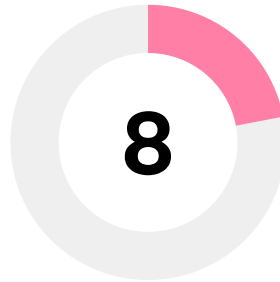


Marico

Product Profile Categories
Breakfast Cereals; Edible Oils



Rank 8 / Score 2.2



Product Profile

Rank 6 / Score 5.6

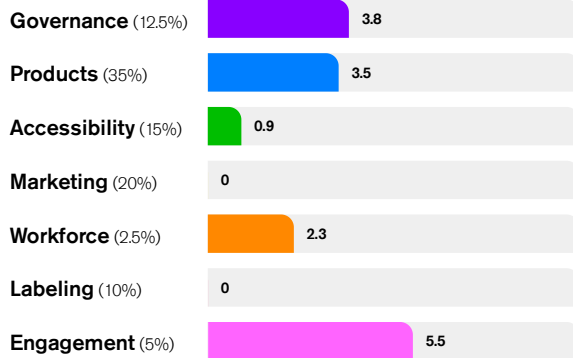
Headquarters
India

Retail sales (INR – millions)
1²
49055

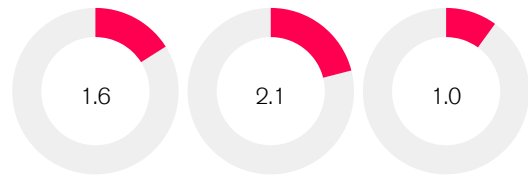
Number of employees
1665

Company Profile

Rank 8 **Score 2.2**



Commitment **Performance** **Disclosure**



The bar graph to the left shows company performance across the seven Index categories, which are key topic areas of assessment, and scores are shown for each category. The circles above provide an alternate view on the company's overall results, showing the score per indicator type.

(%) Figure in brackets is the weighting of the category. All category, commitment, performance and disclosure scores are out of 10

Main areas of strength

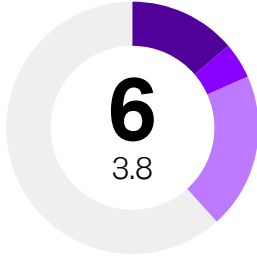
- Marico is assessed for the first time in the India Index 2020. ATNI welcomes Marico's interest in the Index methodology and participation in the Index stakeholder meetings.
- Among the three companies assessed for the 2020 India Index that predominantly sell products in the Edible Oil category, Marico ranks the highest. Although Marico is estimated to have derived 90-100% of its sales from the Edible Oils product category, it is expanding its product portfolio and also sells products in the Breakfast Cereals category.
- Enhancing nutrition is a commitment in the company's corporate sustainability policy. The company discloses that it intends to meet changing consumer needs with strategies that incorporate elements of nutrition and active lifestyles. Marico's recent acquisition of the Revofit mobile app that addresses elements of health and fitness, including nutrition tracking, plans and recipes, illustrates a novel approach in this regard.
- Marico's focus on improving the nutritional quality of its products is further illustrated by its commitment to reduce the salt content of their Saffola Masala Oats products by 15% by 2020. This target is part of a pledge the company made to the Food Safety and Standards Authority of India (FSSAI) in July 2018.
- Marico has a health and wellness program for its employees which includes nutrition consultations, health check-ups and various fitness activities, such as yoga. Marico also educates consumers in relation to nutrition and cardiac health. The company has developed the 'Fit Foodie Meter' in consultation with the Indian Dietetic Association, a tool which assigns a health score to every recipe presented on the website, based on nutritional composition.

Priority areas for improvement

- Marico ranks eighth overall in the India Index with a score of 2.2 out of 10.
- Marico ranks sixth in the Product Profile with a score of 5.6 out of 10. It is estimated to have derived 35% of its 2018 sales from products that achieve a Health Star Rating (HSR) of 3.5 or more out of 5 – i.e. the 'healthy' threshold. Marico's products in the Breakfast Cereals category have the highest mean HSR of (3.7) within its portfolio. The company could improve its result by expanding sales in this category and by introducing reformulated and new healthy products.
- The company could adopt and disclose a nutrition policy that specifies how its commercial strategy could help address the priorities set out the National Nutrition Strategy and Vision 2022 (Kuposhan Mukh Bharat – free from malnutrition, across the life cycle), and POSHAN Abhiyaan. To address micronutrient deficiency challenges in India, Marico should consider voluntarily fortifying all relevant products as per FSSAI's Food Safety and Standards (Fortification of Foods) Regulation, 2018.
- Marico should also consider adopting and publishing a policy to improve the affordability and physical accessibility of healthy products, addressing how best to reach low-income, rural or urban populations that lack regular access to nutritious food.
- As a company that predominantly sells products in the Edible Oils category, Marico could substantially increase their score in Category D – Marketing – by making commitments to market its products responsibly to all consumers and not to market any products to children (its products are unlikely to be marketed to children).
- Marico could improve its labeling practices by ensuring nutrition information is provided on all products according to the Codex Alimentarius guidelines, and in compliance with India's local regulations. It is also encouraged to implement an interpretive front-of-pack labeling system as soon as possible, that aligns with other companies or industry associations and is developed in partnership with the Government and other relevant stakeholders.
- Marico could further increase public disclosure about its nutrition-related commitments, policies and practices in India and is encouraged to further engage with ATNI to allow for a more complete assessment of these aspects.

Category Analysis

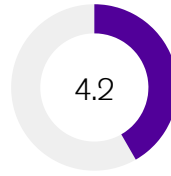
Governance



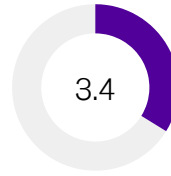
- A1** Nutrition strategy
- A2** Nutrition management
- A3** Reporting quality

All category, criteria, commitment, performance and disclosure scores are out of 10

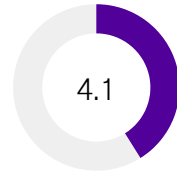
Commitment



Performance



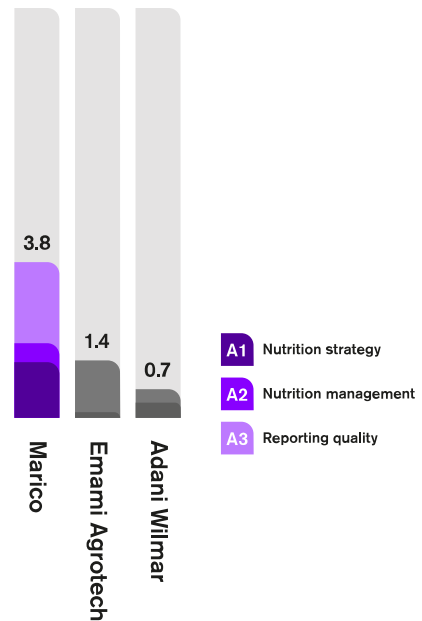
Disclosure



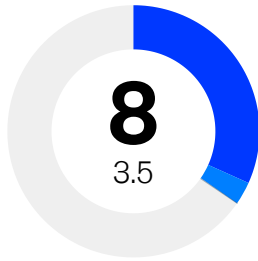
The circle on the left represents the company result for this Index category, showing the rank out of 16 and the score below it. The colored segments represent the respective criteria contributions to the overall category score. The above circles indicate how the company performs on the three types of indicators within this category.

Peer Comparison

Companies are grouped into three different industry segments in this Index based on the type of products they predominantly sell (i.e. contributing 80% or more to their total food and beverage sales) – dairy, edible oil or mixed portfolio. The graph on the right shows how the company's result within this Index category compares to that of its peers within the same industry segment.

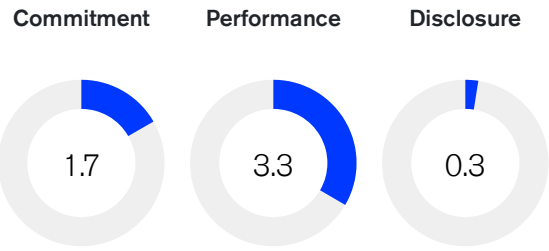


Products



- B1** Product Profile
- B2** Product formulation
- B3** Defining healthy products

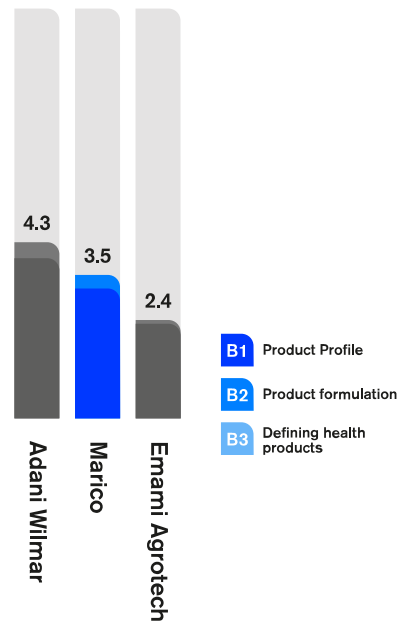
All category, criteria, commitment, performance and disclosure scores are out of 10



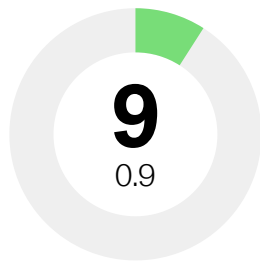
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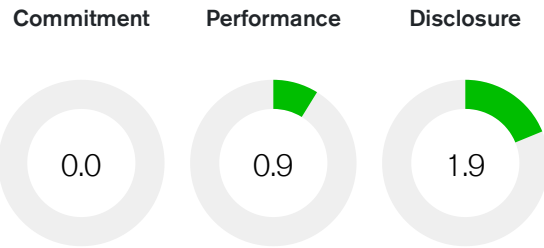


Accessibility



- C1** Product pricing
- C2** Product distribution

All category, criteria, commitment, performance and disclosure scores are out of 10



The circle on the left represents the company result for this Index category, showing the rank out of 16 and the score below it. The colored segments represent the respective criteria contributions to the overall category score. The above circles indicate how the company performs on the three types of indicators within this category.

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Peer Comparison

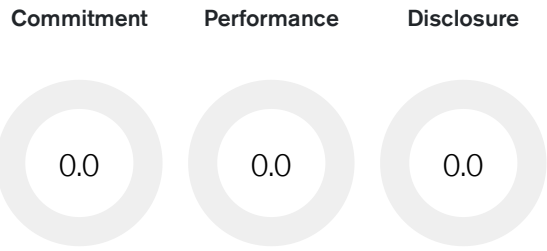


Marketing



- D1 Marketing policy
- D2 Marketing to children
- D3 Auditing and compliance

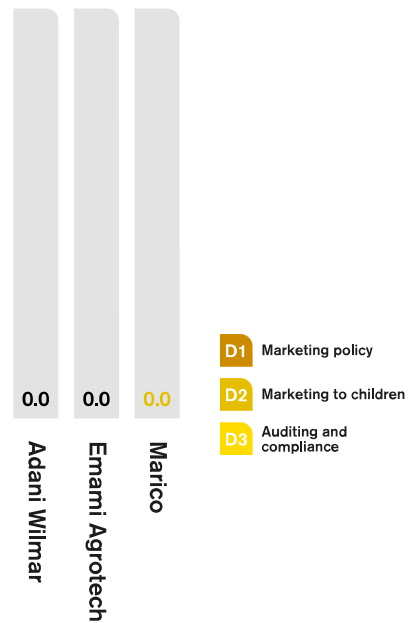
All category, criteria, commitment, performance and disclosure scores are out of 10



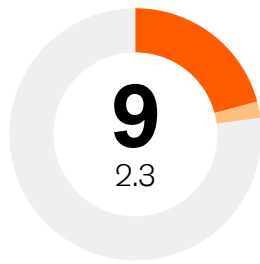
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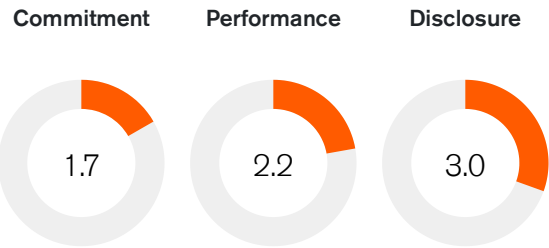


Workforce



- E1** Employee health
- E2** Breastfeeding support
- E3** Consumer health

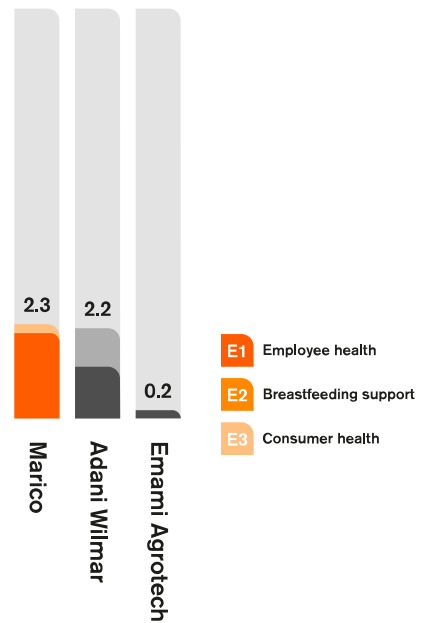
All category, criteria, commitment, performance and disclosure scores are out of 10



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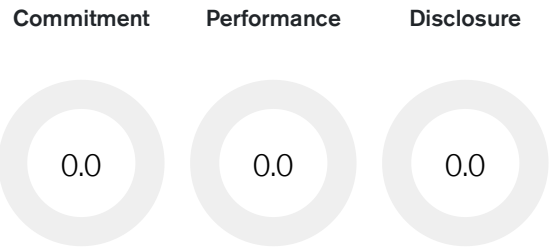


Labeling



- F1 Product labeling
- F2 Claims

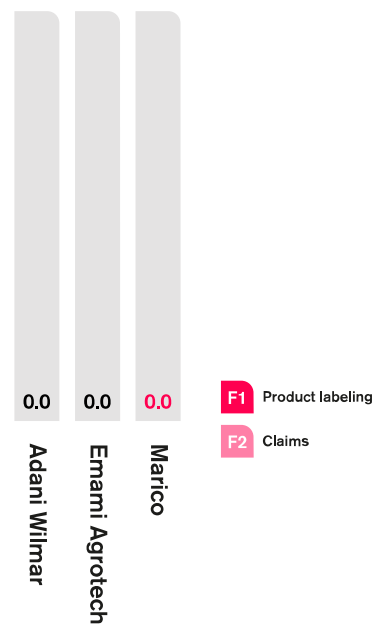
All category, criteria, commitment, performance and disclosure scores are out of 10



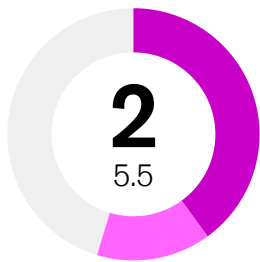
For this category performance indicators were not included. The circle on the left represents the company result for this Index category, showing the rank out of 16 and the score below it. The colored segments represent the respective criteria contributions to the overall category score. The above circles indicate how the company performs on the three types of indicators within this category.

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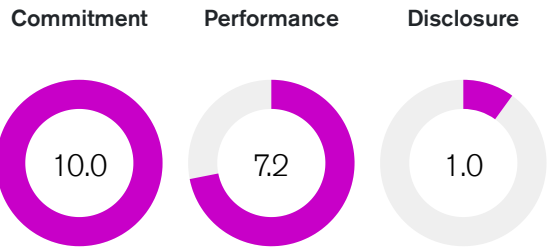


Engagement



- G1 Influencing policymakers
- G2 Stakeholder engagement

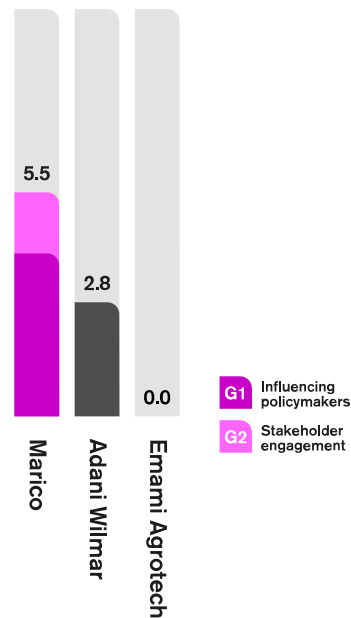
All category, criteria, commitment, performance and disclosure scores are out of 10



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Product Profile



6

Rank 6 / Score 5.6

Portfolio-level Results

| Average HSR score products (sales-weighted) | Healthy products (HSR) | | | Products suitable to market to children (WHO SEAR) | | | Range of total India F&B sales included |
|---|------------------------|-----------------|-----------------------|--|------------------|-----------------------|---|
| | % products healthy | % sales healthy | No. products assessed | % products suitable | % sales suitable | No. products assessed | |
| 2.9 | 61% | 35% | 41 | 44% | 76% | 41 | 90-100% |

- A total of 41 products from two categories (Breakfast Cereals and Edible Oils), representing 90-100% of Marico's estimated 2018 sales, were included in the Product Profile. Twenty-five products (61%) were found to meet the HSR healthy threshold and the company is estimated to have derived approximately one third (35%) of its 2018 sales from these healthy products.
- The company achieves a mean HSR of 3.5 out of 5. After sales-weighting the company's mean HSR decreases to 2.9 out of 5, resulting in a mean healthiness score of 5.9 out of 10.
- A total of 41 products were assessed to determine their suitability to be marketed to children according to the World Health Organization (WHO) South-East Asia Region (SEAR) nutrient profile model. Eighteen products, estimated to represent 76% of the 2018 sales, were found to meet the WHO SEAR criteria.

Product Category Results

| Category | Breakfast Cereals | Edible Oils |
|---|-------------------|-------------|
| Mean HSR | 3.7 | 2.9 |
| % products healthy | 69 | 33 |
| % products suitable to market to children | 34 | 78 |

- Marico performs best in the Breakfast Cereals category, achieving a mean HSR of 3.7 out of 5. Twenty-two of the 32 products assessed in this category (69%) were found to meet the HSR healthy threshold. Marico's Edible Oil category products achieve a mean HSR of 2.9 out of 5.

Relative nutritional quality of Marico's products by category compared to competitors

| Mean HSR | Breakfast Cereals | Edible Oils |
|----------------|-------------------|-------------|
| Marico | 3.7 | 2.9 |
| Adani Wilmar | | 3.1 |
| Conagra | 3.7 | 4.3 |
| Emami Agrotech | | 2.8 |
| General Mills | 3.1 | |
| Kellogg | 3.2 | |
| Mother Dairy | | 3.8 |
| Nestlé | 3.1 | |
| PepsiCo | 3.9 | |
| PepsiCo India | 4 | |
| Unilever | 3.8 | |

- Marico is one of two companies that sells products in the Breakfast Cereals category (as part of their top-selling categories) in India. Marico ranks second, with a mean HSR of 3.5 out of 5. The company ranks third out of four companies that sell Edible Oils, with a mean HSR of 2.9.
- Competing with other companies in both product categories assessed, Marico achieves a relative category score of 5.2 out of 10 based on its ranking within these categories.

Conclusion

- Marico's mean healthiness score of 5.9 and relative category score of 5.2 result in an overall Product Profile score of 5.6 out of 10, which means the company ranks sixth out of 16.
- Marico's relative category results suggest that the company has scope to improve the nutritional quality of its products. The company is encouraged to assess the opportunities to perform better compared to its peers in the same categories, and to continue its focus on delivering more healthy products.

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India Spotlight

Index 2020

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Footnotes

1. Because the company derives more than 80% of its sales from edible oil products, it is assessed as part of the edible oil industry segment. Some elements of the India Index 2020 methodology may not be applicable or a priority in relation to edible oil products, such as certain product reformulation targets or commitments regarding responsible marketing to children. However, as companies in the industry segment are diversifying their portfolios, these companies were assessed for the India Index 2020 while non-applicable elements of the methodology were excluded from analysis and scoring.
2. Source: Derived from Euromonitor International's 2018 industry publications of: Packaged Food, Hot Drinks and Soft Drinks.

