

Adani Wilmar Limited ¹

Product categories assessed

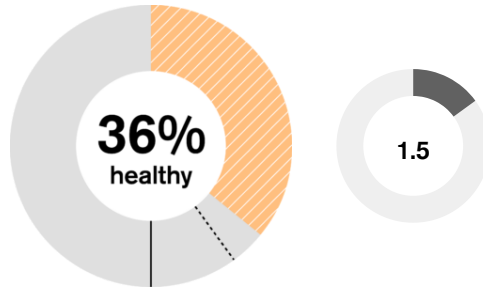
Edible Oils|Rice, Pasta and Noodles|Flour|Processed Meat, Seafood and Alternatives to Meat

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

Headquarters
India

Type of ownership
Public

Euromonitor International Limited [2021]
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Corporate profile score

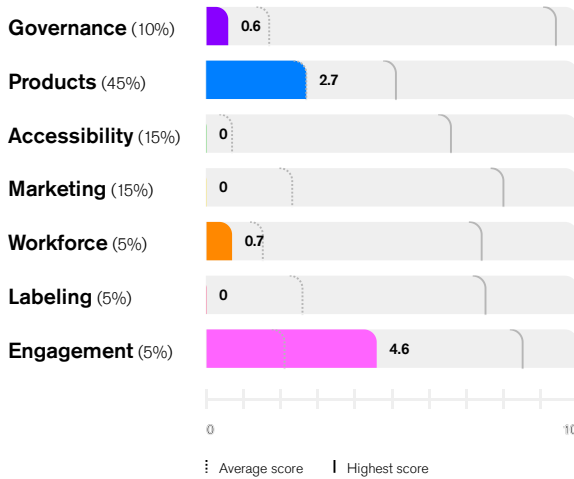
Target value 50%
Intermediate target 40%

²

Important

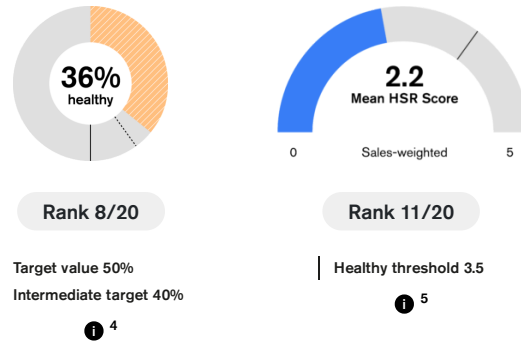
The findings of this Index regarding companies' performance rely to a large extent on information shared by companies, in addition to information that is available in the public domain. Several factors beyond the companies' control may impact the availability of information. Therefore, in the case of 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.

Product Profile ^{1 3}



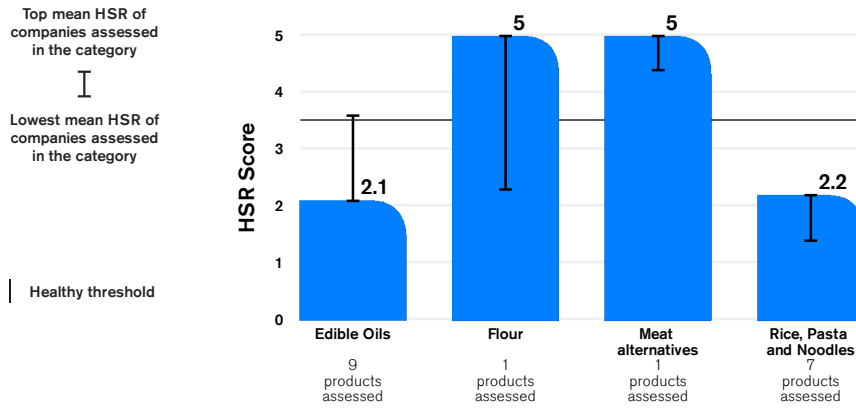
The Product Profile is an independent assessment of the nutritional quality of companies' product portfolios. For this purpose, ATNI uses the Health Star Rating (HSR) model, which rates foods from 0.5 to 5.0 based on their nutritional quality. The underlying nutrient profile model assesses nutrients 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 30% of the total Index score.

Portfolio-level Results

Total no. products assessed	Range of total 2021 company sales in India ⁶	Sales-weighted Mean HSR (out of 5 stars)	Products meeting the 'healthy' threshold (HSR of 3.5 stars or more) ⁷	
			% of distinct healthier products	% sales from healthier products
17	90-100 %	2.2	50	36

- Adani Wilmar's average sales-weighted HSR is 2.2 (stars) out of 5 (2.6 unweighted mean HSR).
- A total of 18 products across the company's four best-selling product categories were assessed using the HSR model.
- 50% of distinct products analyzed for Adani Wilmar 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 36% of its India 2021 sales from healthier products.

Mean Health Star Rating by category for Adani Wilmar Limited



- Among categories assessed, Adani Wilmar's products in Flour (1 product) and Processed Meat, Seafood and Alternatives to Meat (1 product) had the highest mean HSR (5.0 out of 5.0).
- The company's lowest scoring category is Rice, Pasta and Noodles with a mean HSR of 2.2 out of 5, for which 50% of products reached the healthy threshold.
- In total, 67% of distinct products and 85% when sales-weighted, was found to be eligible to be marketed to children using the WHO SEAR criteria.
- Adani Wilmar (85%) ranked the highest in terms of sales-weighted proportion of products eligible to be marketed to children, using the WHO Sear criteria.

Categories

The Index is divided into seven categories which assess food & beverage companies' policies, practices and transparency related to nutrition in the Indian market.



Governance

10% of overall score



Rank 13 / Score 0.6

Highest score 9.4

Average score 1.7

- In its Environmental, social, and governance (ESG) reporting, the company states that launching “health and wellness products” is one of its “strategic priorities”, indicating that nutrition plays a role in its commercial growth strategy. However, it does not state how it plans to progress on this strategic goal, nor are nutrition-related risks identified in its Enterprise Risk Assessment, as reported in its 2022 Annual Report.
- The company’s reporting on this is limited to publishing specific examples of recently launched products that the company considers to be ‘healthy’ (which is not formally defined).

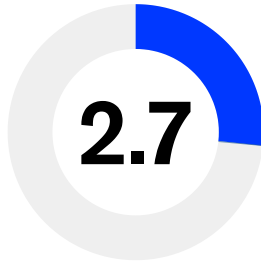
Aspects to improve

- Adani Wilmar is encouraged to develop and publish a clear plan or strategy, embedded in its commercial operations, on how it intends to deliver on strategic goal to launch more “health and wellness products”. In addition to developing a formal definition for “health and wellness products”, it should develop specific plans to improve the nutritional profile of its portfolio by, for example, decreasing levels of nutrients of concern (sodium, saturated fats, and sugar), increasing levels of positive ingredients (such as whole grains or fruits and vegetables), or fortification of key products. Special consideration for how its “health and wellness products”, especially those that are fortified, can reach at-risk populations (such as those on lower incomes through affordability), is also recommended.
- To drive progress internally on implementing its nutrition strategy, the company is recommended to develop specific, measurable, and timebound targets encompassing various elements of its approach, and an overall target to increase sales of the products it defines as ‘healthier’.
- To demonstrate to external stakeholders that it is delivering on its nutrition strategy and/or commitments, the company is recommended to report more comprehensively on all elements of its approach, showing what has been achieved year-on-year across its portfolio or key product categories. Reporting should ideally take the form of quantitative metrics, rather than specific examples only, and progress documented systematically.
- In developing its nutrition strategy and approach, and to ensure that it is maximizing its positive impact on public health, the company is strongly recommended to engage with independent experts/stakeholders, such as independent (i.e. not directly affiliated with industry) public health-oriented civil society organizations, academic institutions, (inter-)national organizations.
- In order to ensure that the strategy receives strategic direction from the top, the company is recommended to ensure that its nutrition strategy is subject to regular review at Board-level, and encouraged to assign formal responsibility for the success of its nutrition strategy to the highest levels of seniority within the company in India.



Products

45% of overall score



Rank 11 / Score 2.7

Highest score 5.1

Average score 2.7

Category B2: Portfolio Development

- Adani publishes a statement in its 2021-22 ESG Report that it conforms to the Dietary Guidelines for Indians provided by National Institute of Nutrition (NIN) and the Food Safety and Standards Authority of India (FSSAI) in its product (re)formulation approach, including adhering to the maximum 2% trans-fat level for 16 products under its Fortune brand.
- The company voluntarily fortifies some of its edible oil products in accordance with FSSAI's food safety and standards (fortification of foods) regulations, revised in 2021 to include standards for processed foods. For example, it showed evidence that its refined sunflower oil (under the Fortune brand) is fortified with Vitamins A and D.

Category B3: Nutrient Profiling

- The company did not provide evidence that it uses a NPM or other objective nutrition criteria to evaluate the nutritional quality of its products to inform new product development or product reformulation.

Aspects to improve

Category B2: Portfolio Development

- In order to drive progress on improving the healthiness of its portfolio, the company is encouraged to adopt specific, measurable, and timebound targets to reduce nutrients of concern (sodium, sugar, and saturated fat) and increase positive ingredients (including whole grains and fruits, vegetables, nuts and legumes - FVNL) across its relevant portfolio. These targets should ideally be aligned with the ICMR/NIN Dietary Guidelines and Recommended Dietary Allowance (RDA) for Indians, and/or WHO guidelines, and are recommended to be published on the public domain.
- Once set, the company is recommended to report progress against all reformulation targets on an annual basis, in a consistent and easily accessible manner, in order to increase transparency and accountability.
- The company is strongly encouraged to develop an internal policy to prevent the fortification or enrichment of unhealthy products (i.e. with high levels of fat, sugar, and/or sodium), for example, according to nutrition criteria defined by an (internationally recognized) nutrient profiling model (NPM). Thereafter, it is encouraged to produce more fortified products to address specific micronutrient deficiencies in India according to government priorities, while ensuring that these are 'healthier'.

Category B3: Nutrient Profiling

- The company is strongly encouraged to adopt a NPM to determine the relative healthiness of all products in its portfolio.
- Ideally, this should be (or align closely with) an internationally recognized (or, when applicable, government-endorsed) NPM; if developing its own, the company is encouraged to apply stringent thresholds for nutrients of concern that align with (inter)national standards, and use per 100g as the reference unit (to ensure greater objectivity and comparability).
- The company is recommended to disclose all details of the NPM it uses in full, including the nutrient thresholds it uses, reference values, and how 'healthy' is defined, on the company's India website and, ideally, in a scientific journal that is peer-reviewed and indexed.



Accessibility

15% of overall score



Rank 5 / Score 0

Highest score 6.6

Average score 0.7

- The company indicates that it considers the affordability of two of the “healthier” varieties of its edible oil portfolio. For example, the company states that Fortune Rice Bran Health oil includes home-makers is “marketed around an affordable price point”, while it reports that its Fortune Soybean Oil, which it describes as a “healthier and affordable oil”, is priced “attractively lower” than standard sunflower oil, and is accessible through “distribution breadth: 600 distributors, 90,000 outlets and a focus on B- and C-class towns”. However, it is not clear when these products were brought to market, how these products are defined as ‘healthy’, nor was evidence of their ‘affordability’ shared.

Aspects to improve

- To ensure that products that are considered by the company to be ‘healthier’ are being priced affordably for lower-income consumers, the company is recommended to:
 - ensure that such products are defined as ‘healthy’ through the use of a nutrient profiling model (NPM) (or other clear nutrition criteria) - such that unhealthy products High in Fat, Salt or Sugar foods (HFSS) are specifically excluded;
 - have a clear approach to determining whether a product is ‘affordably priced’; and
 - use a formal classification of ‘lower-income consumers’ that it is trying to reach.
- With these definitions and processes in place, the company is encouraged to develop and implement a strategy or approach for ensuring that at least part of its ‘healthier’ (and, ideally, fortified or micronutrient-rich) product portfolio is priced affordably for lower-income consumers, and continually explore new opportunities for delivering ‘affordable nutrition’. Examples of approaches can be found in the methodology and chapter for Category C.
- The company is recommended to publicly disclose information about its affordable nutrition strategies/approaches, including specific definitions, the approaches taken to ensure affordability, and the progress made on implementation in India.



Marketing

15% of overall score



Rank 12 / Score 0

Highest score 8

Average score 2.3

- The company's growth strategy, outlined in its Annual Report 2021-2022, includes a focus on increasing brand awareness through engaging celebrities as brand ambassadors, investing deeper in digital advertising and brand building, and strengthening product brand advertising, range advertising and digital connect.
- No evidence of a specific policy to ensure the responsible marketing of products to children could be found on the company's website.
- Under Principle 9 of its 'Business Responsibility Policies', the company states "The Group will promote and advertise its services in ways that do not mislead or confuse the consumers or violate any of the principles in this policy."

Aspects to improve

- The company is encouraged to develop and publish a comprehensive responsible marketing policy that covers all media channels and audiences, including children under the age of 18 (in line with CCPA guidelines), especially given its emphasis on celebrity engagement, digital advertising, and brand advertising in its commercial strategy.
- The company is encouraged to ensure more responsible marketing to children by adopting:
 - aligning its nutrition criteria for products considered appropriate to be marketed to children with the WHO SEAR nutrient profiling model ;
 - an audience threshold of 25% for limiting children's exposure to advertisements on all media;
 - specific commitments not to use certain materials and techniques to market their products to children, including celebrities, licensed characters, promotional toys and games, and depicting children on packaging.
- The company is encouraged to commission regular third-party audits of compliance to its responsible marketing policy in India, and to disclose the results of this audit, as well as the response mechanism it has in place to address instances of non-compliance.



Workforce

5% of overall score



Rank 10 / Score 0.7

Highest score 7.4

Average score 1.5

- Adani Wilmar offers three days of paid paternity leave.
- No specific mention of workforce nutrition could be found on the company's public domain.
- No policy to support breastfeeding mothers in the workplace could be found.

Aspects to improve

- The company is recommended to develop a workforce nutrition program that includes providing access to healthy food at work, nutrition education, nutrition-related health checks, and breastfeeding support. This program should ideally be available to all employees, including those at manufacturing sites.
- The company is recommended to define quantifiable and meaningful expected outcomes for its workforce nutrition program and evaluate it accordingly - for example related to health-related behaviors, health-related outcomes, outcomes related to employee participation, or benefits to the company. Becoming a signatory of the Workforce Nutrition Alliance and utilizing its self-assessment scorecards could be a good first step in this regard.
- The company is encouraged to develop a clear policy on support extended to breastfeeding mothers at work in order to aid their maternal health; and this should apply equally to all office and production site employees. Support should, at a minimum, include i) Private, hygienic, safe rooms for expressing breastmilk; ii) Refrigerators in place to store milk; and iii) Other flexible working arrangements to support breastfeeding mothers, such as flexible working hours or on-site creche facilities. Furthermore, it is important to foster a workplace culture that is supportive of breastfeeding, for example through awareness campaigns.
- Adani Wilmar is encouraged to offer maternity and paternity or second caregiver leave, to extend current 10 days of paternity leave to go beyond current national regulations (15 days), and remove limitations based on the number of children born.
- The company is also encouraged to develop a workforce nutrition program for its supply chain workers, starting with a needs assessment to identify those groups at highest risk of experiencing malnutrition. It can then engage with its supply chain partners and relevant civil society organizations to help reach these groups, further study the underlying causes of malnutrition in that specific context, and develop a tailored program to address their nutritional needs in a targeted manner. For more guidance, see the ATNI 2021 Action Research report and/or engage with the WNA.



Labeling

5% of overall score



Rank 13 / Score 0

Highest score 7.5

Average score 2.6

- No evidence of a standardized policy or approach to front-of-pack (FOP) product labelling could be found on the company's public domain.
- Product images shown on company's website do not have nutritional labelling information clearly visible. Additionally, no accompanying tables displaying product nutritional information were found on the website.

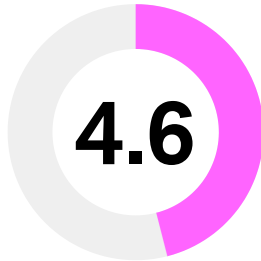
Aspects to improve

- Once it is formally enacted by FSSAI, if the INR FOP labeling system is on a voluntary basis, the company is strongly encouraged to adopt it across their entire portfolios in India.
- The company is recommended to ensure that FOP and back-of-pack (BOP) images for its products displayed on the website are sufficiently high image resolution, and including zoom functionality, such that nutritional information displayed is legible. Additionally, the company should consider adding nutritional information tables, to ensure nutritional information is fully comprehensive and accessible to external parties.



Engagement

5% of overall score



Rank 4 / Score 4.6

Highest score 8.5

Average score 2.1

- The company publishes its 'Responsible Advocacy Policy' on its Investors website. This stipulates a "Focus on transparency, accountability, strong corporate governance standards and ethical guiding principles in all advocacy interactions", and explicitly applies to third-parties.
- The company states that it implements "record management tools to record all advocacy interactions performed on behalf of AWL and its subsidiaries by employees and relevant contractors".
- As part of its mandatory reporting on the 2022-23 Business Responsibility and Sustainability Report (BRSR), under Principle 7, the company discloses nine trade associations it is a member of both in India and internationally. It does not list any State-level associations. The company is also listed as a member of the Protein Foods and Nutrition Development Association of India (PFDAI), which is not disclosed by the company.

Aspects to improve

- The company is recommended to enhance its Responsible Advocacy Policy to require that the evidence presented shall be as independent and representative as possible and to always consider the wider public health interest in its efforts. It should also clearly define what it defines as 'advocacy interactions'; this definition should be as comprehensive as possible.
- The company is encouraged to publicly disclose more information about its specific interactions with policymakers regarding nutrition-related regulatory developments, including those that are recorded by its record management tools.
- Adani Wilmar is encouraged to report on the 'Leadership Indicator' for BRSR Principle 7, and disclose its policy positions on key nutrition-related policy measures that are under debate or development in India that would likely affect the company (for example, whether or not it supports FSSAI's new FOP labelling system, and under what conditions), even if the company is not engaging directly. These disclosures should be as specific and unambiguous as possible, and should consider the wider public health interest and long-term material implications of rising levels of malnutrition in India.
- To further enhance the consistency of and accountability for its advocacy activities and positions on nutrition-related policy measures, the company is recommended to ensure that these are reviewed and approved at Board level.
- To further enhance transparency and signify to stakeholders which trade associations the company has greater stakes in, it is recommended to clearly indicate which it holds leadership seats on (for example, on their Boards, management committees, or thematic working groups or sub-committees). If no such positions are held, this can be publicly stated. It is also recommended to conduct a comprehensive review of its trade association memberships in India to ensure that each one is disclosed (even if the number is greater than ten).

Sustainability

- The company reports quantitative reductions for its Scope 1 and 2 emissions between 2020-21 and 2021-22, from 576,784 to 481,214 MT (Scope 1) and 231,271 to 221,796 MT (Scope 2) of CO₂ equivalent.
- The company provides qualitative evidence of reducing plastic use and transitioning to more sustainable packaging. The company states that they make use of custom recyclable packaging material, and have developed polyethylene films. It emphasizes that it has done so without passing on additional costs to the consumer.

Aspects to improve

- The company is recommended to set clear targets to reduce GHG emissions across Scopes 1 and 2 that are aligned with the Paris Agreement's 1.5°C trajectory. These targets (and reporting) should be for absolute reductions against a baseline, rather than relative emissions (i.e. 'emissions intensity').
- The company is encouraged to track its GHG emissions across its wider value chain (Scope 3) and set targets to reduce these.
- The company is encouraged to work with its value chain partners to reduce both FLW and plastic use. This should go beyond requirements set out in mandatory waste management regulations.
- The company is encouraged to ensure that its efforts to transition to sustainable forms of packaging in India are evidence-based, and correspond with clear quantitative sustainability outcomes.

Footnotes

1. Edible Oils|Rice, Pasta and Noodles|Flour|Processed Meat, Seafood and Alternatives to Meat
2. ATNI estimates this value by taking the proportion of healthy products within each category assessed and multiplying that figure by the global category retail sales. The values are then aggregated to generate an estimate of the overall global healthy sales (excluding baby foods, plain tea, and coffee, which are not included in the Product Profile).
3. 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 30% of the total Index score.
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5. The Health Star Rating (HSR) model, which rates foods from 0.5 to 5.0 based on their nutritional quality. This score represents the mean Health Star Rating of the product portfolio.
6. Retail sales data derived from Euromonitor International.
7. The Product Profile is an independent assessment of the nutritional quality of companies' product portfolios. For this purpose, ATNI uses the Health Star Rating (HSR) model, which rates foods from 0.5 to 5.0 based on their nutritional quality. ATNI uses the threshold of 3.5 stars or more to classify products as generally healthy.

