

Nestlé

Headquarters
Switzerland

Type of ownership
Public

Estimated percentage of Nestlé's global F&B sales from CF ¹
4%

Estimated percentage of Nestlé's global baby food sales from CF ²
33%

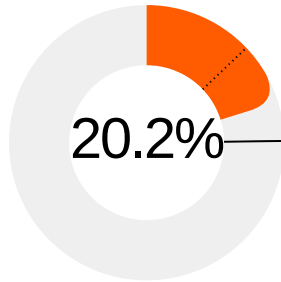
Countries covered in country studies
China/Germany/Indonesia/US/Viet Nam

Company also assessed in:



BMS Index 2024

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Country Studies Score ⁴

39.6% 5 countries



Corporate Profile Score

0.8%

Important:

The research findings regarding companies' performance in this Index are based on information shared by companies or gathered by service providers, in addition to information that is available in the public domain.

The level of detail and comprehensiveness of information shared by companies and gathered through external service providers varied. In the case of limited or no engagement by companies, this Index may not represent the full extent of their efforts. Similarly, in the case of limited data collected by service providers, the findings of this Index may not provide a comprehensive representation of company practices.

ATNI's research and Indexes do not assess compliance with local regulations or laws, but rather assess private sector performance against international standards and guidance.

CF COUNTRY STUDIES



Country Studies
Score

39.6% 5 countries

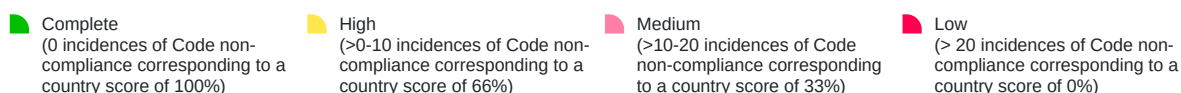
The Country Studies component of the BMS and CF Marketing Indexes 2024 evaluates the extent to which a company's marketing practices align with specific provisions of the WHO Code (not against local Code-related regulations). The main marketing channels assessed in the Country Studies for the BMS and CF Marketing Indexes 2024 are online points-of-sale, traditional and online media outlets, and product labels which were all assessed according to the NetCode protocol. Nestlé sells CF products in all five countries (China, Germany, Indonesia, US and Viet Nam) selected for the assessment, which altogether represent almost 45% of Nestlé's estimated global CF sales. The Country Studies results for Nestlé are summarized below for each country and across each marketing channel.

<https://new-140rlzsq.accesstonutrition.org/app/uploads/2024/03/Assessment-methods-and-scoring.pdf>

Country Studies overview

Nestlé	Country assessments			CF market ⁵	
	Total incidences of non-compliance across online, traditional media, and product labels ⁶	Number of product labels assessed ⁷	Company brands found	CF market share	Proportion of Nestlé's global CF sales
CHINA	16	8	Gerber	14%	15%
GERMANY	2	2	Cerelac	<5%	No information
INDONESIA	7	3	Cerelac	22%	2%
US	118	74	Cerelac, Gerber	38%	25%
VIET NAM	12	11	Cerelac, Gerber	24%	2%

Code compliance level



• A total of 155 incidences of non-compliant marketing practices for Nestlé CF products were found and assessed, including 98 product labels of various Nestlé CF brands, and promotions found across online and traditional media.

• In China, Nestlé's CF sales represent approximately 15% of the company's global CF sales and it has a relatively high share in the market (approximately 14%). A total of 16 incidences of non-compliance were identified which included eight advertisements or promotions on online media channels and all eight product labels assessed contained one or more instances of non-compliance.

• In Germany, Nestlé has a relatively small CF market share (<5%). A total of two non-compliance incidences were found from the product labels assessed. No observations for CF marketing were made on online media or traditional media channels in Germany during the time of research.

• Nestlé's share of the Indonesian market for complementary foods is quite high (approximately

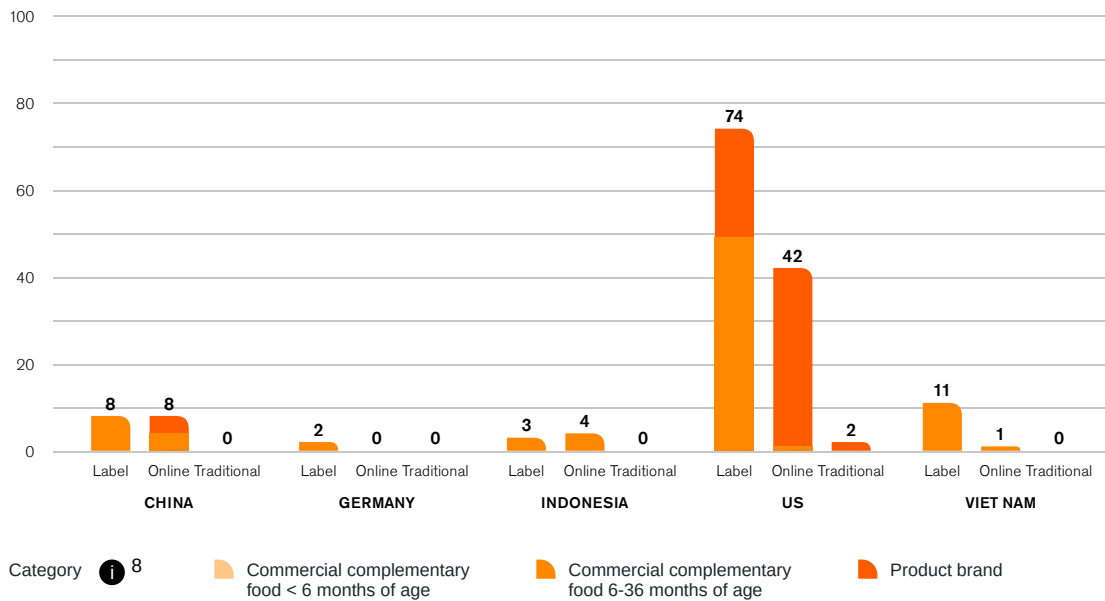
22%), but it represents only 2% of the company's global BMS sales. A total of seven non-compliance incidences were found, of which four were from online media channels and three from all the product labels assessed.

• The highest number of incidences of non-compliance were found in the US (118), where Nestlé has a relatively high share of the US CF market (approximately 38%) and represents approximately 25% of the company's total global CF sales. Of these observations, a total of 42 advertisements and promotions related to CF brands were found online during the research period, two TV advertisements, and all 74 product labels assessed contained one or more instances of non-compliance.

• While Nestlé's CF sales in Viet Nam represent only 2% of the company's global CF sales, the company possesses a relatively high share of the Vietnamese CF market (~24% of the CF market), where 12 incidences of non-compliance were found for the company, 11 of which came from non-compliant labels and 1 online media promotion.

Observed incidences of non-compliance with the Code per country

Absolute number of incidences of non-compliance



Main in-country findings

The highest number of incidences of non-compliant marketing practices for Nestlé were found in the US (118), followed by China (16), Viet Nam (12), Indonesia (7) and Germany (2).

Across all country assessments, the majority of incidences of non-compliance observed for Nestlé were for inappropriate product labels (99). A high number of incidences of non-compliance were also identified through the social listening of online platforms (55). On traditional media, only two incidences of non-compliance were found, both in the US.

Although no commercial complementary foods were found in the assessment that were explicitly intended for infants below six months of age, 25 out of the 74 labels assessed in the US had no clear age range specified. Only one of the 44 advertisements and promotions of CF products found for Nestlé in the US included a clear age of introduction of the CF product. The other commercial complementary foods found during ATNI's assessment were clearly marketed as suitable for older infants and young children between six months and up to three years of age.

Online findings

- The majority of advertisements and promotions related to Nestlé's CF brands online (55 in total) were found in the US (42), with some observations found in China (8), Indonesia (4) and Viet Nam (1), all of which are contraventions of the Code. No online advert was found for Nestlé CF products in Germany in the eight-week period the selected channels were monitored. During the research period, a total of five online retail point-of-sale promotions were found for products from Nestlé in the US. For three of these products, no clear recommended age was specified (only "crawler" or "sitter").

- All of these point-of-sale promotions contained health claim, a nutrition claim and/ or a marketing claim. Further, none included a statement on the importance of exclusive breastfeeding in the first six months of life

and continued breastfeeding for up to two years or beyond. There were no observations of CF identified among the online retailers monitored in the other four markets assessed.

- The remaining 50 non-compliant observations were found on the company's local websites and social media platforms and on local parenting websites, with the highest number of findings in the US (37), followed by China (8), Indonesia (4) and Viet Nam (1). Across these four countries, an average of two to four incidences of non-compliance were identified per observation. All the adverts were missing the statement on the importance of exclusive breastfeeding in the first six months of life and continued breastfeeding for up to two years or beyond. In the US, none of Nestlé's CF products found promoted through online media had a clear

recommended age of introduction whereas in Indonesia and Viet Nam, the recommended age was clearly indicated in all the advertisements. Other incidences of non-compliance found with the advertisements included soliciting caregivers in the US and Viet Nam to sign-up to online contests and the promotion of bottle feeding in China.

- The majority of the online advertisements found also included at least one type of claim, ranging from 11% of the identified online advertisements in the US, to 50% of those found in China and Indonesia as well as the one advertisement identified in Viet Nam. In all four markets, the most common types of claims identified were marketing and nutrition claims.

Traditional media findings

- In total, two advertisements of Nestlé CF brands were found on television in the US during the six-month monitoring period of selected channels across all five countries, both had at least one incidence of non-compliance with the Code. The two TV advertisements had claims and in both, there was no clear recommended age for introducing the CF products, nor a statement on the importance of exclusive breastfeeding in the first six months of life and continued breastfeeding for up to two years or beyond.

CF product label

- A total of 98 Nestlé CF product labels were assessed across the five markets, 74 of which were in the US. On average, the number of incidences of non-compliance per product label per market ranged from two in Indonesia to four in Viet Nam and the US, while no product labels were found to be fully Code-compliant.

- Across the five markets, 94 of the total 98 Nestlé CF labels assessed had at least one type of claim with the exception of one Gerber purée in the US and four in China. All the CF products assessed for Nestlé in China and the US, as well as those with clear images in Germany and Viet Nam, did not include a statement

on the importance of exclusive breastfeeding in the first six months of life and continued breastfeeding for up to two years or beyond. On the other hand, in Indonesia all of Nestlé's CF products assessed did include this statement. All of Nestlé's CF products assessed in China and the US (with the exception of one Cerelac product in the US), and most products in Viet Nam, included an image, text or other representation that might suggest use for infants under the age of six months. This incidence of non-compliance was found on Gerber products which included an image or logo with a baby that might suggest use for infants under the age of six months.

- Another key observation classified as non-compliant with the Code was identified in the US where 25 of the 74 Nestlé products assessed did not include a clear recommended age for introducing the product to older infants and young children, only an image indicating for example "sitter" or "crawler". While in the other markets, the image also included a clear age of introduction. In addition, all of Nestlé's CF product labels assessed in Germany, and nine out of the 11 products in Viet Nam, did not have all the information in the appropriate language used locally; information on the labels was written only in English instead.

- It is worth noting that ATNI did not have the resources to collect products from the different markets and take pictures of their labels. For this assessment ATNI used product label images from an external provider. For some products, images were not clear enough or did not show all parts of the package, in these cases ATNI asked the respective companies to provide images of the labels. While Nestlé provided images of product labels (as requested by ATNI) to help complete the assessments, it did not do so for all products. Therefore, assessments remained incomplete for one product in Germany, one product in the US, and two products in Viet Nam. Since at least one incidence of non-compliance was identified from the existing images, these labels were counted as a non-compliant observation.

Recommendations

- Given the incidences of non-compliant marketing practices for CF products observed, Nestlé is recommended to ensure that CF products are appropriately promoted in line with the 2016 WHO Guidance on ending the inappropriate promotion of foods for infants and young children supported by WHA resolution 69.9.

- The WHA 69.9 supported guidance includes recommendations around which messages should be present on CF labels to support optimal infant and young child feeding, and which are inappropriate and

could undermine recommended practices. Although no commercial complementary foods explicitly intended for infants below six months of age were found for Nestlé in this assessment, a key issue was found in the US where 25 of the 74 labels were of CF products that had no clear recommended age of introduction specified and many of these included an image or logo with a baby that might suggest use for infants under the age of six months. Nestlé should incorporate the WHA 69.9 supported recommendations in their policies and practices and apply them to their CF products, as none of the CF products in this assessment fully met

these requirements. The company should aim to address missing statements on exclusive breastfeeding in the first six months of life and continued breastfeeding for up to two years or beyond and also ensure that product labels in each market (especially in Germany and Viet Nam) are appropriately translated into local languages.

- Nestlé is strongly encouraged to take responsibility for monitoring its marketing practices beyond local regulations, according to the principles and the aim of the Code and subsequent relevant resolutions, and to take steps to ensure this includes online media channels.

- Nestlé is urged encouraged to consider the recommendations of the WHA 69.9 supported guidance to appropriately advertise and promote all types of CF products and brands intended for older infants and young children between six months and

three years of age on all forms of media platforms globally. The company should also online contests and the promotion of bottle feeding.

- Overall, Nestlé is encouraged to consider the gaps identified to improve its CF marketing practices globally such that they fully align with the requirements of the Code. Examples of aspects that the company can improve on include restricting the use of all types of claims as defined by WHO Europe's Nutrient and Promotion Profile Model for all forms of CF marketing, as well as ensuring that CF product labels have all information available in the local language(s).

- ATNI is calling on Nestlé to review all incidences of non-compliance identified across all marketing channels, which were shared in detail with the company, and to take corrective action in each of the markets.

CF CORPORATE PROFILE



Corporate Profile
Score

0.8%

The Corporate Profile component of the BMS and CF Marketing Indexes 2024 evaluates the extent to which a company's policies align with various provisions of the Code, the effectiveness of its related management systems as well as the company's level of disclosure on commitments relating to CF marketing. Nestlé's CF marketing commitments were assessed across 9 topics that cover different aspects of the Code resulting in an average score that is the company's initial overall Corporate Profile score before a geographic penalty (if applicable) is applied. A company that is found to market CF for infants under six months of age only gets half of the initial overall Corporate Profile score (this is identified by one of the indicators in the first topic on "Guiding Principles of Infant and Young Child Feeding"). As described in the findings on the topic "Guiding Principles of Infant and Young Child Feeding" below, Nestlé was found to market CF products for infants under six months of age, therefore its initial overall Corporate Profile score was halved from 16% to 8%. The final Corporate Profile score considers how the company's marketing commitments are applied across different markets around the world for CF products intended for older infants and young children between six months up to three years of age (CF 6-36 months). The next section 'Geographic application of CF commitments by product type' shows how the company's application of commitments for CF 6-36 months was evaluated. The scores and findings on each topic are described in further detail in the section below on 'CF Commitments by Topic'.

Geographic application by Nestlé of CF commitments by product type

The percentage of product sales where commitments are upheld, and the geographic penalty applied to CF products intended for older infants and young children aged six months up to three years. The penalty ranges from 0% up to 90% depending on whether a company fully upholds its CF marketing commitments in all or none of the countries in which it operates, respectively, where national Code regulations are absent or less stringent than the company's policies and standards.

Corporate Profile score before penalty ⁹	Product type	Percentage of Nestlé's global sales from markets where CF commitments are upheld ¹⁰	Geographic penalty applied	Final Corporate Profile score
7.8%	Commercial complementary foods 6-36 months ¹¹	0%	90%	0.8%

Commitments are upheld

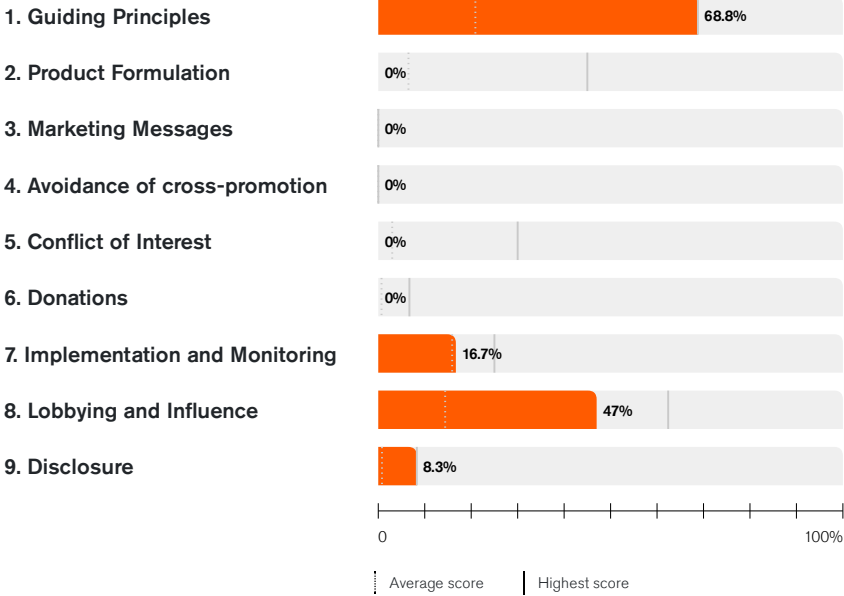
- Upheld for all products in this category - without exception - globally
- Upheld for some products in this category - without exception - globally
- Upheld for all products in this category - without exception - only in some markets
- Upheld for some products in this category, and only in some markets
- Not upheld for this product category in any market
- No policy found in the public domain nor shared by the company, therefore no information on how commitments are upheld

Commercial Complementary Foods

- No information was found in the public domain nor shared by the company describing if and where (in what markets) marketing commitments are upheld for CF 6-36 products. Therefore, the corresponding geographic penalty is the maximum of 90% applied to the 8% score as described above and the final Corporate Profile score is 1%.

- ATNI calls on Nestlé to consider the expanded definition of the Code, following the World Health Assembly resolution 69.9 recommendations that cover and address the responsible marketing of commercially produced complementary foods intended for older infants and young children aged 6–36 months.

Topics Overview



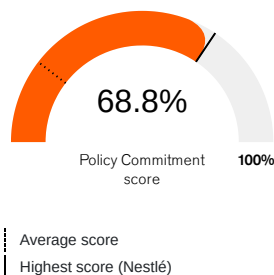
These represent the initial overall scores before applying the penalty.

CF commitments by topic

Most topics include both policy commitments and management systems except for 'Guiding principles of infant and young child feeding' which only considers policy commitments, 'Implementation and Monitoring' which only considers management systems, and 'Disclosure' which only considers the level of disclosure of identified commitments. 'Lobbying and Policy Influence' is the only topic that includes policy commitments, management systems and disclosure.

1. Guiding Principles

This topic consists of policy commitment indicators only.



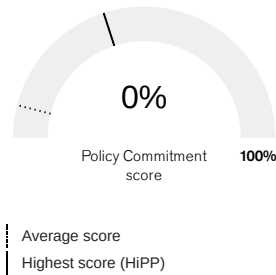
Policy Commitment

- Nestlé's 2021 Policy for Implementation of the WHO Code covers the marketing of complementary foods and drinks for infants younger than six months, but no commitments were found in this policy or in other documents that specifically cover complementary foods for older infants and young children between six months and three years of age. Based on this information, since the company markets CF products for infants under six months of age, it only gets half of the initial overall Corporate Profile score, as described in the section above.
- Based on Nestlé's 2021 Policy for Implementation of the WHO Code, the company's overarching commitments to the Code have not changed since the 2021 assessment. The company continues to clearly state its support for exclusive breastfeeding in the first six months and continued breastfeeding to two years or beyond, as well as for the introduction of appropriate complementary foods from the age of six months.
- Although compared to the other companies assessed, Nestlé's overarching commitments are relatively well-aligned with the principles of the Code, the company still does not fully acknowledge the specifications to the Code provided by the World Health Assembly (WHA) in resolution 69.9 and the accompanying guidance on ending the inappropriate promotion of foods for infants and young children. WHA resolution 71.9, which calls for continued implementation of the recommendations of this guidance has not been acknowledged by the company either. In addition, no explicit commitments were found from Nestlé to follow various WHO and UNICEF guidelines on optimal infant and young child feeding.
- Since no explicit commitments were found for Nestlé on the marketing of CF in line with the guidance on ending the inappropriate promotion of foods for infants and young children supported by WHA resolution 69.9, the question on applying those commitments to the company's joint ventures and subsidiaries does not apply.

- Nestlé is urged to adopt WHO guidance relating to complementary feeding and uphold globally recognized public health guidelines, with a key requirement being to no longer produce and sell commercial complementary foods for infants aged under six months.

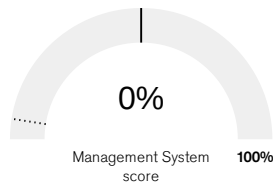
2. Product Formulation

This topic consists of policy commitment indicators and management system indicators. Each set of indicators contributes an equal weight of 50% each to the topic score.



Policy Commitment

- Similar to the 2021 assessment, Nestlé did not score on this topic since no explicit commitments were found on the formulation of complementary foods for older infants and young children aged 6-36 months. No information was found indicating if the company adheres to any relevant Codex standards and guidelines at a minimum, nor if it follows any national, regional and global standards for composition, safety, quality and nutrient levels.
- Nestlé is encouraged to explicitly state which specific Codex standards and guidelines and other national, regional, and global standards it follows at a minimum for clear reference, and to ensure that the listed standards and guidelines are regularly revised so that the most updated versions are adhered to.
- ATNI did not conduct a CF product profile assessment as part of the CF Marketing Index 2024. Nonetheless, as part of ATNI's action research, recent assessments have been conducted of the nutritional quality and labeling practices of commercial CF using the 2022 WHO Europe nutrient and promotion profile model (NPPM) for foods for infants and young children. A total of 138 CF products by Nestlé were assessed across eight countries (Brazil, Canada, Egypt, India, Ireland, Italy, Saudi Arabia and the UK) and approximately 25% of those products met all nutrient composition requirements of the NPPM. Similar research was also conducted as part of the Consortium for Improving Complementary Foods in Southeast Asia (COMMIT) using a model that was adapted to closely align with the NPPM. Nestlé CF products were found and assessed across all seven Southeast Asian countries included in this research: Cambodia, Indonesia, the Lao People's Democratic Republic, Malaysia, the Philippines, Thailand and Viet Nam.
- For more information about these assessments and the findings, check <https://new-l40rlzsq.accesstonutrition.org/nppm-project-page/>.

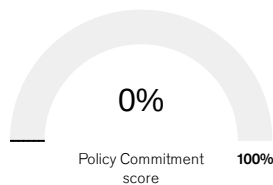


Management System

- Nestlé confidentially shared some procedure manuals developed by the company for BMS, however, since no relevant commitments were found, no relevant management systems were identified either. Therefore the company also did not score on this aspect for the topic.

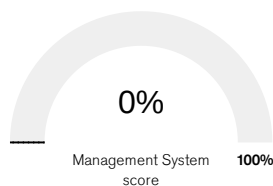
3. Marketing Messages

This topic consists of policy commitment indicators and management system indicators. Each set of indicators contributes an equal weight of 50% each to the topic score.



Policy Commitment

- Compared to the 2021 assessment, Nestlé did not score on this topic since no explicit commitments were found to ensure that messages on all packaging and marketing/promotional materials of its complementary foods for older infants and young children aged 6-36 months align with the Code requirements of what should and should not be stated as per recommendation 4 of the guidance on ending the inappropriate promotion of foods for infants and young children supported by WHA resolution 69.9. The findings from the country assessments show that Nestlé's messages across all forms of marketing assessed and in all five countries did not fully align with the requirements of recommendation 4 of the WHA 69.9 guidance.
- Nestlé is encouraged to adopt these Code requirements in full for all CF marketing materials and clearly outline them in a company policy dedicated to the responsible marketing of complementary foods.

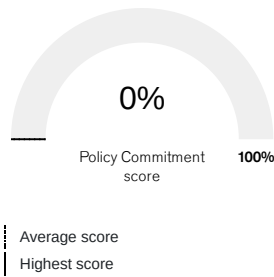


Management System

- Nestlé confidentially shared some procedure manuals developed by the company for BMS however since no relevant commitments were found, no relevant management systems were identified either, therefore the company also did not score in this aspect.
- To score in this area, Nestlé would need to develop comprehensive management systems, procedures and other guidance for its employees to implement all commitments set out in its policy(ies) relating to responsible CF marketing.

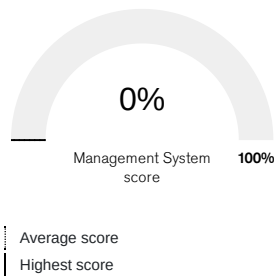
4. Avoidance of cross-promotion

This topic consists of policy commitment indicators and management system indicators. Each set of indicators contributes an equal weight of 50% each to the topic score.



Policy Commitment

- Similar to the 2021 assessment, Nestlé did not score on this topic since no explicit commitments were found indicating that the company takes various measures to avoid promoting its breast-milk substitutes indirectly via the promotion of its complementary foods for older infants and young children aged 6-36 months, also known as cross-promotion.
- Nestlé is encouraged to adopt the Code requirements set out in recommendation 5 of the guidance on ending the inappropriate promotion of foods for infants and young children supported by WHA resolution 69.9 that address cross-promotion. The company is urged to clearly outline in a company policy dedicated to the responsible marketing of complementary foods how it will differentiate the packaging and other materials used in the marketing of CF from that used in the marketing of its BMS products, as well as commit to avoiding establishing contact with caregivers, including through baby clubs and social media groups and other platforms of communication.

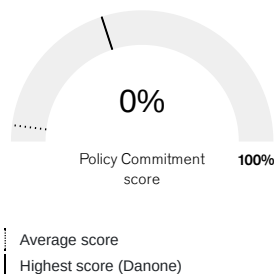


Management System

- Nestlé confidentially shared some procedure manuals developed by the company for BMS however since no relevant commitments were found, no relevant management systems were identified either, therefore the company also did not score in this aspect.
- To score in this area, Nestlé would need to develop comprehensive management systems, procedures and other guidance for its employees to implement all commitments set out in its policy(ies) relating to responsible CF marketing.

5. Conflict of Interest

This topic consists of policy commitment indicators and management system indicators. Each set of indicators contributes an equal weight of 50% each to the topic score.



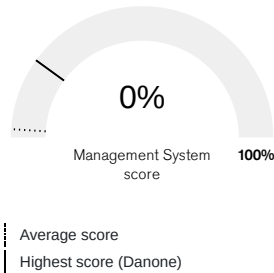
Policy Commitment

- Nestlé did not score on this topic since no explicit commitments were found to avoid conflicts of interest throughout the healthcare system in line with the Code, specifically recommendation 6 of the guidance on ending the inappropriate promotion of foods for infants and young children supported by WHA resolution 69.9.
- To comply with the Code, Nestlé would need to commit to not using health facilities to host events of any kind nor to give out gifts or any other offering to caregivers of infants and young children, and to not educating caregivers on infant and young child feeding. Although the company commits to only providing scientific and factual information to health workers on breast-milk substitutes, no similar commitment was found regarding complementary foods for older infants and young children aged 6-36 months. In addition, based on Nestlé's 2019 Code of Interaction with Healthcare Professionals the company was found to provide contributions to health workers and sponsor

meetings of health professionals and scientific meetings, which it should not do according to the Code.

- Nestlé is encouraged to adopt recommendation 6 of the guidance supported by WHA resolution 69.9, and clearly outline in a company policy dedicated to the responsible marketing of complementary foods how it will avoid conflicts of interest with healthcare workers and in healthcare facilities in line with these Code requirements.

Management System

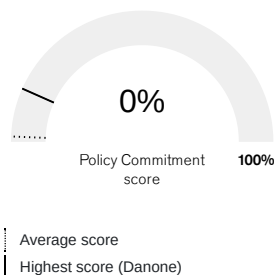


- Nestlé confidentially shared some procedure manuals developed by the company for BMS however since no relevant commitments were found, no relevant management systems were identified either, therefore the company also did not score in this aspect.
- To score in this area, Nestlé would need to develop comprehensive management systems, procedures and other guidance for its employees to implement all commitments set out in its policy(ies) relating to responsible CF marketing.

6. Donations

This topic consists of policy commitment indicators and management system indicators. Each set of indicators contributes an equal weight of 50% each to the topic score.

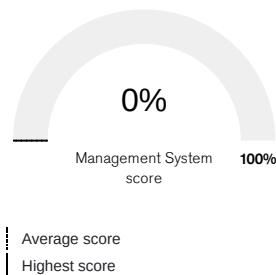
Policy Commitment



- Compared to the last assessment in 2021, commitments on donations of CF are now assessed here as a separate topic and across several indicators, to ensure a more accurate assessment of the specific requirements relating to CF donations.
- Nestlé did not score on this topic since no explicit commitments were found to indicate that:
 - the company does not donate nor provide samples of complementary foods for older infants and young children aged 6-36 months to caregivers and children through health workers or health facilities.
 - the company does not donate or distribute any equipment, materials (including educational materials), or services to any part of the health care system.
 - the company does not donate CF 6-36 products in humanitarian settings, unless officially requested by a competent government authority of the country affected by the emergency or by the designated emergency response coordinating body acting on behalf of the government.
 - the company does not use donations of CF 6-36 products to children who require them in social welfare institutions as a sales inducement, nor distributes them for use outside these institutions.

- Although Nestlé has policies that cover some of these requirements in regard to donations of its BMS products, Nestlé's commitments on donations of its CF 6-36 products are unclear.
- Nestlé is encouraged to clearly outline in a company policy dedicated to the responsible marketing of complementary foods how it will donate complementary foods for older infants and young children aged 6-36 months in various settings, and ensure that it follows recommendation 6 of the guidance supported by WHA resolution 69.9, as well as the requirements outlined in WHA resolutions 47.5 and 63.23 pertaining to donations, and the UN IFE Operational Guidance for Infant and Young Child Feeding in Emergencies.

Management System

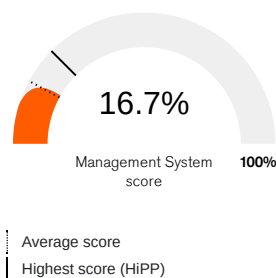


- Nestlé confidentially shared some procedure manuals developed by the company for BMS however since no relevant commitments were found, no relevant management systems were identified either, therefore the company also did not score in this aspect.
- To score in this area, Nestlé would need to develop comprehensive management systems, procedures and other guidance for its employees to implement all commitments set out in its policy(ies) relating to responsible CF marketing.

7. Implementation and Monitoring

This topic consists of management system indicators only.

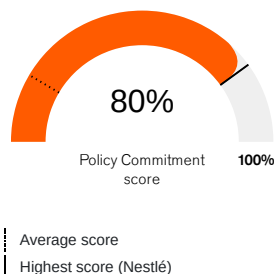
Management System



- Compared to the last assessment in 2021, commitments on implementation and monitoring of CF marketing commitments and practices are now assessed in a separate topic and across several indicators.
- Nestlé was found not to meet most of the requirements assessed in this topic, mainly due to the company's lack of commitments specifically in relation to the marketing of complementary foods for older infants and young children aged 6-36 months.
- The company however explicitly states on its global website, and within its sustainability report and quality policy, that it follows relevant food safety and quality management systems to certify its products, including CF, such as HACCP, FSSC22000 and ISO 22'000:2005/ISO 22002-1 standards.
- In addition to developing and having a comprehensive company policy dedicated to the responsible marketing of complementary foods, Nestlé is encouraged to clearly define and effectively communicate to all relevant employees and relevant executives their responsibilities for implementing commitments related to the marketing of CF 6-36.

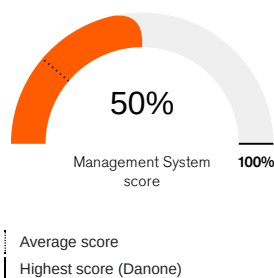
8. Lobbying and Influence

This topic consists of policy commitment indicators, management system indicators, and disclosure indicators. Each set of indicators contributes an equal weight of 33.3% each to the topic score.



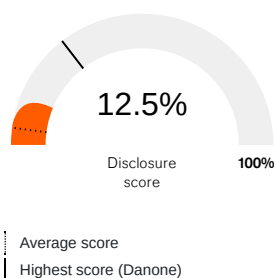
Policy Commitment

- Compared to the last assessment in 2021, commitments relating to the company's engagement with stakeholders on the Code and CF marketing are now assessed in a separate topic and across several indicators.
- Nestlé has a publicly available policy on transparent interaction with authorities and organizations which is also applied when engaging on issues relating to CF and the Code. Based on this policy, Nestlé covers the relevant commitments assessed in this topic, such as committing to support public interest and meet the company's objectives, as well as committing to prohibit conflicts of interest and disclose if there are any, while engaging on CF related issues.
- Based on the information found on Nestlé's website and the official assessment of the company's response to the BMS Call to Action, the company does not fully score on this topic as it does not commit to supporting legislation that is fully aligned with the Code, including the guidance on ending the inappropriate promotion of foods for infants and young children supported by WHA resolution 69.9 which covers the requirements on the responsible marketing of complementary foods for older infants and young children aged 6-36 months.



Management System

- Based on Nestlé's related policies, the company clarifies that the company's Board has oversight of its policy on transparent interaction with authorities and organizations, and that it names an executive function with the responsibility of implementing this policy.
- However, no evidence was found in the public domain, nor provided by the company, indicating that clear systems are in place on control mechanisms to ensure effective implementation of this policy, such as reporting and internal audits. To receive a full score on this topic, Nestlé is encouraged to improve on this aspect.



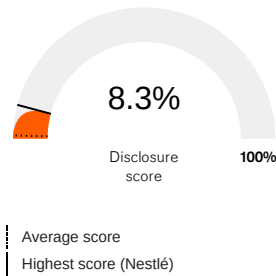
Disclosure

- Nestlé falls short in disclosing lobbying-related activities. No information was found on Nestlé's website, neither of its interactions, or that of its trade associations, in legislative processes related to the Code and CF marketing, nor of links to relevant external platforms that may include this information.
- Although Nestlé publicly discloses following the principles of the Code and the Responsible Lobbying Framework, ATNI advises the company to also follow other key public policy frameworks in private sector engagement and lobbying such as the WHO

framework of engagement with non-state actors and OECD principles for transparency and integrity in lobbying, among others.

9. Disclosure

This topic consists of disclosure indicators only.



Disclosure

- Similar to the 2021 assessment, Nestlé did not fully score on this topic, mainly due to the company's lack of commitments specifically in relation to the marketing of complementary foods for older infants and young children aged 6-36 months.
- Relevant commitments were found for the company on engaging with authorities and organizations on issues relating to CF and the Code. These were publicly disclosed in Nestlé's 2017 Policy on transparent interaction with public authorities.
- Nestlé is encouraged to develop and publish a comprehensive company policy dedicated to the responsible marketing of complementary foods.

Footnotes

1. CF refers to commercial complementary foods. These include baby porridge and cereals, dairy/fruit/vegetable-based baby purées, savory meals, and snack foods, as well as baby teas, juices, and water for infants and young children aged 6-36 months. CF products marketed to infants aged under six months are considered unwanted breast-milk substitutes, as these products interfere with exclusive breastfeeding in the first six months. However, ATNI assesses these products in the CF Marketing Index rather than the BMS Marketing Index, to emphasize that CF products are intended for older infants and young children aged 6-36 months and should not be introduced to infants aged under six months who should be exclusively breastfed.
2. 67% of Nestlé's global baby food sales are derived from breast-milk substitutes.
3. The Country Study score and Corporate Profile score each contribute to 50% of Nestlé's CF Marketing Index score.
4. This represents the average score of five country assessments: China, Germany, Indonesia, Viet Nam, United States.
5. Based on 2021 Euromonitor retail sales estimates.
6. Incidences of non-compliance include non-compliant labels and non-compliant observations from online and traditional media.
7. Where companies engaged, these numbers should represent the number of products confirmed to be marketed in these countries as communicated by the companies to ATNI. It is possible however that the number of products and brands assessed are not representative of each of the assessed markets, due to limitations in data collection and limited company engagement.
8. - Commercial complementary food intended for infants under six months of age (CF < 6). - Commercial complementary food intended for older infants and young children between six months and three years of age (CF 6-36 months). - Product brand relates to observations where no age is specified on a product or no specific product is promoted, but the observation is associated with a CF brand.
9. This is the company's average score on the 9 topics.
10. Euromonitor retail sales estimates (2021 data) were used to calculate the proportion of companies' global product sales covered per product type. It is important to note however that the underlying data used for the calculations may not be fully representative of the company's markets. Euromonitor International intelligence is used under license. Although Euromonitor aims to correct inaccuracies of which it is aware, it does not warrant that the data will be accurate, up-to-date or complete as the accuracy and completeness of the data and other content available in respect of different parts of the content will vary depending on the availability and quality of sources on which each part is based.
11. The Code recommends the introduction of CF products no earlier than six months of age to protect exclusive breastfeeding in this period. Since CF < 6 products should not be available on the market, they were counted as observations of non-compliance and not assessed on any further indicators that evaluate appropriate marketing practices. Therefore, the assessment across the 9 topics solely concerns the responsible marketing of CF 6-36 products.