

Agro Tech Foods Limited¹

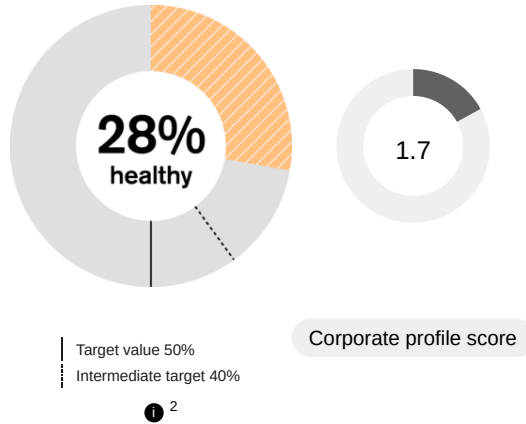
Product categories assessed
Edible Oils|Savoury Snacks|Sweet
Spreads

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

Headquarters
India

Type of ownership
Public

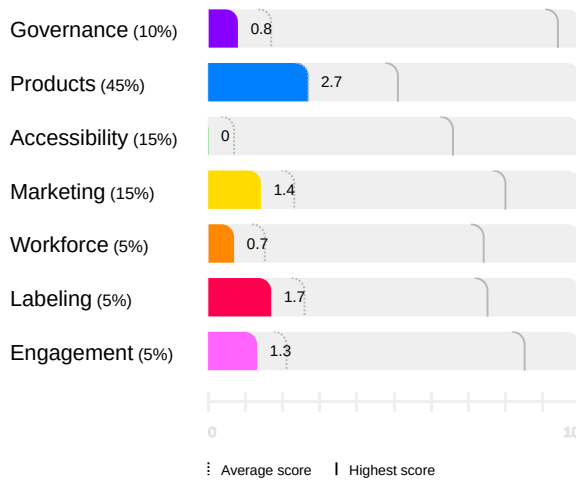
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Important

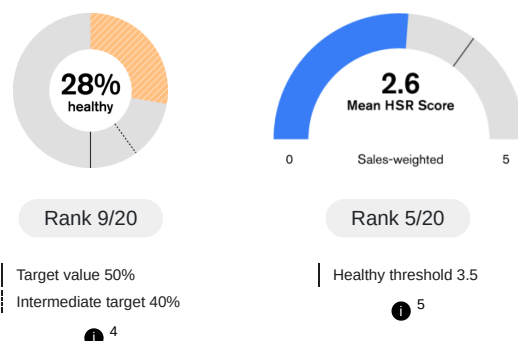
The findings of this Index regarding companies' performance rely to a large extent on information shared by companies, in addition to information that is available in the public domain. Several factors beyond the companies' control may impact the availability of information. Therefore, in the case of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



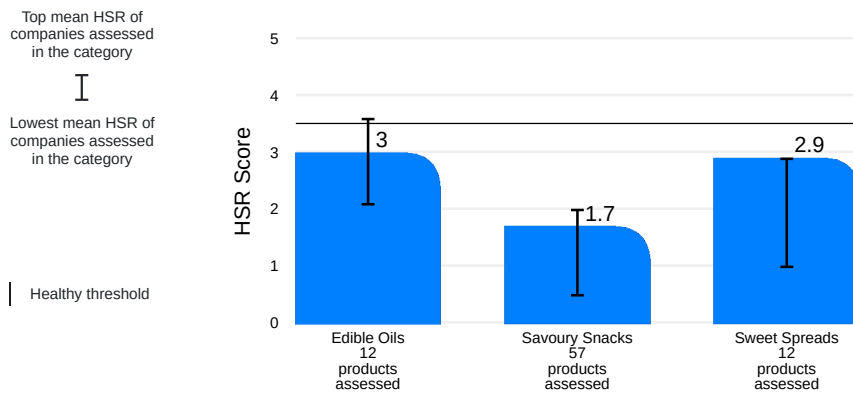
The Product Profile is an independent assessment of the nutritional quality of companies' product portfolios. For this purpose, ATNI uses the Health Star Rating (HSR) model, which rates foods from 0.5 to 5.0 based on their nutritional quality. The underlying nutrient profile model assesses nutrients 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	
81	90-100 %	2.6	% of distinct healthier products	% sales from healthier products
			14	28

- Agro Tech Foods' average sales-weighted HSR is 2.6 (stars) out of 5 (2.0 unweighted mean HSR).
- A total of 81 products across the company's three best-selling product categories were assessed using the HSR model.
- 14% of distinct products analyzed for Agro Tech Foods 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 28% of its India 2021 sales from healthier products (from Edible oil and Sweet Spreads).

Mean Health Star Rating by category for Agro Tech Foods Limited



- Among categories assessed, Agro Tech's products in Edible Oil (12 products) had the highest mean HSR (3.0 out of 5.0).
- The company's lowest scoring category is Savoury Snacks with a mean HSR of 1.7 out of 5, for which 0% of products reached the healthy threshold.
- In total, 21% of distinct products and 61% when sales-weighted, was found to be eligible to be marketed to children using the WHO SEAR criteria.

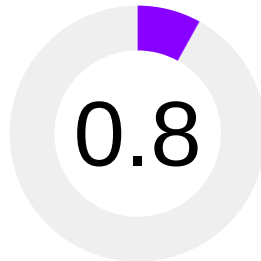
CATEGORIES

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 11 / Score 0.8

Highest score 9.4

Average score 1.7

- In its Annual Reports, the company acknowledges its role, as a manufacturer of food products, in addressing malnutrition. However, it does not state how it plans to progress on this goal, beyond the fact that it sells peanut butter.
- The company also acknowledges nutrition-related risks in its Enterprise Risk Assessment: such as the importance of meeting consumers' demand for healthy food.

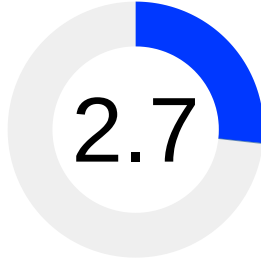
Aspects to improve

- AT Foods is encouraged to develop and publish a clear plan or strategy on how it intends to deliver on addressing malnutrition through its commercial operations. For example, it could 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 healthier 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 this strategy, the company is recommended to develop specific, measurable, and timebound targets encompassing various elements of this approach.
- To demonstrate to external stakeholders that it is delivering on its nutrition strategy and/or commitments, AT Foods 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.
- AT Foods is encouraged to publish information clarifying the internal governance arrangements for its nutrition approach, for example whether it is subject to regular review at Board-level, and which person is accountable for its implementation and success. It is recommended to assign formal responsibility for the success of its nutrition strategy to the highest levels of seniority within the company.
- To further improve its nutrition strategy and 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. These engagements, including the impact they had on the company's strategy, should ideally be disclosed on the public domain.



PRODUCTS

45% OF OVERALL SCORE



Rank 11 / Score 2.7

Highest score 5.1

Average score 2.7

Category B2: Portfolio Development

- The company indicated to ATNI that it is evaluating its product portfolio to identify products high in salt, sugar, and fat (HSSF) and gradually reduce the levels of HFSS in these products. However, no specific targets were found to be in place, nor any public reporting about these efforts.
- The company voluntarily fortifies some of its edible oil products with Vitamins A and D in accordance with FSSAI's food safety and standards (fortification of foods) regulations.
- The company is also fortifying products in food categories not covered by the FSSAI's regulations, including snack potato chips fortified with Vitamin B12, Iron, Folic acid, and Zinc, and peanut butter fortified with Zinc and Copper.

Category B3: Nutrient Profiling

- The company does not currently use a nutrient profile model (NPM) or other objective nutrition criteria to evaluate the nutritional quality of its products to inform new product development or product reformulation. However, it indicated to ATNI that it is waiting to use FSSAI's HFSS model once the guideline has been introduced.

Aspects to improve

Category B2: Portfolio Development

- In order to drive progress on improving the healthiness of its portfolio, AT Foods is encouraged to adopt a specific, measurable, and timebound target to reduce salt across its portfolio, as well as targets to reduce other nutrients of concern, such as sugar and saturated fat. These targets should ideally be aligned with the ICMR/NIN Dietary Guidelines and RDAs for Indians, and/or WHO guidelines, and be published on the public domain.
- The company is also encouraged to set specific, measurable, and timebound targets to increase positive ingredients (including whole grains and FVNL) across its relevant portfolio.
- 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) 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

- When the FSSAI-endorsed nutrient profiling model is introduced, the company is encouraged to ensure it is applied to the entirety of its relevant portfolio, in accordance with any accompanying guidelines.
- The company is then encouraged to use this definition of 'healthier' as the basis of strategies such as fortification and affordable nutrition, for example.
- 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

- The company indicated to ATNI that it offers a range of products that it considers to be 'healthy' at the Rs. 10 price point in order to ensure affordability to lower-income consumers. However, limited evidence of this approach was provided, including how these products are defined as 'healthy'.

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 in India.



MARKETING

15% OF OVERALL SCORE



Rank 8 / Score 1.4

Highest score 8

Average score 2.3

- Through its membership to the Advertising Standards Council of India (ASCI), the company 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, and do not include specific commitments on the marketing of foods and beverages to children.
- No evidence of a specific policy to address the responsible marketing of products to children beyond legal requirements could be found on the company's website.

Aspects to improve

- The company is encouraged to increase transparency and accountability for its responsible marketing commitments through its membership of the ASCI by integrating these into a responsible marketing policy that covers all media channels and audiences, published on the company's website.
- 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 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

- 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, nor is it clear whether the company offers paid paternity leave.

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 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.
- The company is recommended to offer maternity and paternity or second caregiver leave, extending parental leave policies to go beyond current national regulations, 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 11 / Score 1.7

Highest score 7.5

Average score 2.6

- No evidence of a standardized policy or approach to front-of-pack (FOP) product labelling beyond legal requirements could be found on the company's public domain.
- The company clearly displays nutritional information for its products online as tables beneath each product.

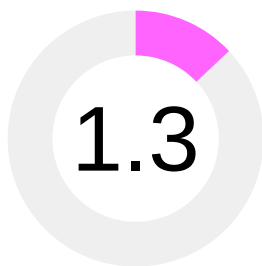
Aspects to improve

- 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 9 / Score 1.3

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 publicly states that it “does not engage in direct public advocacy.” The company stated to ATNI that it therefore does not have a responsible advocacy policy, corresponding management systems in place, nor positions on key policy measures.
- The company is, however, a member of seven trade associations, according to its BRSR response, indicating that advocacy can still take place on the company’s behalf, indirectly. Four of these are national, and three are state-level. Its CEO is President of the Indian Vegetable Oil Producers’ Association (IVPA), but this is not disclosed on its own website or reporting.

Aspects to improve

- While the company states that it does not engage in ‘direct advocacy’, it should clearly define what this means, and ensure this definition is on the public domain. For example, whether or not this includes participation in policy-related multistakeholder meetings, responding to public consultations, and any other interactions with policymakers).
- Even if the company is not engaging in a policy debate or development process directly, its trade associations are likely to be, and potentially other third-parties acting on the company’s behalf. Therefore the company’s policy positions are still important, since it should be engaging with these third-parties to ensure that its positions are taken into account. The company is encouraged to disclose its policy positions on key nutrition-related policy measures that under debate or development in India that would likely affect the company (for example, FSSAI’s new FOP labelling system). These positions should be as specific and unambiguous as possible, be Board-approved, and should consider the wider public health interest and long-term material implications of rising levels of malnutrition in India.
- 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). This should be the case with regards to the IVPA, for example, and any others where applicable.

SUSTAINABILITY

- In its 2022-23 Annual Report, the company lists its total Scope 1 and Scope 2 emissions for FY 2023 and for FY 2022, as well as the total for both Scope 1 and 2 together. All three disclosures show an increase in metric tons of emissions between 2022 and 2023.
- The company also lists initiatives to reduce greenhouse gas emissions, such as reducing dependency on diesel, furnace oil with a focus to shift to clean fuel, implementing energy efficient lighting fixtures, retrofitting high efficiency motors, and installing variable frequency drives at all manufacturing units. It also reports implementing rooftop solar and “continuous improvement in energy efficiency”.

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 strongly encouraged to track its GHG emissions in India, beginning with those in Scopes 1 and 2.
- 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|Savoury Snacks|Sweet Spreads
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.

