating (HSR) model to assess the nutritional content of its products. No benchmarking exercise applicable to its US portfolio was found in the public domain. However, the company informed ATNI that its revised NF takes into account United States Food and Drug Administration (FDA) and International Food and Beverage Association sodium reduction targets.

Areas of improvement

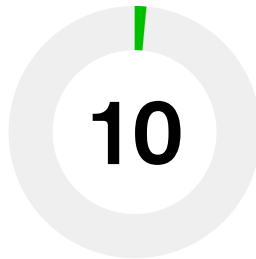
- While Nestlé commits to developing products that are good for people and good for the planet, no US-specific nutrient reformulation targets were found. Nestlé is encouraged to set an ambitious quantitative target (with baseline and target year) to increase sales of healthier foods and to disclose progress against this target on an annual basis.
- The company is encouraged to publish its updated NPM online and in a peer-reviewed journal article, so that stakeholders can better assess and understand it. To improve performance, Nestlé is recommended to benchmark its new criteria against US-specific standards; for example, the FDA’s upcoming updated definition of ‘healthy’. When FDA releases its new definition of ‘healthy’, ATNI hopes all companies, including Nestlé, can benchmark their internal nutrition criteria against these new standards.





Accessibility

17.5% of overall score



Rank 10 / Score 0.2

Rank 3 (2018)

Highest score 3.9

Average score 1.5

C1 Product pricing

C2 Product distribution

- Nestlé has a broad commitment at the global level “to create more accessible, affordable, and nutritious products that are good for people and for our planet.” It relies primarily on government intervention through SNAP and WIC to reach low-income consumers.
- The company donates both cash and products to hunger relief organizations in order to address food insecurity in the US, as well as diverting food loss and waste from its commercial operations and providing disaster relief. For example, it provided 8.2 million lbs of food and beverages in 2021. However, it does not have a policy for responsible food and beverage donations, nor does it commit to predominantly donate healthy products.

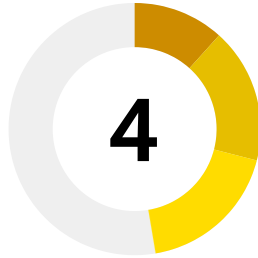
Areas of improvement

- Given that Nestlé commits to address the affordability of healthy products on a global level, it is advised to develop a strategy to do so in the US, specifically for its healthy products, in order to encourage a shift in consumption toward healthier options. The company could start by tracking the relative prices (per serving) of its healthy products and developing targets to improve the price differential between them. Conducting analysis into how products can be priced appropriately for low-income consumers specifically is also encouraged.
- Nestlé is encouraged to develop a commercial strategy to address the accessibility and distribution of its healthy and affordable products. The company could also consider setting targets to drive accountability on this topic.
- Nestlé could work with retailers and distributors to ensure its healthy products are offered at an affordable price at point-of-sale and are distributed in food-insecure neighborhoods.
- Since the company makes sizeable product donations to hunger relief organizations in the US, Nestlé is encouraged to adopt a policy for responsible food donations which prioritizes nutritious products and limits the donations of unhealthy products. This will prevent its philanthropic efforts from inadvertently contributing to obesity and other diet-related non-communicable diseases (NCDs). For example, it could commit to responsible donation guidelines such as the Healthy Eating Research (HER) Nutrition Guidelines. In addition, it is recommended to track the nutritional profile of its product donations for philanthropic programs.



Marketing

20% of overall score



Rank 4 / Score 4.7

Rank 2 (2018)

Highest score 5.5

Average score 4

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

- Nestlé commits not to conduct any advertising directed primarily to children under age 12.
- Nestlé has a detailed marketing policy for all audiences, including a specific policy section for children, which includes information on the forms of marketing it entails and provides an extensive list of commitments regarding a fair representation of their products.
- Nestlé is one of two companies (together with PepsiCo) in the Index who make a commitment for some of its non-commercial US programs relating to nutrition education to exclude product branding.
- The marketing policy for children is specific on marketing strategies in schools, both primary and secondary, and includes a commitment not to market or advertise in other places where children gather.

Areas of improvement

- Although Nestlé made a commitment to increasing spending of marketing on healthier products, it is recommended the company publishes a commentary outlining the changes to its marketing spending in support of healthier eating, relative to their overall marketing budget.
- Nestlé undergoes auditing by the Children's Food and Beverage Advertising Initiative (CFBAI), an industry-led third-party, which publishes aggregated results of its members. The company is encouraged to make its individual compliance results publicly available on its own domain.



Workforce

5% of overall score



Rank 4 / Score 5

Rank 1 (2018)

Highest score 7.3

Average score 3.7

 Employee health

 Breastfeeding support

- Nestlé has three global programs which comprise elements of nutrition: Know Your Numbers (KYNP), #HealthyLives, and Stress and Resilience. The Healthy Lives program offers healthy food at work, while KYNP includes nutrition-focused health checks.
- Nestlé formally commits to granting paid parental leave and to providing appropriate working conditions and facilities to facilitate breastfeeding on sites with more than 50 employees. Nestlé offers 14-18 weeks of paid parental leave for primary caregivers and one to four weeks to the secondary caregiver.

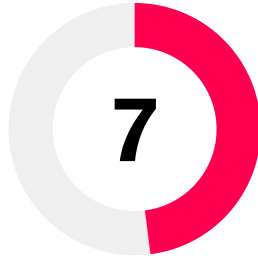
Areas of improvement

- Nestlé should ensure its workforce nutrition programs in the US include expected outcomes (such as healthy behavior, health-related, or employee absenteeism outcomes).
- For its workforce nutrition programs, Nestlé should consider:
 - 1) A commitment to making the program available to all employees and all family members;
 - 2) Including nutrition education;
 - 3) Disclosing the percentage of employees that participate in the program.
- Nestlé is encouraged to evaluate the health impact of its workforce nutrition programs in the US, regulated by a third-party independent evaluator. The company is further encouraged to disclose quantitative and qualitative information of the outcomes of the program.
- Nestlé could commit to improve the health and nutrition of groups across the food value chains it is involved in, that are not directly employed by the company (supply chain partners in the US), through programs focused on nutrition.
- Nestlé is encouraged to extend its current paid parental leave policies to ideally six months or more.



Labeling

5% of overall score



Rank 7 / Score 4.8

Rank 1 (2018)

Highest score 6.8

Average score 5.4

 Product labeling

- Nestlé uses the Facts up Front (FuF) labeling icons to display front-of-pack (FOP) information, which shows the calories, saturated fat, sodium, and total sugar contained in each serving of a food or beverage product. This information is provided on 100% of 'applicable products' in the US.

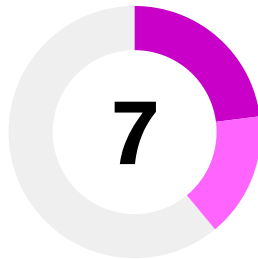
Areas of improvement

- Nestlé is advised to adopt an interpretive FOP labeling system and apply this to all products in its portfolio, such as color-coded systems, as it does in other markets.
- Nestlé is encouraged to use an externally recognized NPM to underpin FOP labeling information in the US. Nestlé currently uses the FuF labeling system, which pulls nutrient information from the Nutrition Facts Panel. However, this does not tell consumers what products the company considers healthier and the criteria used for that purpose.
- Nestlé could provide the percentage of wholegrain relative to all grain or refined grains on all relevant products, to assist consumers in making informed decisions on the healthiness of products. The company is encouraged to continue its work on their 'GRAINSMART balance' system to provide this information.
- Nestlé discloses the amount of fruit and vegetable information on some product labels. It is encouraged to commit to providing fruit and vegetable content information on all relevant product labels.
- It is recommended Nestlé sees that nutrition information is displayed online for 100% of its portfolio, to ensure that with growing online retail sales, consumers can easily access nutritional information. Currently, between 50-79% of its products have information displayed online.
- Nestlé could provide an online 'healthy' filter that is aligned with FOP information and/or ensure a filter that allows a selection of at least three nutrients on its direct-to-consumer channels; e.g., 'high in fiber' or 'low in sugar'.



Engagement

5% of overall score





Rank 7 / Score 3.9

Rank 5 (2018)

Highest score 5.8

Average score 4.4

-  Influencing policymakers
-  Stakeholder engagement

- Nestlé’s lobbying policy is approved by its Board. The company also regularly reviews its involvement in trade associations, assessing the relevance of its participation and its alignment with the company’s strategy and positions – stating that it is prepared to withdraw memberships in situations of continued misalignment.
- Nestlé is a member of the Sustainable Food Policy Alliance (SFPA), which engages with the US government on: Reducing dietary sodium and added sugar in consumers’ diets; updating definitions of terms like ‘healthy’; and encouraging timely implementation of the new nutrition facts panel. SFPA also advocated for increased flexibilities in USDA food and nutrition programs to extend access to WIC, School Lunch and Breakfast Programs, and SNAP for food insecure families and children during the COVID-19 pandemic.
- However, the company provides no examples of lobbying in support of World Health Organization (WHO)-endorsed government policies to address malnutrition (including obesity and diet-related non-communicable diseases (NCDs)) in the US, at federal, state, or local levels.
- Nestlé discloses that its key global ‘advocacy priorities’ include “transparent nutrition information to consumers (on-pack labelling and digital)” and “responsible marketing to children”.
- Nestlé publishes a partial list of trade association memberships in the US, and indicates which it holds Board seats on.
- Nestlé has a policy that prohibits corporate contributions outside of its home country, including in the US. It does not have an employee-run Political Action Committee in its name.
- The company discloses the total amount it spends on lobbying in the US, and provides a link to the Lobbying Disclosure Act (LDA) website where its lobbying disclosure reports can be found.
- Regarding stakeholder engagement in the US, Nestlé is a member of several nutrition-related multistakeholder platforms, including the Portion Balance Coalition, Tufts University Food and Nutrition Innovation Council, and the Personalized Nutrition Initiative.

Areas of improvement

- Nestlé is encouraged to clarify the extent to which its Board has oversight over its lobbying policy positions, processes, and practices, and to undertake audits of the company's lobbying activities, disclosure, and compliance with its lobbying policies.
- Nestlé is strongly encouraged to actively support (or commit to not lobby against) key WHO-endorsed public policy measures to address obesity and diet-related NCDs, such as fiscal measures to address obesity, regulatory restrictions on marketing/advertising unhealthy products (to children), or increased FOP labeling requirements, whether at the federal, state, or local level where proposals arise. Publishing links to specific documents used in government engagements is also encouraged.
- Nestlé is recommended to be more explicit on its website about the role of the SFPA as one of the company's key channels for nutrition-related lobbying in the US.
- Nestlé is recommended to disclose a more comprehensive list of trade association memberships in the US, and to disclose the amount of dues used for lobbying purposes by each.
- While it publishes a link to its LDA reports on its website, Nestlé should also be more transparent on its own domain and publish the names of its lobbyists/lobbying firms, and what state jurisdictions it is actively lobbying in.
- Nestlé could significantly improve its disclosure regarding its lobbying positions on key public health policies, such as those recommended by WHO. These positions should be as specific and unambiguous as possible.
- Nestlé should ensure that it engages with a wide range of nutrition-specific stakeholders in one-to-one discussions regarding its nutrition strategies and activities in the US, such as civil society organizations, academic institutions, and scientific bodies with recognized expertise in nutrition and public health. This engagement should seek to inform these stakeholders about the companies' existing activities and future plans, and aim to solicit feedback and gather insights to ensure these are sufficiently aligned with the public health interest.
- Nestlé is recommended to be transparent about the identities of any experts it consults and the organizations and platforms it engages with on nutrition-related topics, as well as indicating the degree of financial compensation provided for these engagements. Nestlé is also encouraged to improve its public reporting of the purpose and outcomes of the engagements, and how they were used to change its nutrition-related practices or plans.

Product Profile ^{i 85}



Rank 4/11 / Score 2.5/5

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. The underlying nutrient profile model assesses nutrients of concern (sodium, total sugar, saturated fat, and overall energy) and positive food components/ nutrients (fruit and vegetable content, protein, fiber, and, in some cases, calcium) to score products on the basis of nutritional composition per 100g or 100mL. ATNI uses the threshold of 3.5 stars or more to classify products as generally healthier. Product Profile results account for 20% of the total Index score.

Portfolio-level Results

Average HSR (out of 5 stars) (sales-weighted)	Products meeting the 'healthy' threshold (HSR of (3.5 stars or more)			Range of total 2021 US sales covered ^{i 86}
	Total no. products assessed	% of distinct healthier products	% sales from healthier products*	
2.5	398	33%	36%	90-100

ATNI estimates this value by taking the proportion of 'healthy' products within each category assessed and multiplying that figure by the corresponding category US retail sales-values in 2021. The values are then aggregated to generate an estimate of the overall US healthy sales.

- Nestlé's average sales-weighted HSR is 2.5 (stars) out of 5 (2.4 unweighted), ranking fourth out of the 11 companies assessed in the Product Profile. A total of 398 products across the company's five best-selling product categories were assessed using the HSR system.
- 33% of distinct products analyzed for Nestlé met the 'healthy' threshold (3.5 stars or more in the HSR). When taking category sales values into account, the company was estimated to derive 36% of its 2021 US retail sales from healthier products. These results reflect Nestlé's recent divestments of confectionery, ice cream and bottled water brands in the US market.

Mean Health Star Rating by category for Nestlé

	No. of products assessed	Mean HSR
Bottled Water - Other	39	2.5
Bottled Water - Pure	5	5
Dairy	110	1.1
Other Hot Drinks	8	0.5
Ready Meals	236	3

▪ Among product categories assessed, Bottled Water – Plain (which receives an automatic 5 stars) had the highest HSR, followed by the Ready Meals (including DiGiorno, Stouffer's, Lean Cuisine brands) category (3.0 out of 5.). A total of 236 products from the Ready Meals category were analyzed, and 94 (or 40%) met the 'healthy' threshold.

PepsiCo

Product categories assessed

Breakfast Cereals|Carbonates|Savoury Snacks|Energy Drinks|Sports Drinks

Percentage of company US sales covered by Product Profile assessment
80-90%

Headquarters
Purchase, New York, U.S.

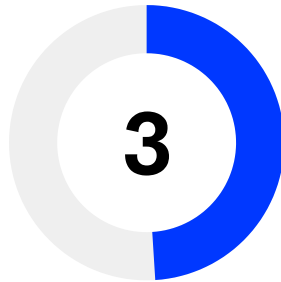
Number of US employees
-

Type of ownership
Public

Sales revenue (range) of packaged foods and beverages
USD 47-52 Billion

US share in global packaged food and beverage sales
42-47%

Euromonitor International Limited [2021]
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Product Profile **1** ⁸⁷

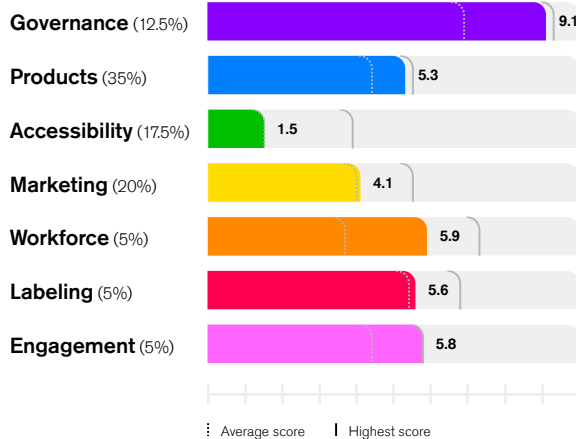
Rank 7 / HSR 2.2 **1** ⁸⁸

Rank 6 (2018) **1** ⁸⁹

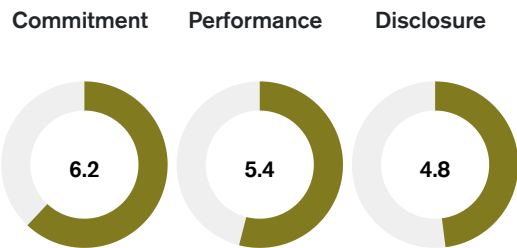
Important:

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. Therefore, in the case of limited or no engagement by such companies, this Index may not represent the full extent of their efforts.

Scoring Overview



(%) Figure in brackets is the weighting of the category
All category and criteria scores are out of 10



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.

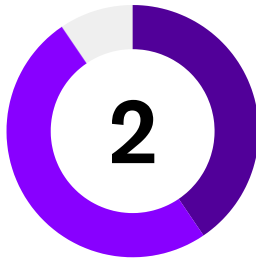
Categories

The US Index 2022 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

12.5% of overall score



Rank 2 / Score 9.1

Rank 3 (2018)

Highest score 9.3

Average score 6.9

A1 Nutrition strategy

A2 Nutrition management

- In 2021, PepsiCo, announced 'Pep+ (PepsiCo Positive)', the company's new framework for strategic end-to-end transformation, which places sustainability at the center of their business. While this new strategy is global and not US-specific, it builds upon the company's ongoing efforts to help establish a more sustainable food system – from sourcing ingredients and making and selling products in a more sustainable way to inspiring consumers through their brands to make better choices for themselves and the planet. This strategy includes two commitments focused on nutrition: (1) Advance Food Security: By 2030, the company aspires to partner with communities to advance food security and make nutritious food accessible to 50 million people; and (2) Positive Choices: PepsiCo continues to evolve its portfolio of food and beverage products including (a) incorporating more diverse ingredients in both new and existing food products that are better for the planet and/or deliver nutritional benefits, prioritizing chickpeas, plant-based proteins, and wholegrains; (b) expanding the company's position in the nuts and seeds category, where it is already the global branded leader; and (c) accelerating reduction of added sugars, sodium, and saturated fat within its portfolio through the use of science-based targets and cooking its foods with healthier oils.
- In addition, PepsiCo is part of the American Beverage Association's Balance Calories Initiative (BCI), together with Coca-Cola and KDP. The BCI has committed to decrease beverage calories in the American diet by 20% by 2025. Through this association, PepsiCo makes an implicit commitment to improving the nutritional quality of its products.
- Through its association with BCI, PepsiCo also commits to addressing the needs of priority populations in the US. BCI tracks calorie reduction efforts in five US communities where health disparities have led to higher obesity rates compared to national average, and where reducing beverage calories is expected to be most challenging. The most recent evaluation concluded that beverage calories per person fell in all five selected communities.
- PepsiCo adopts a multi-faceted approach to addressing obesity, which includes product innovation and reformulation to reduce added sugars, sodium and saturated fat; increasing nutritious offerings; transparent labeling about product ingredients; adhering to responsible marketing policies; and meeting food quality and safety standards. PepsiCo is also a member of the Portion Balance Coalition in the US, which is central to the company's efforts to address the prevalence of obesity and overweight by focusing on the volume (size), proportionality (variety), and quality (nutrient density) of food, drinks, and meals, by activating consumers to create demand and acceptance for balanced food portions. This thereby enables the industry to respond to the demand.
- PepsiCo's global reformulation strategy includes time-bound targets, grounded in public health authorities' dietary recommendations to reduce the incidence of various diet-related diseases. PepsiCo has also developed PepsiCo Nutrition Criteria, which guide product innovation and reformulation and set standards for nutrients to limit. They also inform the nutrients and food groups to encourage that are based on the latest science and country specific dietary guidelines, including the US Department of Agriculture and National Academy of Medicine.
- PepsiCo's senior leadership team – made up of the Chairman, CEO, Sector CEOs, and top functional leaders – assume direct oversight of the sustainability agenda, strategic decisions, and performance management. This includes the company's product-related sustainability goals, which focus on improving the nutritional profile of product portfolio. The company also discloses that the CEO's remuneration is tied to nutrition-related objectives.
- Progress against the company's Environmental, Social, and

Governance goals is overseen by the full senior leadership team on an annual basis. PepsiCo assesses and reports on progress toward its reformulation goals annually. Since 2017, PepsiCo has partnered with Partnership for a Healthier America (PHA) to independently verify the company's reported progress delivering on these goals. In addition, progress on the BCI annual reporting is audited through a third party.

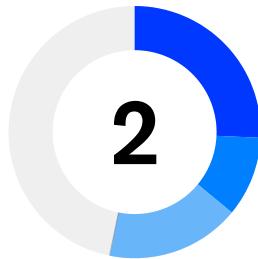
Areas of improvement

- While the company's association with the BCI illustrates a commitment to address the needs of priority populations, details of this work are only mentioned briefly in the company's own report. PepsiCo is encouraged to report on the progress against the work conducted with the BCI.



Products

35% of overall score



Rank 2 / Score 5.3

Rank 3 (2018)

Highest score 5.5

Average score 4.4

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

▪ As part of its Pep+ strategy, PepsiCo has the goal of expanding its portfolio to provide more consumer choice with products that are better for planet and people. The company has committed to reducing added sugars in its beverage portfolio, and sodium and saturated fat in its foods, by 2025. The company has been working with PHA, to use their third-party verification process to verify PepsiCo's 2025 nutrient reduction goals. However, a US- specific report against these targets was not disclosed.

▪ In 2019, the company updated its nutrient profiling model (NPM), the PepsiCo Nutrition Criteria (PNC). The PNC generates scores based on more than one nutritional attribute, enabling products to be ranked on their overall nutritional value. PepsiCo is one of the two Index companies found to have such a model. The PNC were designed to be inclusive of its relevant portfolio, comprising both nutrients of concern and positive nutrients. Furthermore, the PNC has been published, with the rationale behind it, in a peer-reviewed journal, explaining how the PNC is used to guide innovation and the reformulation of products by applying a progressive system.

▪ PepsiCo offers a variety of food and beverage products that are compliant with United States Department of Agriculture standards to be sold in K-12 Schools and High Schools. The company commits to formulate all products sold through retail and other outlets, which have the same 'look and feel' as products sold under the Smart Snacks in School regulation, with the same nutritional standards. To improve performance, the company is encouraged to continue reviewing its current schools portfolio to reformulate products to be healthier.

▪ The company has committed to using more diverse ingredients (legumes, wholegrains, plant-based proteins, fruits and vegetables, and nuts and seeds) that are better for the planet or deliver nutritional benefits. However, no US-specific time-bound targets and/or report on progress was found.

Areas of improvement

▪ PepsiCo could improve its performance by adopting a time-bound and US-specific target to increase overall sales from healthier foods and beverages (compliant at minimum with PNC). Similar to its Pep+ strategy, the company is encouraged to report progress against this target on an annual basis.

▪ The company shows how its PNC is aligned with government guidelines. However, there is no information about overall portfolio performance of the PNC against external standards (i.e., from comparing against an externally validated, government-endorsed NPM). The company is encouraged to publicly disclose how its PNC aligns with relevant US benchmarks – for example the United States Food and Drug Administration's voluntary sodium guidelines and updated definition of "healthy."

▪ PepsiCo is encouraged to continue reviewing its current schools portfolio to reformulate products to be healthier.



Accessibility

17.5% of overall score



Rank 5 / Score 1.5

Rank 2 (2018)

Highest score 3.9

Average score 1.5

C1 Product pricing

C2 Product distribution

- On a global level, PepsiCo developed the 'Pep+ sustainability strategy', launched in September 2021, which seeks to "advance food security and make nutritious food accessible to 50 million people by 2030" through both commercial and philanthropic activities. The commercial aspect involves products that meet nutritional criteria, affordability metrics, and a focus on "lower-income consumers at risk for undernutrition, as determined at the market level and informed by local socioeconomic indicators and externally available data." However, the extent to which this strategy will be rolled out in the US is unclear.
- That said, PepsiCo showed evidence of a US-specific affordability strategy for its healthier snack options (which include legumes, fruits, vegetables, and wholegrains), which includes a focus on reaching consumers of color and low-income groups. The strategy involves developing a range of pack sizes to meet all price points, as well as working across mainstream retail and online channels to ensure its healthier products reach consumers across the income spectrum.
- PepsiCo also partners with E-commerce partners to offer free delivery for zero sugar and better-for-you snack products, to help reach those without proximate access to convenience stores. The company also uses digital tools to prioritize its 'better-for-you' options in online search results to nudge consumers towards these healthier alternatives.
- PepsiCo primarily addresses accessibility and food insecurity in the US through its philanthropic partnership with Feeding America, as well as through its 'Food for Good' program. The latter sees the company manufacture, distribute, and sell (at cost) "nutritious meals" to non-profit organizations in the US, who then distribute them through non-commercial programs like summer and afterschool programs.

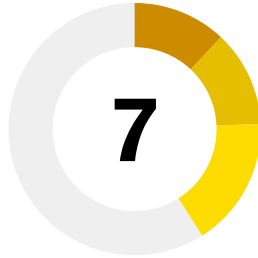
Areas of improvement

- PepsiCo is encouraged to ensure that the commercial aspect of its 'Pep+ sustainability strategy' is also implemented in the US. In doing so, it is advised to set targets on reaching low-income consumers with the products that meet its affordable nutrition criteria.
- PepsiCo is encouraged to disclose information about its affordability strategy for its 'better-for-you' snack options, including working with retailers, as well as its activities as part of the BCI with zero sugar beverages. It is also advised to track the relative prices per serving of these options compared to its broader snacking and/or beverage portfolios, and work to improve the price differentials between them.
- PepsiCo is recommended to be more transparent about how it defines 'nutritious meals' as part of its Food for Good program. It is also encouraged to develop a policy to ensure that its product donations are made responsibly, consisting predominantly of healthy nutritious products, so they do not unintentionally exacerbate public health issues. For example, PepsiCo could commit to responsible donation guidelines, such as the Healthy Eating Research (HER) Nutrition Guidelines. In addition, it is recommended to track the nutritional profile of its product donations for philanthropic programs.



Marketing

20% of overall score



Rank 7 / Score 4.1

Rank 3 (2018)

Highest score 5.5

Average score 4

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

- PepsiCo has a detailed marketing policy for all audiences, including a specific policy section for children, which includes information on the forms of marketing it entails, and gives an extensive list of commitments regarding a fair representation of their products. Furthermore, it has an ad hoc or unstructured process in place when a case of non-compliance is detected.
- PepsiCo is one of the two Index companies who make a commitment for some of its non-commercial US programs relating to nutrition education (GenYouth) to exclude product branding.

Areas of improvement

- Where the PepsiCo's policy for children indicates no marketing or advertising in primary schools, no such commitment is made for secondary schools or other places where children gather. The company is recommended to extend its policy of no marketing to children to the aforementioned places.
- PepsiCo undergoes Children's Food and Beverage Advertising Initiative auditing and is encouraged to make the marketing compliance levels public. No information on auditing the compliance of marketing for the general audience was found. This is therefore recommended to ensure annual independent external auditing of the company's compliance with its general marketing policy (applicable to the US), covering all media specified in the policy.
- Although PepsiCo made a commitment to increase spending of marketing for healthier products, it is recommended PepsiCo publishes a commentary outlining the changes to the company's marketing spending in support of healthier eating, relative to their overall marketing budget.



Workforce

5% of overall score





Rank 3 / Score 5.9

Rank 3 (2018)

Highest score 7.3

Average score 3.7

-  Employee health
-  Breastfeeding support

- PepsiCo's Healthy Living program has a focus on nutrition and includes quantitative information on the outcomes of the program.
- PepsiCo provides some nutrition education to employees through its Kurbo Health Coaching program, which is a weight management program "that offers one on one coaching to help users eat better, exercise more, and lose weight."
- PepsiCo is one of two companies assessed in this Index to provide information on the health impact of its nutrition programs in the US.
- PepsiCo has a public paid parental leave policy in the US of six to 14 weeks.

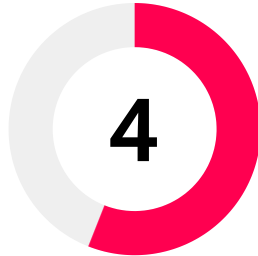
Areas of improvement

- PepsiCo should consider a commitment to making its workforce nutrition program available to all employees and all family members, and continue to publish information on the percentage of employees that participate. PepsiCo has various workforce programs but extensive information was not found in the public domain for all of these. Eligibility varies by program but can include either all employees or benefits eligible employees (including covered spouses/partners/dependents).
- PepsiCo could commit to improve the health and nutrition of groups across the food value chains it is involved in, that are not directly employed by the company (supply chain partners in the US), through programs focused on nutrition.
- PepsiCo is encouraged to extend its current paid parental leave policies to ideally six months or more.
- PepsiCo is advised to develop and publish a US policy on supporting maternal health and breastfeeding mothers at work, which applies equally in all facilities. The company should extend its current support of providing private, hygienic, safe rooms to express breastmilk with a refrigerator, along with other flexible working arrangements to support breastfeeding mothers, by ensuring this is available in all locations. Currently, this only occurs in locations with more than 500 employees.



Labeling

5% of overall score



Rank 4 / Score 5.6

Rank 5 (2018)

Highest score 6.8

Average score 5.4

 Product labeling

- PepsiCo uses the Facts up Front (FuF) labeling icons to display front-of-pack (FOP) information which shows the calories, saturated fat, sodium, and total sugar contained in each serving of a food or beverage product.
- Nutrition information is displayed online via SmartLabel for all of PepsiCo's US product portfolio.
- PepsiCo provides some filters on direct-to-consumer channels, including 'good or excellent sources of protein, fiber, or wholegrains' and 'low in sodium'.

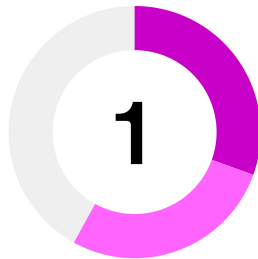
Areas of improvement

- PepsiCo is advised to adopt an interpretive FOP labeling system and apply this to all products in its portfolio. Information on the type of FOP labeling used by the company should be disclosed publicly.
- PepsiCo is encouraged to further track the percentage of its portfolio that is compliant with its approach to FOP labelling and publicly report on this.
- PepsiCo is encouraged to use an externally recognized NPM to underpin FOP labeling information in the US.
- PepsiCo could provide the percentage of wholegrain relative to all grain or refined grains on all relevant products, to assist consumers in making informed decisions on the healthiness of products. Currently, some PepsiCo products carry the Whole Grain Stamp.
- PepsiCo is encouraged to commit to providing fruit and vegetable content information on all relevant products.
- PepsiCo is encouraged to use a healthy filter aligned with FOP information, or a filter that allows a selection of at least three nutrients on direct-to-consumer channels.



Engagement

5% of overall score



Rank 1 / Score 5.8

Rank 2 (2018)

Highest score 5.8

Average score 4.4

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

- The Board's Sustainability, Diversity, and Public Policy Committee is responsible for reviewing PepsiCo's political activities and expenditures. PepsiCo also annually reviews its trade association membership, providing details about its engagement process.
- PepsiCo has lobbied with the American Beverage Association (ABA) and state-level trade associations in support of legislation in Chicago, New York City, and Ohio to support healthier 'default' beverage options for children's meals at restaurants in an effort to reduce child obesity.
- However, the company provides no examples of lobbying in support of World Health Organization (WHO)-endorsed government policies to address malnutrition (including obesity and diet-related non-communicable diseases (NCDs)) in the US, at federal, state, or local level.
- PepsiCo discloses all trade associations to which it pays membership dues over \$25,000, and indicates the dues used for lobbying (as a percentage) for those it pays over \$100,000 in total contributions only.
- PepsiCo comprehensively discloses its political contributions made directly from the company treasury at state and local levels and via political action committees (PACs), as well as those made by its employee-funded PAC, the Concerned Citizens Fund PAC.
- PepsiCo demonstrates leading practice in terms of disclosure regarding lobbying spending – disclosing the total amount spent in the US annually, a link to its Lobbying Disclosure Act reports, a list of the names of its lobbyists and lobbying firms, and indicating the states it is actively lobbying in.
- PepsiCo publishes a range of its policy positions on important WHO-endorsed measures. For example, it indicates that it would not support fiscal measures relating to nutrition or marketing restrictions, indicating that self-regulation are "more effective ways" of improving public health. It also indicates support for FOP labeling "to help consumers make informed choices about what they're eating."
- PepsiCo provided evidence of engaging with several recognized public health-oriented civil society organizations regarding its nutrition strategy and practices, discussing their marketing policies, product goals, performance and challenges, sugar reduction, and advocacy priorities in the US. Meanwhile, its research and development team frequently meet with academics to discuss PepsiCo's nutrition strategy, amongst other topics – for example, the Tufts University Food & Nutrition Innovation and Personalized Nutrition Initiative at University of Illinois.
- PepsiCo engages in consumer education via the ABA's BCI, which partners with a range of organizations – including Barrio Action Youth & Family Center, The Campaign Against Hunger, Washington Literacy Center, Positive Atmosphere Reaches Kids, and Casa Familiar – to implement nutrition education, particularly concerning reducing sugar consumption. It is not clear the extent to which the industry initiative is involved in designing these programs.

Areas of improvement

- PepsiCo is encouraged to undertake audits of the company's lobbying activities, disclosure, and compliance with its lobbying policies.
- PepsiCo is encouraged to actively support (or commit to not lobby against) key WHO-endorsed public policy measures to address obesity and diet-related NCDs, such as fiscal measures to address obesity, regulatory restrictions on marketing/advertising unhealthy products (to children), or increased FOP labeling requirements, whether at federal, state, or local level. Publishing links to specific documents used in government engagements is also encouraged.
- PepsiCo is encouraged to disclose a more comprehensive list of trade association memberships, reducing the threshold for disclosure to \$10,000 in membership dues, for example. Moreover, it could indicate on which Boards it holds seats, if any.
- PepsiCo could improve its disclosure regarding its lobbying positions on key public health policies, such as those recommended by WHO, by making them as specific and unambiguous as possible.
- PepsiCo is strongly encouraged to improve its transparency regarding the stakeholder organizations it engages with for feedback on its nutrition-related topics, strategy and practices, as well as indicating the degree of financial compensation for these engagements (if any).
- PepsiCo is encouraged to improve its public reporting of the content of discussions during stakeholder engagements, and which aspects of the company's nutrition-related activities are being discussed. Importantly, the company should also be clear about the outcomes of the engagements, and how they were used to change its practices or plans.

Product Profile ^{i 90}



Rank 7/11 / Score 2.2/5

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. The underlying nutrient profile model assesses nutrients of concern (sodium, total sugar, saturated fat, and overall energy) and positive food components/ nutrients (fruit and vegetable content, protein, fiber, and, in some cases, calcium) to score products on the basis of nutritional composition per 100g or 100mL. ATNI uses the threshold of 3.5 stars or more to classify products as generally healthier. Product Profile results account for 20% of the total Index score.

Portfolio-level Results

Average HSR (out of 5 stars) (sales-weighted)	Products meeting the 'healthy' threshold (HSR of (3.5 stars or more)			Range of total 2021 US sales covered ^{i 91}
	Total no. products assessed	% of distinct healthier products	% sales from healthier products*	
2.2	1671	28%	25%	80-90%

ATNI estimates this value by taking the proportion of 'healthy' products within each category assessed and multiplying that figure by the corresponding category US retail sales-values in 2021. The values are then aggregated to generate an estimate of the overall US healthy sales.

▪ PepsiCo's average sales-weighted HSR is 2.2 (stars) out of 5 (2.4 unweighted), ranking seventh out of the 11 companies assessed in the Product Profile. A total of 1671 products across the company's five best-selling product categories were assessed using the HSR system.* 28% of distinct products analyzed for PepsiCo met the 'healthy' threshold (3.5 stars or more in the HSR). When taking category sales values into account, the company was estimated to derive 25% of its 2021 US retail sales from healthier products. These results are largely influenced by the fact that the company derives majority of its US sales from the Savoury Snacks and Carbonates categories.



Mean Health Star Rating by category for PepsiCo

	No. of products assessed	Mean HSR
Breakfast Cereals	124	3.2
Carbonates	217	1.1
Energy Drinks	187	2.3
Savoury Snacks	943	2.7
Sports Drinks	200	2.1

▪ Among categories assessed, PepsiCo's products in the Breakfast Cereal category (Quaker brand) had the highest mean HSR (3.2 out of 5). A total of 124 products from the Breakfast Cereal category were analyzed, and 59 (48%) met the 'healthy' threshold. The category with the largest number of products assessed was Savoury Snacks (major brands include Lay's and Doritos). 268 (or 28%) of the unique 943 Savoury Snacks products analyzed met the 'healthy' threshold.

Product categories assessed

Ice Cream|Ready Meals|RTD Tea|Soup|Sauces, Dressings and Condiments

Percentage of company US sales covered by Product Profile assessment
90-100%

Headquarters
London, UK (Global); New Jersey, U.S.

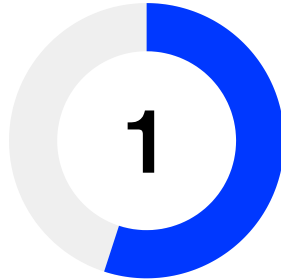
Number of US employees
7500

Type of ownership
Public

Sales revenue (range) of packaged foods and beverages
USD 5–10 Billion

US share in global packaged food and beverage sales
18-23%

Euromonitor International Limited [2021]
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Rank 1 / Score 5.5
Rank 2 (2018)



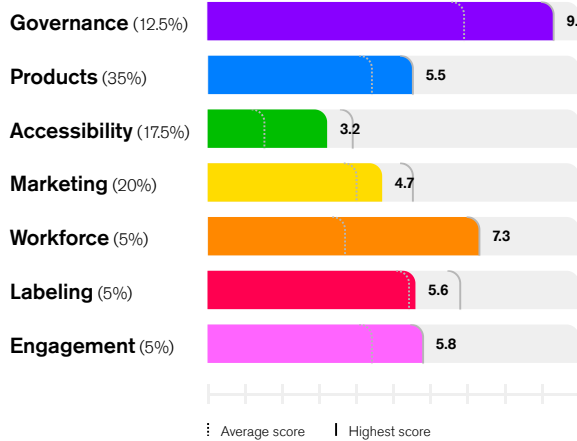
Product Profile ⁹³

Rank 8 / HSR 2.1 ⁹⁴
Rank 7 (2018) ⁹⁵

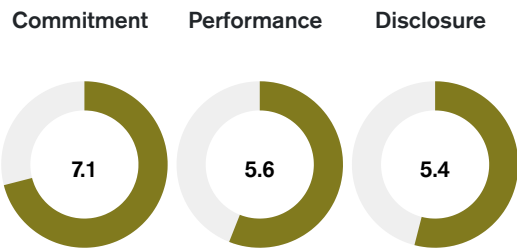
Important:

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. Therefore, in the case of limited or no engagement by such companies, this Index may not represent the full extent of their efforts.

Scoring Overview



(%) Figure in brackets is the weighting of the category
All category and criteria scores are out of 10



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.

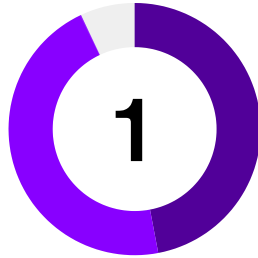
Categories

The US Index 2022 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

12.5% of overall score



Rank 1 / Score 9.3

Rank 2 (2018)

Highest score 9.3

Average score 6.9

A1 Nutrition strategy

A2 Nutrition management

- Unilever is one of four companies that make nutrition and health part of their mission statement in addition to their core commercial strategies. In 2020, Unilever launched its new strategy – The Unilever Compass – which builds upon the Unilever Sustainable Living Plan (USLP) 2010-2020. The company's purpose is to “make sustainable living common place.” Under the 'Improve people's health, confidence, and wellbeing' pillar, the company has set six goals on positive nutrition, including to “double the number of products sold that deliver positive nutrition by 2025” and for “70% of our portfolio to meet World Health Organization (WHO)-aligned nutritional standards by 2022.” These goals are part of the company's 'Future Foods' strategy.
- In July 2020, the company published a plan called 'Transforming the world's food system for a more nutritious, more sustainable, and fairer future', in which it outlines four ways the company is leading change. These include: 1) Nutritious foods and balanced diets; 2) Making plant-based choices available for all; 3) Less food waste; and 4) Food that is fair and doesn't cost the earth. On its US website, the company states: “As one of the biggest consumer goods companies in the world, with a large Foods & Refreshment portfolio, we're mindful of the huge impact we can make through our scale and reach. We aim to produce tasty, accessible, affordable, and nutritious products, and encourage people to make nutritious choices through transparent labelling and balanced portions.”
- Also on its US website, Unilever has a dedicated section to report progress on its nutrition efforts, including US-specific progress on nutrition targets. In addition, in the section "Sustainability performance data" on its global website, Unilever publishes progress by country.
- The company recognizes childhood obesity as one of the most serious public health concerns.
- Accountability of Unilever's nutrition strategy lies with senior leadership, and it is one of four companies that link remuneration of senior leadership to nutrition objectives.

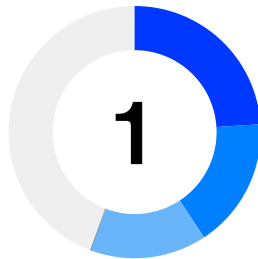
Areas of improvement

- Unilever has a commitment in place to tackle childhood obesity in the US. However, it is also recommended to develop strategies to increase access to healthy foods relative to unhealthy products for communities that may face food and nutrition insecurity, or that may be at a higher-than-average risk of experiencing diet-related diseases.



Products

35% of overall score



Rank 1 / Score 5.5

Rank 1 (2018)

Highest score 5.5

Average score 4.4

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

- As part of its new Compass strategy and 'Future Foods' commitments, Unilever has pledged that 70% of its global portfolio will meet its highest nutritional standard (HNS) by 2022. The company obtains the highest score in this indicator, as it links its 2022 target to sales volumes measured in tons sold. Furthermore, Unilever externally verifies this metric. Furthermore, Unilever publishes progress against its 2022 goal on its global website, including progress by country. For its US market, 64% of Unilever's products met the HNS in 2021 (up from 59% in 2020). The company is encouraged to publish this information on its US-specific site.

- Unilever is in the process of reviewing its internal HNS, and has shared with ATNI evidence that all relevant categories now include added sugar benchmarks. Unilever has committed to doubling the sales of products that deliver against the company's own standards for 'positive nutrition' (when a product is considered to deliver a meaningful amount of positive nutrients or ingredients, such as fruits and vegetables) by 2025. Unilever publishes full details of its global 'Nutrition Standards,' which include its nutrient profiling model (HNS) and 'positive nutrition' criteria online.

- Unilever continues to report against sugar and sodium reduction targets. The company has the ambition to have 85% of its foods portfolio to help consumers reduce their salt intake to no more than 5g per day by 2022. According to Unilever, for the US market, 91% of its portfolio met the salt target in 2021 (up from 87% in 2020). The company shared with ATNI (under NDA) an internal evaluation of how selected products perform against the United States Food and Drug Administration's voluntary sodium reduction guidelines. Concerning sugar, Unilever reports that by 2021, 91% of its US portfolio met the global target to reach 95% of packaged ice cream to contain no more than 250 kcal per serving by 2025.

- While Unilever has indirect saturated fat and sugar reduction targets (benchmarks for these nutrients included as part of Unilever's HNS), as well as 'positive nutrition' targets, the company does not report on US-specific progress against these.

- Although the announcement was made after the cut-off date for this Index to accept new evidence and thus not scored, ATNI does commend Unilever for its announcement March 2022 to publish an annual assessment of its product portfolio against at least six different government-endorsed NPMs globally, and for 16 key markets (including the US), as along with its own HNS. The company is encouraged to publish these results on its global and US-specific website, and to adopt a US-specific target to increase sales of healthier products. When FDA releases its new definition of 'healthy', ATNI hopes all companies, including Unilever, can benchmark their internal nutrition criteria against these new standards.

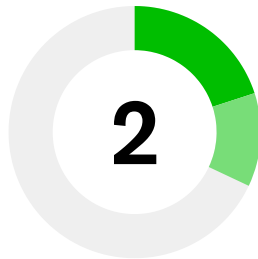
Areas of improvement

- Unilever's Nutrition Standards include its HNS and positive nutrition standards (PNS), and are applicable to its complete portfolio. While the HNS and PNS are composed of category-specific nutrient/ingredient thresholds, the two metrics are not combined to generate scores, enabling foods to be ranked on their overall healthiness. The company is encouraged to revise its Nutrition Standards to strengthen its commitment to increase sales from healthier products, and also to publish results in a peer-reviewed journal.
- ATNI's Product Profile outcome was that 19% of the company's US sales in 2021 were derived from products meeting the HSR 'healthy' threshold (3.5 stars or more out of 5). Unilever is encouraged to improve its product mix, and channel more marketing resources to increase sales from healthier products and product categories.
- Unilever is encouraged to improve transparency on how its (re)formulation strategy aims to address US-specific nutrition challenges, including performance against external benchmarks (e.g., FDA sodium targets). Unilever is encouraged to set a timebound sugar reduction target that is relevant and specific to its US portfolio. As part of its previous strategy (Unilever Sustainable Living Plan), in 2010 Unilever committed to removing 25% of sugar across all sweetened tea-based beverages by 2020. In the US, the company achieved a 20% reduction. As ready-to-drink tea (RTD) continues to represent a significant proportion of company's sales in the US, the company is encouraged to continue and strengthen its sugar reduction journey. Indeed, in 2021, the company announced a new global sugar reduction commitment to reach 80% of its global beverage portfolio to contain no more than 5 g per 100 ml of total sugar, by 2025. Reporting of US-specific compliance against this target is encouraged.



Accessibility

17.5% of overall score



Rank 2 / Score 3.2

Rank 6 (2018)

Highest score 3.9

Average score 1.5

C1 Product pricing

C2 Product distribution

- Unilever was the only company in this research found to explicitly commit to reaching low-income consumers, stating on its Knorr website: "Make Nutritious Food Accessible & Affordable: Knorr believes that wholesome, nutritious food should be accessible and affordable to all, but unfortunately, that is not a reality for everyone today in America." Moreover, the company provided evidence of how it tries to make this a reality, conducting analyses of appropriate price positioning and offering a variety of pack sizes that can reach low-income households, and designing 'Better for you' recipes for its rice, pasta, and sides dishes that meet its HNS criteria at affordable price points for low-income consumers.
- Unilever primarily seeks to address access to healthy foods in the US through philanthropic activities. For example, in partnership with The Food Trust, it provided mini-grants to small grocery store owners that sold nutritious food in United States Department of Agriculture (USDA)-identified 'food deserts' during the pandemic, and has supported stores in the Navajo Nations' healthy retail program. It is also a partner of Feeding America, to which it donates both funds and products.
- While it does not have a policy for ensuring responsible donations of products, Unilever was the only company to show evidence of keeping detailed records of its product donations. Between 70-80% of the products it donated were estimated to meet the HNS criteria.

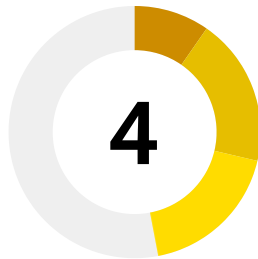
Areas of improvement

- Unilever is encouraged to publicly report about its strategies in the US designed to increase the affordability of its Knorr products for low-income consumers. It is also recommended to set SMART (specific, measurable, achievable, relevant, and time-bound) targets in this regard.
- Unilever is encouraged to commit to and develop a commercial strategy to address the accessibility and distribution of its healthy and affordable products relative to less healthy and less affordable varieties. The company could also consider setting targets to drive accountability on this topic.
- Unilever could work with retailers and distributors to ensure its healthy products are offered at an affordable price and are distributed in food-insecure neighborhoods.
- While the company demonstrated that it primarily donates products that meet its internal HNS nutrition criteria, Unilever is encouraged to adopt a policy for responsible food donations to formalize this practice. Such a policy should limit the donations of products that are not part of a healthy diet, in order to prevent its philanthropic efforts inadvertently contributing to obesity and other diet-related non-communicable diseases (NCDs). For example, it could commit to responsible donation guidelines such as the Healthy Eating Research (HER) Nutrition Guidelines for relevant product categories.



Marketing

20% of overall score



Rank 4 / Score 4.7

Rank 5 (2018)

Highest score 5.5

Average score 4

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

- Unilever commits not to market products to children under the age of 13 at all. According to its updated Markets to Kids Principles, Unilever commits to stop marketing food and beverages to children under the age of 16, effective from 31st December 2022.
- Unilever has a detailed marketing policy for all audiences, including a specific policy section for children, which includes information on the forms of marketing it covers, and provides an extensive list of commitments regarding making a fair representation of their products. Furthermore, it has a well-structured response mechanism to ensure corrective measures are taken regarding any non-compliance with its marketing policy.
- The marketing policy for children is specific on marketing strategies in schools, both primary and secondary, and also commits to only market or advertise 'healthy' products in other places where children gather.

Areas of improvement

- Unilever undergoes Children's Food and Beverage Advertising Initiative (CFBAI) auditing and is encouraged to make the marketing compliance levels public. No information on auditing the compliance of marketing for the general audience was found. It is therefore recommended they ensure annual independent external auditing of the company's compliance with its general marketing policy applicable to the US, covering all media specified in the policy.
- Unilever is encouraged to commit to increasing the proportion of marketing spending on healthy products or healthier product varieties relative to overall marketing spending or spending on the marketing of less healthy product varieties. They are also encouraged to publish a commentary outlining the changes to the company's marketing spending in support of healthier eating.
- Unilever is advised to commit to or demonstrate that its non-commercial US programs relating to nutrition education exclude product- or brand- level branding in all programs.



Workforce

5% of overall score



Rank 1 / Score 7.3

Rank 2 (2018)

Highest score 7.3

Average score 3.7

 Employee health

 Breastfeeding support

- Unilever's Health Improvement Program and Lamplighter program both have a focus on nutrition, and include measurable and verifiable expected outcomes.
- Unilever commits to work with the Workforce Nutrition Alliance to "improve the health and wellbeing of Unilever employees focusing on nutrition behavior changes, physical activity and mental health, and other aspects of a healthy lifestyle."
- Unilever's workforce nutrition programs are available to all employees and offer healthy food at work, nutrition education, and nutrition-focused health checks.
- Unilever is one of two companies assessed in this Index to provide information on the health impact of its nutrition programs in the US.
- Unilever formally commits to offering paid maternity leave of 16 weeks and paid parental leave of eight weeks for non-birth giving parents.
- Unilever has a Global Maternal Wellbeing standard, which is publicly available and lays out the company policy on supporting maternal health and breastfeeding mothers at work. It applies equally in all facilities. Lactation facilities are available at all sites with more than 50 employees.

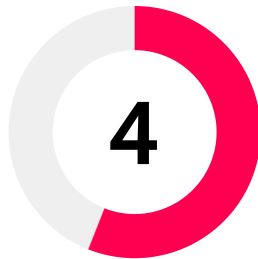
Areas of improvement

- Unilever is encouraged to make efforts to increase the percentage of employees that participate in its workforce nutrition programs. Unilever could also consider making these programs available to all family members.
- Unilever is encouraged to evaluate the health impact of its workforce nutrition program(s) in the US, regulated by a third-party independent evaluator. The company is further encouraged to disclose quantitative and qualitative information of the outcomes of the program.
- Unilever could commit to improve the health and nutrition of groups across the food value chains it is involved in, that are not directly employed by the company (supply chain partners in the US), through programs focused on nutrition.
- Unilever is encouraged to extend its current paid parental leave policies to ideally six months or more.



Labeling

5% of overall score



Rank 4 / Score 5.6

Rank 1 (2018)

Highest score 6.8

Average score 5.4

 Product labeling

- Unilever uses the Facts up Front (FuF) labeling icons to display front-of-pack (FOP) information, which shows the calories, saturated fat, sodium, and total sugar contained in each serving of a food or beverage product. This FOP label is displayed on all of Unilever's US food and beverage products.
- All of Unilever's US food and beverage products' nutritional information is displayed online through SmartLabel.

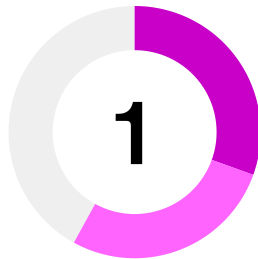
Areas of improvement

- Unilever is advised to adopt an interpretive FOP labeling system and apply this to all products in its portfolio. Information on the type of FOP labeling used by the company should be disclosed publicly.
- Unilever is encouraged to use an externally recognized NPM to underpin FOP labeling information in the US. Unilever currently uses the FuF labeling system, which pulls nutrient information from the Nutrition Facts Panel. However, this does not tell consumers what products the company considers healthier and the criteria used for that purpose.
- Unilever could provide the percentage of wholegrain relative to all grain or refined grains on all relevant products, to assist consumers in making informed decisions on the healthiness of products. Currently, the company displays wholegrain first in the ingredients list – but for consumers to easily decipher the ratio of wholegrain to refined grains in a product, either the quantity of both grains or the percentage of wholegrains is needed on the product label.
- Unilever displays the amount of vegetables on pack for some products. The company is encouraged to commit to providing fruit and vegetable content information on all relevant products.
- Unilever is encouraged to use a healthy filter aligned with FOP information, or a filter that allows a selection of at least three nutrients on direct-to-consumer channels, such as Ice Cream Now and Food Service Direct. These filters could be 'high in fiber' or 'low in sugar/calories'.



Engagement

5% of overall score





Rank 1 / Score 5.8

Rank 4 (2018)

Highest score 5.8

Average score 4.4

-  Influencing policymakers
-  Stakeholder engagement

- Unilever's Board is responsible for the company's Code of Business Principles, which covers engagement with government and regulators, political activities, and donations. The President of 'Food & Refreshment' is responsible for the company's lobbying activities and positions, and reports to the CEO. The company has an internal policy governing its engagement with trade associations.
- Unilever is a member of the Sustainable Food Policy Alliance (SFPA), which engages with the US government on reducing dietary sodium and added sugar in consumers' diets, updating definitions of terms like 'healthy', and encouraging timely implementation of the new nutrition facts panel. SPFA also advocates for increased flexibilities in USDA food and nutrition programs to extend access to WIC, School Lunch and Breakfast Programs, and SNAP for food insecure families and children during the COVID-19 pandemic.
- Unilever discloses all trade associations in the US to which it pays \$10,000 or more in membership dues. In its Annual Report of Accounts, it also discloses the associations that members of its Unilever Leadership Executive team hold Board seats on.
- Unilever's policy prohibits political contributions to political parties or candidates, including via intermediary organizations. The company does not have a political action committee.
- Unilever demonstrates leadership in terms of the extent to which it discloses its lobbying positions on important nutrition-related policies, publishing a range of 'advocacy and policy asks' covering fiscal measures, FOP labelling, and marketing, among others. Moreover, the company provides further detail on the conditions under which it would support government regulation to limit sugar and FOP labeling requirements in its 'Position on Sugar' and 'Position on Nutrition Labelling' documents respectively.
- Unilever reports that it engaged external nutrition experts on its new HNSNPM and its product development, several of which were US-based, and shared evidence of this how input was used. It is also a member of the Portion Balance Coalition and Tufts University Food and Nutrition Innovation Council in the US.
- Unilever's Knorr brand supports several non-commercial nutrition education programs designed and implemented by external organizations with relevant expertise. These include Boys & Girls Clubs of America, which teaches youths about cooking healthy and affordable meals, and FoodRight, a Milwaukee-based nonprofit which works with schools and community organizations to offer gardening and culinary nutrition education to youths.

Areas of improvement

- Unilever is encouraged to assign to its Board direct oversight of its public policy positions. It is also advised to undertake audits of the company's lobbying activities, disclosure, and compliance with its lobbying policies.
- Unilever is strongly encouraged to actively support (or commit to not lobby against) key WHO-endorsed public policy measures to address obesity and diet-related NCDs in the US where proposals arise, whether at federal, state, or local level, . Publishing links to specific documents used in government engagements related to nutrition is also encouraged.
- Unilever is also recommended to be more explicit on its website about the role of the SFPA as one of the company's key channels for nutrition-related lobbying in the US.
- For the trade associations it discloses, Unilever is encouraged to disclose the precise amount of its membership dues that are used for lobbying purposes. It is also recommended to disclose the Board seats its Unilever Leadership Executive (ULE) holds in the same space as its trade association disclosure.
- While it publishes a link to its Lobbying Disclosure Act reports on its website, Unilever could also be more transparent in its own domain about its lobbying expenditures and activities, including publishing the names of its lobbyists/lobbying firms and what state jurisdictions it is actively lobbying in.
- While Unilever demonstrates stakeholder engagement at a global-level, it should ensure it engages directly with a wider range of US-based stakeholders specifically regarding its nutrition strategies and activities in the US. These could include civil society organizations, academic institutions, and scientific bodies with recognized expertise in nutrition and public health. Unilever is strongly encouraged to improve its transparency regarding the identities of experts it consults in the US, as well as the degree of financial compensation provided for these engagements.
- Unilever is encouraged to improve its public reporting of the topics and outcomes of discussions during stakeholder engagements, which aspects of the company's nutrition-related activities are being discussed, and how it was used to change its practices or plans. Per the AccountAbility 1000 Stakeholder Engagement Standard, improving transparency in this regard enables other stakeholders to better understand and scrutinize the quality of the company's stakeholder engagement, and perspectives are shaping the company's nutrition-related activities.

Product Profile ^{i 96}



Rank 8/11 / Score 2.1/5

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. The underlying nutrient profile model assesses nutrients of concern (sodium, total sugar, saturated fat, and overall energy) and positive food components/ nutrients (fruit and vegetable content, protein, fiber, and, in some cases, calcium) to score products on the basis of nutritional composition per 100g or 100mL. ATNI uses the threshold of 3.5 stars or more to classify products as generally healthier. Product Profile results account for 20% of the total Index score.

Portfolio-level Results

Average HSR (out of 5 stars) (sales-weighted)	Products meeting the 'healthy' threshold (HSR of (3.5 stars or more))			Range of total 2021 US sales covered ^{i 97}
	Total no. products assessed	% of distinct healthier products	% sales from healthier products*	
2.1	791	17%	19%	90-100%

ATNI estimates this value by taking the proportion of 'healthy' products within each category assessed and multiplying that figure by the corresponding category US retail sales-values in 2021. The values are then aggregated to generate an estimate of the overall US healthy sales.

- Unilever's average sales-weighted HSR is 2.1 (stars) out of 5 (2.1 unweighted), ranking eight out of the 11 companies assessed in the Product Profile. A total of 791 products across the company's five best-selling product categories were assessed using the HSR system. Unilever's plain tea products were not included in this analysis.
- 17% of distinct products analyzed for Unilever met the 'healthy' threshold (3.5 stars or more in the HSR). When taking category sales values into account, the company was estimated to derive 19% of its 2021 US retail sales from healthier products. These results are largely influenced by the fact that the company derives majority of its US sales from the Ice Cream category.



Mean Health Star Rating by category for Unilever

	No. of products assessed	Mean HSR
Ice Cream	471	2
Ready Meals	141	3.7
RTD Tea	68	2.1
Sauces, Dressings and Condiments	96	1.8
Soup	15	2.2

▪ Among categories assessed, Unilever's products in the Ready Meals category (Knorr brand) had the highest mean HSR (3.7 out of 5), followed by the Soup category (2.2 out of 5). A total of 141 products from the Ready Meals category were analyzed, and 60 (or 43%) met the 'healthy' threshold. A total of 15 Soup products were analyzed, with seven (47%) meeting the 'healthy' threshold. A total of 471 Ice Cream products were analyzed, with 22 (5%) meeting the 'healthy' threshold.

Footnotes

1. Less than a third of the companies' combined sales value is derived from products meeting the "healthy" threshold.
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41. Healthy is defined as a Health Star Rating (HSR) of 3.5 or more out of a possible 5 stars
42. The Product Profile corresponds to criterion B1, assessing the nutritional quality of companies' portfolios, relative product quality within categories compared to peers and changes in portfolio healthiness over time.
43. The current Product Profile score accounts for 20% of the total Index score. It corresponds to criterion B1 of the Index.
44. 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. The underlying nutrient profile model assesses nutrients of concern (sodium, total sugar, saturated fat, and overall energy) and positive food components/ nutrients (fruit and vegetable content, protein, fiber, and, in some cases, calcium) to score products on the basis of nutritional composition per 100g or 100mL. ATNI uses the threshold of 3.5 stars or more to classify products as generally healthier. Product Profile results account for 20% of the total Index score.
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81. The Access to Nutrition Foundation (ATNF) is an international not-for-profit organization based in the Netherlands dedicated to addressing global nutrition challenges worldwide. ATNF provides companies with a tool to benchmark performance on nutrition against others in their sector, and provides stakeholders with impartial objective, consistent, in-depth information on companies' contributions to improving nutrition.
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