

Britannia Industries Limited

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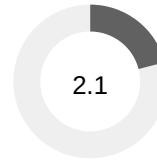
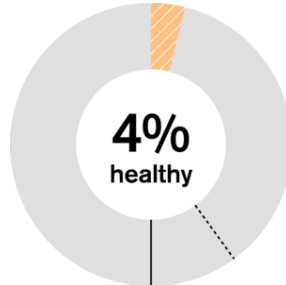
Product categories assessed
Baked Goods|Dairy|Sweet Biscuits,
Snack Bars and Fruit Snacks|Savoury
Snacks

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

Headquarters
India

Type of ownership
Public

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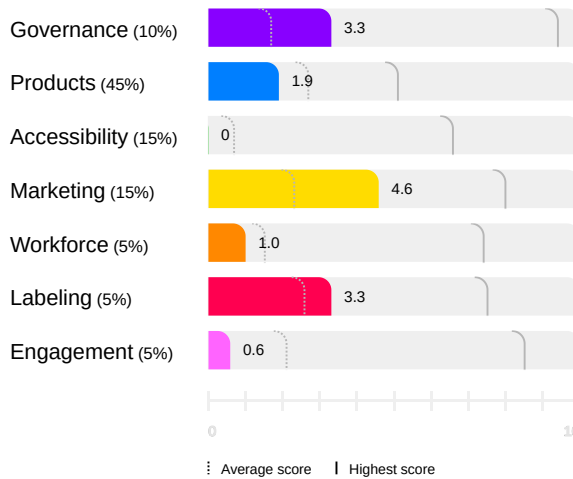
Corporate profile score

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Important

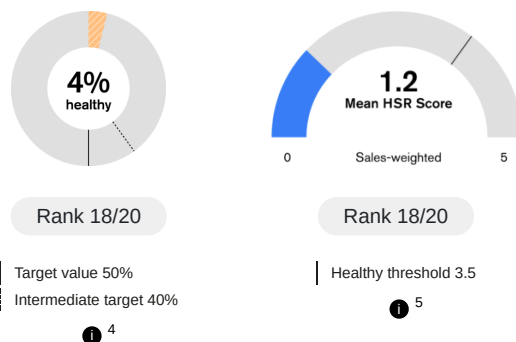
The findings of this Index regarding companies' performance rely to a large extent on information shared by companies, in addition to information that is available in the public domain. Several factors beyond the companies' control may impact the availability of information. Therefore, in the case of 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 ³



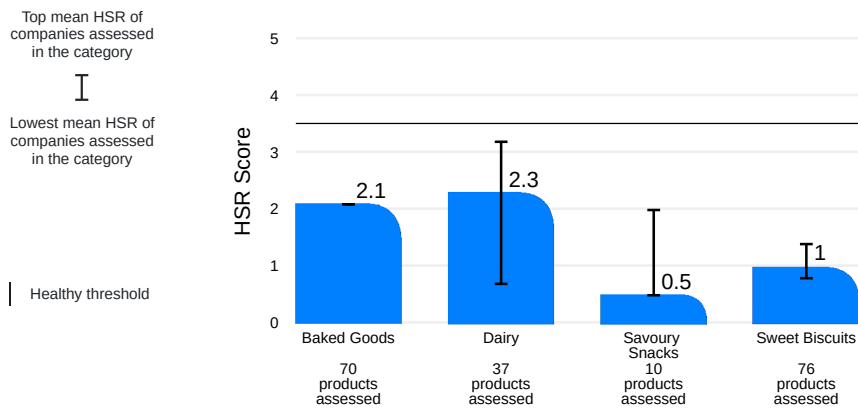
The Product Profile is an independent assessment of the nutritional quality of companies' product portfolios. For this purpose, ATNI uses the Health Star Rating (HSR) model, which rates foods from 0.5 to 5.0 based on their nutritional quality. The underlying nutrient profile model assesses nutrients 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 |
| 193 | 90-100 % | 1.2 | 11 | 4 |

- Britannia's average sales-weighted HSR is 1.2 (stars) out of 5 (1.6 unweighted mean HSR).
- A total of 193 products across the company's four best-selling product categories were assessed using the HSR model.
- 11% of distinct products analyzed for Britannia 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 4% of its India 2021 sales from healthier products (mostly from Dairy).

Mean Health Star Rating by category for Britannia Industries Limited



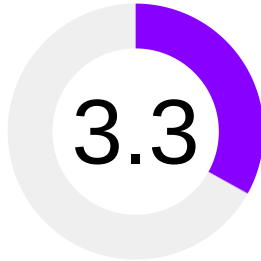
- Among categories assessed, Britannia's products in Dairy (37 products) had the highest mean HSR (2.3 out of 5.0), of which 28% reached the healthy threshold.
- The company's lowest scoring category is Savoury Snacks with a mean HSR of 0.5 out of 5, for which 0% of products reached the healthy threshold.
- Britannia had the largest decrease in sales-weighted mean HSR between 2020 and 2023 decreasing 0.5 stars.
- In total, 1% of distinct products and 0% when sales-weighted, was found to be 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 3 / Score 3.3

Highest score 9.4

Average score 1.7

- The 'Britannia Nutrition Policy', published in full on its website, outlines how the company aims to meet consumers' "daily nutritional needs" and "ensuring health and wellness of the consumers". Its approach primarily involves addressing "Nutrients to Limit and Encourage" (including fortification) and R&D focus on the development of healthier product choices.
- The company also commits to address "undernutrition and Iron Deficiency Anemia for vulnerable groups like children, adolescents and women" with explicit reference to the National Family Health Survey 4 and POSHAN 2.0. It also provides evidence that a range of its products could be appropriate for addressing the unmet needs of these groups (such as deficiencies in Iron, and Vitamins A and D). However, it is not clear how it ensures that these products reach these groups, especially those on lower incomes.
- The company reports systematically on its nutrition strategy, publishing quantitative results of its reformulation efforts: such as that it increased whole grains by 20% and dietary fibers by 15% per serving across its portfolio in 2021, and decreased sugar by 0.32% and sodium by 0.24%, which demonstrates transparency about its progress. It also reports qualitatively on its product formulations to address the unmet needs of priority populations.
- The company states that the CEO and Vice President (R&D and Quality) "have the authority to implement the Company's Nutrition policy."
- The company also reports that it partners with government bodies, NGOs, and individual practitioners and academic experts to develop solutions for undernutrition, micronutrient deficiencies and/or obesity and diet related diseases in India, but provides no specific examples.

Aspects to improve

- In addition to improving the healthiness of its portfolio, Britannia is encouraged to also integrate in its nutrition strategy how its 'healthier' products reach consumers relative to its less healthy products, for example through via relative pricing strategies and/or increasing investments in marketing for the former. This is especially important to underpin the company's aim of addressing undernutrition and anemia in India.
- While the company tracks and reports on its reformulation strategy with quantitative metrics, Britannia is recommended to develop specific, measurable, and timebound targets for these metrics in order to further drive progress and enhance accountability for achieving its objectives.
- While Britannia clearly acknowledges that addressing nutrition in its operations is important, it is recommended to ensure that this is reflected in its Enterprise Risk Management reporting, to signal to its Board and investors the consequences of failing to address this in terms of consumer demand, brand value, competition, regulatory risk, and legal risk, for example.
- The company is also encouraged to ensure that its Board regularly reviews its nutrition strategy, both in terms of plans and progress, and to make its CEO and VP (R&D and Quality)'s accountability more concrete by linking remuneration arrangements to KPIs and/or targets for the nutrition strategy.
- Britannia is encouraged to publish specific examples of its engagement with stakeholders to inform its nutrition strategy, including explanations of how this impacted the company's approach.



PRODUCTS

45% OF OVERALL SCORE



Rank 15 / Score 1.9

Highest score 5.1

Average score 2.7

Category B2: Portfolio Development

- In 2018 Britannia pledged to FSSAI's Eat Right Movement to reduce the salt and sugar content of its snack products by 5% over three years. The company has disclosed progress and established new sugar and salt reformulation targets outlined in its 2021-22 Sustainability Report. The company shared that it:
 - achieved 0.32% sugar reduction per serving of product and that their goal is to achieve an 8% reduction in sugar in our products by FY 2023 – 24 with respect to the 2018-19 baseline.
 - achieved 0.24% sodium reduction per serving of product and that their aim is 'to achieve a 6% reduction in sodium in our products by FY 2023 – 24 with respect to the 2018-19 baseline'.
 - achieved an enhanced per serving of product of whole grains by 20% and Dietary Fibers by 15% between the FY 21-22.
- Britannia continues to invest in R&D to develop products which address key nutritional deficiencies. The company is voluntarily fortifying products in its "baked goods" category in line with the Food Safety and Standards Authority of India's Food Safety and Standards (Fortification of Foods) Regulation, revised in 2021 to include standards for baked good processed foods. For example, in its annual report the company shared the development of an Iron & Folic Acid fortified biscuit which aims to deliver 50-75% Recommended Dietary Allowance (RDA) of these nutrients to the adolescent girls and women.
- The company continues to fortify products in its dairy category according to the FSSAI regulation, indicating to ATNI that the main fortification method used by the company is the use of vitamin and mineral premixes in its products, as opposed to using fortified staples or other ingredients.

Category B3: Nutrient Profiling

- The 'Britannia Nutrition Policy' states that the company uses the 'Britannia Nutrition Profiling System', which takes into account levels of sugar, fat, saturated fat, trans fat, and sodium along with positive nutrients such as dietary fiber, wholegrains, fruits, vegetables, seeds, nuts, pulses, dairy, protein sources, and micronutrients. However, it does not publish specific information regarding the criteria for product categories, nutrient threshold values, reference units, and the algorithm to define what is considered 'healthy'.
- The company indicated to ATNI that the NPM is used to develop new products in the 'Health and Wellness' range of its Nutrichoice, Mariegold, and Tiger brands, stating that it is not applicable to its entire portfolio.

Aspects to improve

Category B2: Portfolio Development

- While ATNI commends the company for achieving the targets set out in its 2018 Eat Right Pledge, Britannia is encouraged to set new targets (that are specific, measurable, and timebound) for sugar, sodium, and saturated fats, in order to continue to drive progress on reformulation and developing a healthier portfolio. These targets should ideally be aligned with the ICMR/NIN Dietary Guidelines and RDAs for Indians, and/or WHO guidelines.
- The company is also encouraged to introduce specific, measurable, and timebound targets to increase positive ingredients (including whole grains and FVNL) across its relevant portfolio.
- 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) 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 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 website and, ideally, in a scientific journal that is peer-reviewed and indexed.
- Britannia is additionally encouraged to publish its system in a peer-reviewed journal, so that stakeholders can better understand and assess it.
- The company is also recommended to benchmark the proportion of products defined as 'healthy' according to this model against internationally recognized (and/or government-endorsed, when applicable) NPMs, strictly adhering to the guidelines of these models, and annually disclose the percentage of its India portfolio 'healthy' sales in the public domain.



ACCESSIBILITY

15% OF OVERALL SCORE



Rank 5 / Score 0

Highest score 6.6

Average score 0.7

- No evidence of a strategy or approach to address the affordability of products in its 'Health and Wellness' range (or other products meeting 'healthy' definitions) was found on the company's public domain or shared by the company.

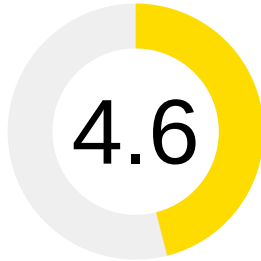
Aspects to improve

- 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 (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.



MARKETING

15% OF OVERALL SCORE



Rank 6 / Score 4.6

Highest score 8
Average score 2.3

- Through its membership to the Advertising Standards Council of India, Britannia commits to the Code for Self-Regulations of Advertising Content in India, including the Self-Regulation Guidelines on Advertising of Foods and Beverages. The Guidelines outline commitments related to the representation of products in advertisements directed at a general audience in India.

- Britannia has published its Marketing Communications Policy which covers all audiences, including children under the age of 12. The policy states that it applies to all media, including digital media. In the policy, the company commits that it will “endeavor to only selectively market products to children which the Company qualifies as having requisite nutritional content which is good for consumption by children: For instance, high protein Milk based beverages having natural calcium and other minerals and products fortified with essential micro- nutrients like Iron, Folic Acid, Vitamins B and D.”

- The Policy states that no more than 20% of all media it markets on will have 35% or more of the audience being children under 12 years of age.

- The company states that it conducts an internal audit of compliance with its responsible marketing policy on an annual basis or more frequently if required.

Aspects to improve

- The company is advised to publish a comprehensive list of all media channels on which its Marketing Communications Policy applies to.

- The company is encouraged to strengthen its commitments on responsible marketing to children, including by adopting:
 - aligning its nutrition criteria for products considered appropriate to be marketed to children with the WHO SEAR nutrient profiling model ;

- WHO-recommended age threshold for marketing to children of 18 years of age, in line with CCPA guidelines;

- audience threshold of 20% 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 8 / Score 1

Highest score 7.4

Average score 1.5

- Britannia makes healthy food available at work by offering fresh juices, eggs, and nutritional food menus to employees. This does not seem to be part of a clear policy or program and it is not clear if this is available to both office and production site workers.
- Britannia offers nutrition education for its workers through newsletters and continuous access to an on-call doctor and nutritionist, as well as expert sessions focused on physical wellness. It is not clear if this is part of a clear policy or program and it is not clear if this is available to both office and production site workers.
- The company indicated that it sponsored regular health checkups to its sales and production employees and biannually to all other employees. It is not clear which nutrition-focused health checks are carried out and whether this is part of a clear policy or program.
- Britannia offers 10 days of paid paternity leave.
- Britannia indicates that it offers support to breastfeeding mothers, but does not specify how.

Aspects to improve

- Britannia is recommended to build on its current efforts by developing a cohesive 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 made 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 publish 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.
- Britannia 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).
- 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 6 / Score 3.3

Highest score 7.5

Average score 2.6

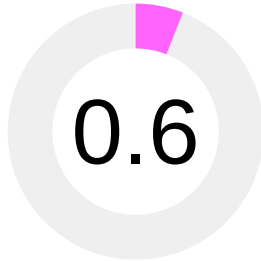
- According to the 'Britannia Nutrition Policy', the company will "provide Front of Pack nutrition information for the nutrients which helps consumers to make an informed choice including nutrition claims", without specifying which nutrients.
- The company displays comprehensive nutrition information online for the majority of its portfolio. This includes images of FOP labelling and nutritional tables showing approx. values per 100g / Per Serve (%) RDA, for key nutrients.

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.



ENGAGEMENT 5% OF OVERALL SCORE



Rank 11 / Score 0.6

Highest score 8.5

Average score 2.1

- As part of its 2022-23 Business Responsibility and Sustainability Report (BRSR), under Principle 7, the company states that "Britannia has been actively participating in various seminars, conferences and other forums on issues and policy matters that impact the interest of its stakeholders", but provides no specific examples or details.
- The company also discloses nine trade associations of which it is a member, both nationally and at state-level. In addition, according to their respective websites, the company holds a leadership position on the Protein Foods and Nutrition Development Association of India (PFDAI) and is also a member of the All India Food Processors' Association (AIFPA), which is not disclosed by the company.
- In its 2021-2022 BRSR, the company voluntarily reported that the total membership fees paid to its trade associations (Rs. 16,88,718); this was not reported on in 2022-23 BRSR.

Aspects to improve

- The company is encouraged adopt a responsible advocacy policy, which also applies to third-parties advocating on behalf of the company, in which it commits that personnel will conduct themselves responsibly; to be transparent about their identity and intentions; 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. The company is also recommended to include clear definitions of how it defines advocacy interactions.
- The company is recommended to publish details about the governance of its policy engagement and advocacy in India, including roles and responsibilities within the organization, approval procedures, and tracking mechanisms. If these are not already in place, they should be developed.
- The company is encouraged to keep track of all engagements with policymakers with regards to nutrition-related policy and publish these on the public domain. Ideally, this would also include publicly disclosing specific examples of participation in seminars, conferences, and other forums on policy issues related to nutrition regulation, in which the company has sought to influence outcomes.
- Britannia is encouraged to report on the 'Leadership Indicator' for BRSR Principle 7, disclosing 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.
- It is recommended to clearly indicate which trade associations it holds leadership seats on (for example, on their Boards, management committees, or thematic working groups or sub-committees), and 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 states that it is taking “conscious steps to reduce and eliminate food waste in [its] production processes”, without specifying what actions it is taking.
- The company provides evidence of reducing plastic use and transitioning to more sustainable forms of packaging, stating that it has eliminated 15,00,000 Kg of plastic trays from their packaging by 2023. The company also states in their Sustainability Report 2021-22 that it is a “plastic-waste neutral” company, collecting and processing 200% of the plastic waste used by the company across India, and stating that it has collected and processed more than 35,000 metric tons of plastic waste in FY 2021-22.

Aspects to Improve

- The company is strongly encouraged to track its GHG emissions in India, beginning with those in Scopes 1 and 2.
- The company is also recommended to set clear targets to reduce GHG emissions across each of these Scopes that are aligned with the Paris Agreement’s 1.5°C trajectory, and report quantitatively on progress. 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 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. Baked Goods|Dairy|Sweet Biscuits, Snack Bars and Fruit Snacks|Savoury Snacks
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.

