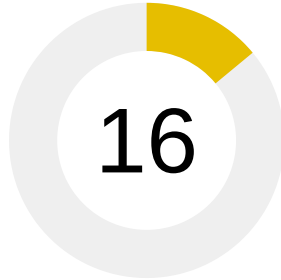


Conagra

Reported product categories
Bakery, Canned / Preserved Food,
Confectionery, Oils and Fats, Pasta,
Ready Meals, Sauces, Snacks



Rank 16 / Score 1.4
Rank 16 (2016)



Product Profile
Rank 5 / Score 5.8

Headquarters
U.S.

Market capitalization
\$17,213 m

Reported revenue by
geography ^{1 3}
Not available

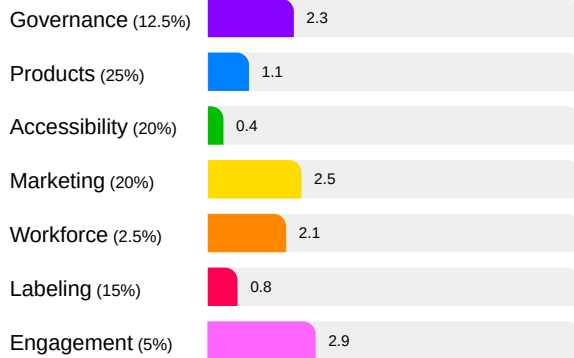
Number of employees
12,600

Total revenues ^{1 2}
\$11,643 m

CORPORATE PROFILE

Nutrition 16/1.4

Undernutrition 20/-1



Main areas of strength

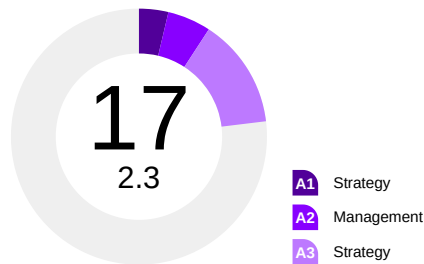
- ConAgra Brands' score increased slightly from 1.4 in the 2016 Global Index to 1.5 out of 10 in the 2018 Global Index and it maintained its sixteenth place in the ranking.
- ConAgra Brands' 'Citizenship Strategy' incorporates a commitment to, "make safe, delicious, affordable and nutritious foods while providing the information to make choices for a healthy lifestyle." The company focuses its health and nutrition activities around three focus areas - portion and calorie control, dietary variety and heart health.
- In the U.S., ConAgra Brands participates in the Children's Food & Beverage Advertising Initiative (CFBAI) and the Children's Advertising Review Unit (CARU). ConAgra Brands does not market to children under the age of six where children make up more than 35% of the audience.
- In the U.S., ConAgra Brands continues to be committed to provide both back-of-pack (BOP) and front-of-pack (FOP) nutrition labeling. Its BOP labeling includes all key nutrients recommended by the Codex Guidelines on Nutrition Labeling. Information is provided on the basis of recommended daily values. Furthermore, ConAgra Brands labels its products according to the 'Facts Up Front' program in its home market – the U.S., which is an industry designed and run labeling system displaying some nutrition information on the front of food and beverage packages.

Priority areas for improvement

- Since the 2016 Index, ConAgra Brands has made a few improvements to its approach to tackling health and nutrition challenges, reflected in the minor improvement in its score. As the company did not engage with ATNF during the research phase its score is based only on published information.
- The company lacks a Board-approved nutrition policy with measurable objectives on a broad range of nutrition-related topics. It does not appear to assign formal oversight for nutrition to the Board of Directors or CEO.
- As in the previous Index, ConAgra Brands does not appear to have a Nutrient Profiling System (NPS). It therefore lacks an effective framework to guide its product reformulation and R&D. The company could strengthen its performance by setting targets to reduce levels of negative nutrients and to increase positive nutrients in relevant products.
- The company does not emphasize healthy products in its activities to improve access to food. As one of the company's important business lines is to manufacture foods sold under retailers' own brand names, often at relatively low prices, this is an area ConAgra Brands should focus on as a priority.
- Commitments and examples of activities related to affordability and accessibility of healthy products, health and nutrition claims, support for healthy lifestyles and stakeholder engagement remain limited or non-existent.
- ConAgra Brands ranks shared fifth in the Product Profile with a score of 5.8 out of 10, based on an assessment of its major product categories in five countries. ConAgra Brands was estimated to derive 45% of its total 2016 sales from healthy products, i.e. those that achieve a Health Star Rating (HSR) of 3.5 stars or more. These findings illustrate that while ConAgra Brands' portfolio comprises a relatively high proportion of healthy products, it has scope to improve further through product reformulation, innovation and/or acquisitions or disposals.

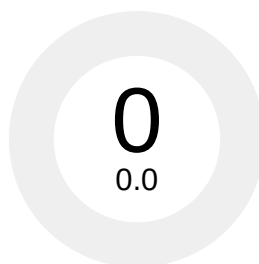
CATEGORY ANALYSIS

CATEGORY A - GOVERNANCE 12.5% - NUTRITION

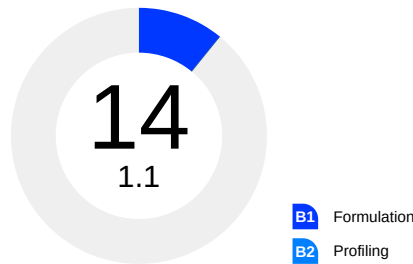


- 'Good Food', which ConAgra Brands defines as safe, delicious, affordable and nutritious food, is an integral part of the company's 'Citizenship Strategy.' The nutrition element of 'Good Food' comprises three main topics - portion and calorie control, dietary variety and heart health - which guide ConAgra Brands' approach to addressing nutrition and health issues. However, this 'Citizenship Strategy' focus does not seem to be a core driver of the company's commercial growth strategy which aims "to increase margins, improve the top line and build a winning company."
- The lack of strategic commitment to grow through a focus on health and nutrition is evident in several areas. ConAgra Brands does not seem to consider nutrition and health in mergers and acquisitions nor does it seem to recognize the Sustainable Development Goals (SDGs) or the priorities set out in the WHO Global Action Plan. Furthermore, ConAgra Brands' publicly available nutrition strategy remains limited and lacks clearly articulated objectives beyond its three main topic areas.
- The company could improve its nutrition governance by assigning formal oversight of its approach to the Board of Directors or CEO and delegating day-to-day responsibility for implementing it to an executive manager who reports directly to the CEO and/or the Board. The company could also link the remuneration of its CEO to performance on nutrition objectives.
- The ConAgra Brands scope of reporting remains as limited as it was in 2016. The company reports annually on its approach to tackling nutrition issues but these reports are still not integrated into the company's financial reporting and do not provide a clear sense of the company's activities nor how they relate to its business goals or future plans. ConAgra Brands should expand the coverage of its work to address nutrition issues and consider commissioning an external review and/or verification of its Citizenship Report.

CATEGORY A - GOVERNANCE 12.5% - UNDERNUTRITION



CATEGORY B - PRODUCTS 25% - NUTRITION

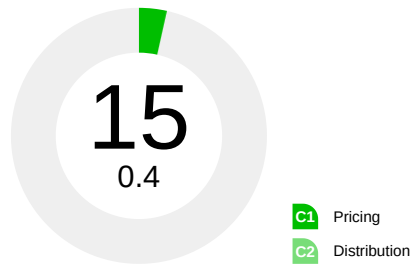


- ConAgra Brands' approach to improving its products is centered around portion and calorie control, dietary variety and heart health. The company continues to make a commitment to invest in research in health and nutrition but does not disclose targets to increase R&D spending on nutrition, making it hard to assess how strong its commitment is.
- The company does not appear to have an NPS to guide its product reformulation and product development activities, highlighting a gap between ConAgra Brands and the leading companies assessed. It is important that the company adopts a well-verified NPS, which covers all products in all markets and encompasses both positive and negative nutrients. Implementing an NPS would also allow the company to clearly define what a 'healthy product' is, which products offered are healthy and how healthy products relate to ConAgra Brands' focus on portion and calorie control, dietary variety and heart health.
- ConAgra Brands has not made any progress in reporting on its product reformulation targets since 2016. The company set a sodium reduction target in 2009 which was met in 2013. Since the company seems not to have adopted company-wide targets to reduce key negative nutrients, such as saturated fat, trans-fat and/or sugars, nor to increase the levels of fruits, vegetables, nuts, legumes, wholegrains and/or fiber in its products. To align with best practice, ConAgra Brands should place greater emphasis on reformulating its products to enhance their nutritional quality and reporting on progress.
- The company reports some examples of new product launches and provides information on the percentage of products that fall within the scope of its health and nutrition approach.
- In fiscal year 2016, the company reported that 65% (in fiscal year 2017 this has increased to 67%) of products fell within one of its ConAgra Brands health and nutrition focus areas. The Product Profile estimated that 64% of products by number, in the countries assessed, were healthy. However, when sales-weighted, the figure dropped to 45%, indicating that the company generates more sales from products of lower nutritional quality. The company is encouraged to increase the percentage of healthy products in its portfolio, invest in the increasing sales from these products and provide a clear definition of what ConAgra Brands considers to be a healthy product.

CATEGORY B - PRODUCTS 25% - UNDERNUTRITION

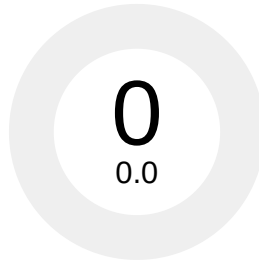


CATEGORY C - ACCESSIBILITY 20% - NUTRITION

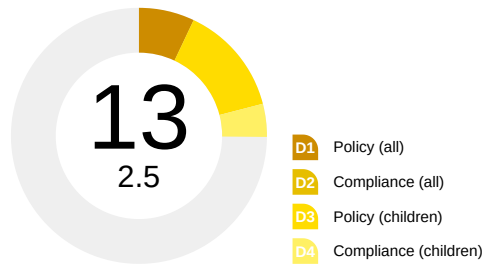


- ConAgra Brands provides limited information about any approaches it may have to enhance the accessibility or affordability of its healthy products through specific pricing and distribution initiatives. ConAgra Brands has very general commitments to improve the affordability of its healthy products but it is unclear how these commitments translate into practice.
- The company could strengthen its performance in this area by defining a commitment and specific objectives to improve the accessibility and affordability of its healthy products and support these with examples of activities. As indicated above, having a definition of healthy which is linked to a robust NPS could improve the company's approach to accessibility and affordability.

CATEGORY C - ACCESSIBILITY 20% - UNDERNUTRITION

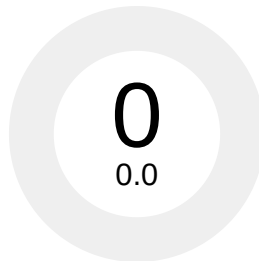


CATEGORY D - MARKETING 20% - NUTRITION

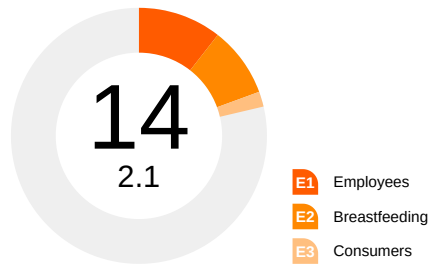


- ConAgra Brands' Code of Conduct includes commitments to responsible marketing to all consumers, but it does not fully encompass the International Chamber of Commerce (ICC) Code of Advertising and Marketing Communication Practice nor does it specify which media are covered. The company also does not seem to audit (or commission audits) of its compliance with its policy. More transparency about the advertising pledges and practices relating to all consumers would allow a complete assessment of ConAgra Brands' performance.
- ConAgra Brands participates in the Children's Food & Beverage Advertising Initiative (CFBAI) and supports the Children's Advertising Review Unit (CARU). It does not advertise any products to children aged two to six. It only markets products that meet the CFBAI's nutrition criteria to children aged 7 to 12. The company sets a 35% threshold for programs or media that have a child audience.
- As ConAgra Brands continues to derive most its revenues from the U.S. (about 87% in financial year 2016), application of CFBAI standards and nutrition criteria cover most of its business. However, to improve its performance, ConAgra Brands is encouraged to extend its responsible marketing policies and practices to children across all its markets. In addition, it should also expand the scope of covered media and strengthen its definition of a child audience, i.e. to when children make up more than 25% of a general audience. It should also expand commitments to prohibit marketing in and near primary and secondary schools or other places where children gather. Most importantly, marketing practices should be underpinned with an appropriate NPS.
- ConAgra Brands conducts a self-assessment of its compliance with the CFBAI pledge and this is submitted to the organization on an annual basis. This does not meet best practice, which is to commission independent audits and to publish compliance levels.

CATEGORY D - MARKETING 20% - UNDERNUTRITION



CATEGORY E - WORKFORCE 2.5% - NUTRITION

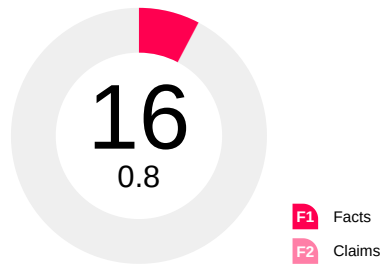


- ConAgra Brands makes a commitment to support employee health and wellness. Nevertheless, the programs offered are limited. The company also does not set participation targets for these programs. ConAgra Brands could improve its performance by setting out the business and health outcomes these programs are expected to deliver and by commissioning an independent evaluation. Transparency could be improved through the disclosure of the quantitative results to demonstrate the impact per employee. The program could also be extended to include employees' family members
- ConAgra Brands has a policy commitment to support breastfeeding mothers with appropriate working conditions and facilities at work, as well as to provide up to three months of paid maternity leave. However, these commitments are applicable only to employees in the U.S. The company could improve its performance by adopting and publishing a consistent global policy and by providing paid maternity leave for six months or more.
- ConAgra Brands' educational activities are managed by its ConAgra Brands Foundation. The company focuses on areas which are in line with its Citizenship Strategy and consequently supports programs on nutrition education, cooking skills and healthy & active lifestyles. The company's approach to consumer education could be strengthened by developing formal guidelines and by committing only to supporting programs developed and implemented by third-parties which do not carry brand-level marketing. This would demonstrate that the company is taking responsibility for helping to improve consumers' lifestyles beyond the immediate scope of its business.

CATEGORY E - WORKFORCE 2.5% - UNDERNUTRITION

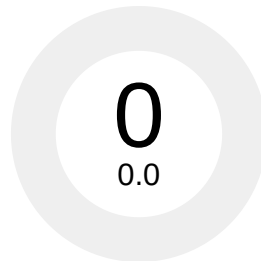


CATEGORY F - LABELING 15% - NUTRITION

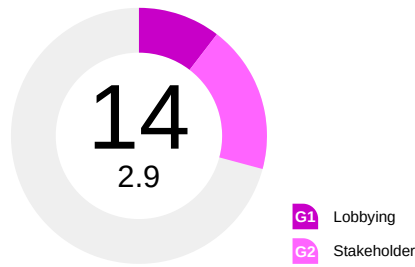


- Since 2016, ConAgra Brands has not strengthened its approach to labeling or placing health and nutrition claims on products.
- ConAgra Brands has committed to follow U.S. Food & Drug Administration (FDA) and U.S. Department of Agriculture (USDA) regulations requiring standardized declaration of nutrients in the U.S. only. Therefore, the company commits to provide both BOP and FOP nutrition labeling. As the U.S. labeling legislation is closely aligned with Codex, ConAgra Brands provides BOP labeling information on all key nutrients as recommended by Codex (energy, protein, carbohydrates, added/free sugars, trans-fat, saturated fat, dietary fiber and sodium).
- The company participates in the 'Facts Up Front' initiative in the U.S., and provides levels of calories, sodium, saturated fat and sugars per serving on the front of its food packages. However, these commitments are limited to the company's home market. Any similar company-wide commitments are not reported. Therefore, the company should adopt a global policy which commits to provide full nutrition labeling on all products globally, as it does in the U.S. It should also commit to using an interpretative FOP labeling format, which is considered best practice and to disclosing more information about the implementation of its labeling commitments across all markets.
- ConAgra Brands has not disclosed any information on the use of either health or nutrition claims, although the use of such claims is regulated in its major markets. The company could strengthen its performance by publicly disclosing a policy in which it commits only to placing a health or nutrition claim on a product when it complies with relevant Codex standards for countries where no national regulatory system exists, or standards are weaker than those of Codex.

CATEGORY F - LABELING 15% - UNDERNUTRITION

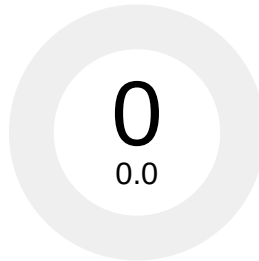


CATEGORY G - ENGAGEMENT 5% - NUTRITION



- ConAgra Brands could improve its transparency around its commitments and activities relating to lobbying and influencing governments and policymakers on nutrition issues. The company does not report publicly which topics it engages and does not make an explicit commitment not to lobby against public health topics. To strengthen its approach, the company could commit to lobby only in support of public health initiatives in all markets.
- The company only discloses its membership in U.S. trade associations to which it paid dues of \$50,000 or more and financial contributions to these organization. Moreover, it does not set out whether it has any governance conflicts of interest or holds board seats on industry associations and/or advisory bodies related to nutrition issues. The company could extend the scope of reporting beyond the U.S.
- ConAgra Brands demonstrates limited engagement with stakeholder groups and engages with researchers and other professionals in the nutrition community through publications and presentations at scientific meetings. In addition, the company reports that progress on topics relating to product development, including delivering against portfolio-wide nutrition improvement objectives are shared with an external Scientific Advisory Board. However, how these engagements feed into developing its nutrition policies and/or programs is unclear based on the public reporting. Nevertheless, the company could improve its performance by disclosing more on the nature of these engagements and broaden the scope of stakeholders consulted by engaging with stakeholders beyond the U.S., the company's home market.

CATEGORY G - ENGAGEMENT 5% - UNDERNUTRITION



PRODUCT PROFILE



5

Rank 5 / Score 5.8

Average HSR score products (sales-weighted)	Percentage of healthy products (sales-weighted)	Percentage of healthy products suitable to market to children (sales-weighted)	Number of products included in HSR and WHO EURO assessments		Number of countries included in the assessment
			HSR	WHO EURO	
2.9 stars	45%	34%	1036	1151	5

- ConAgra Brands' average sales-weighted HSR is 2.9 (3.2 unweighted), generating a Product Profile score of 5.8 out of 10, and it ranks shared fifth.
- In 2016, 45% of sales of the company's products assessed met the healthy threshold (64% of its products by number). The proportion of its sales of products assessed suitable to market to children was 34% (37% of its products by number). The reductions in the sales-weighted HSR scores illustrate that its products with slightly lower HSRs accounted for a relatively larger proportion of sales than those with higher HSRs.
- ConAgra Brands' sales in India and Mexico were on average healthy, with a mean of 3.5 and 3.6, respectively. New Zealand had the lowest mean HSR both before and after sales-weighting of results (2.3). The highest proportion of products eligible for marketing to children was found in the U.S. (39%) – not sales-weighted.
- In terms of categories, ConAgra Brands' healthiest category on average is 'Processed Fruit and Vegetables' (4.1), followed by 'Edible Oils' (3.9) and 'Spreads', with 'Dairy' having the lowest mean HSR of all ConAgra Brands product categories (2.1).
- None of its products were eligible to be marketed to children in New Zealand and South Africa. Additionally, no products within the categories 'Breakfast Cereals', 'Savory Snacks' or 'Spreads' were found eligible to be marketed to children.
- ConAgra Brands ranks considerably better on the Product Profile (shared rank of 5) than on the Corporate Profile (rank of 16). The difference in score and rank between the two elements of the ATNI methodology shows that while the company discloses little about its nutrition-related activities, more than half of its portfolio consists of products which are considered healthy by the HSR system. Nevertheless, the company appears to derive the majority of its sales from products of lower nutritional quality. A number of product categories do not have any products healthy enough to be marketed to children. This clearly indicates that ConAgra Brands has room to improve the nutritional profile of its products.

For full details, see the company's Product Profile scorecard.

DISCLAIMER GLOBAL INDEX 2018

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As a multi-stakeholder and collaborative project, the findings, interpretations, and conclusions expressed in the report may not necessarily reflect the views of all companies, members of the stakeholder groups or the organizations they represent or of the funders of the project. This report is intended to be for informational purposes only and is not intended as promotional material in any respect. This report is not intended to provide accounting, legal or tax advice or investment recommendations. Whilst based on information believed to be reliable, no guarantee can be given that it is accurate or complete.

Sustainalytics participated in the data collection and analysis process for the Global Index 2018, contributed to the company scorecards and supported writing the report.

Westat is responsible for the collection of data related to company compliance with the International Code of Marketing of Breast-milk Substitutes and any additional country specific regulations related to marketing of these products in Bangkok, Thailand and Lagos, Nigeria. Westat is responsible for the analysis of the data related to compliance with the BMS Marketing standards and for the preparation of its final study report, the results of which have been incorporated by ATNF into the 2018 Global Access to Nutrition report and the scoring of company performance for the same Index.

The George Institute for Global Health (TGI) is responsible for the data collection for the Product Profile assessment, using data from available databases that was supplemented with data provided by companies to ATNF. TGI is also responsible for the analysis of the data related to the Product Profile and the TGI Product Profile final report, the results of which have been incorporated by ATNF into the 2018 Global Access to Nutrition report. Furthermore, TGI is responsible for the data collection and analysis related to the historic sodium reduction assessment in Australia, the results of which have been incorporated into the Product Profile chapter of the 2018 Global Access to Nutrition report.

Innova Market Insights (Innova) is responsible for the data collection and analysis related to the historic sodium reduction assessment that was performed in four countries, the results of which have been incorporated into the Product Profile chapter of the 2018 Global Access to Nutrition report.

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Footnotes

1. ConAgra Brands generates less than 5% of its sales in non-OECD countries. Therefore, the company was not assessed on Undernutrition in the Global Index 2018. ConAgra Brands did not actively participate in the research process; its assessment is therefore based on publicly available information. Scorecard version 2, 31 October 2018.
2. Source: Morningstar, USD historic exchange rate
3. Source: Morningstar

