

Coca-Cola

Product categories assessed

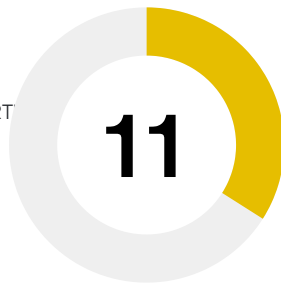
Asian Speciality Drinks|Bottled Water (Other)|Bottled Water (Pure)|Carbonates|Concentrates|Dairy|Juice|RT Coffee|RTD Tea|Sports Drinks|Energy Drinks

Percentage of company global sales covered by Product Profile assessment
50-55%

Headquarters
U.S.

Number of employees
700000

Type of ownership
Public



Rank 11 / Score 3.4
Rank 13 (2018)



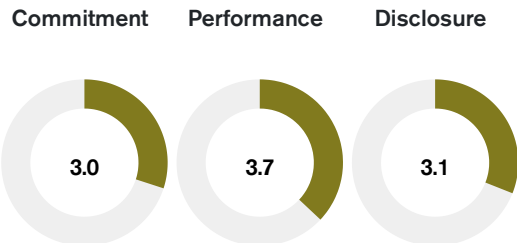
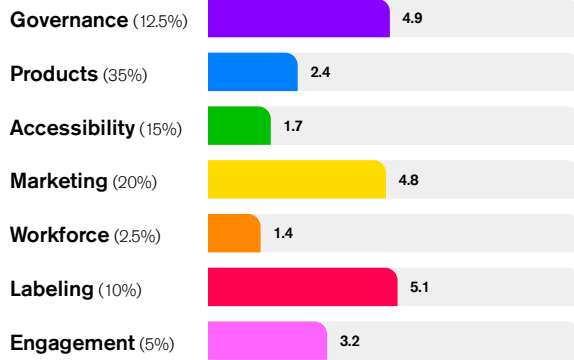
Product Profile ⓘ¹
Rank 22 / Score 2.8
Rank 14 (2018) ⓘ²

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 such as differences in disclosure requirements among countries or capacity constraints within companies, amongst others the Covid-19 pandemic. Therefore, in the case of limited or no engagement by such companies, this Index may not represent the full extent of their efforts.

Corporate Profile

Rank 11 Score 3.4



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. The Commitment, Performance, Disclosure score only applies to category scores and not to the BMS/CF Assessment.

Main areas of strength

- **SCORES AND RANKS:** The score of Coca-Cola has increased from 3.0 in 2018 to 3.4 out of 10 in 2021 and its ranking has improved from 13th to 11th place. Since 2018, the company has improved its performance by making an explicit commitment to make its products more nutritious by providing vitamins, minerals and electrolytes, while also introducing more dairy and plant-based beverages, and has strengthened its performance in some categories, most notably on Labelling (Category F).

- **GOVERNANCE:** Coca-Cola continues to support the nutrition-related SDGs. As part of its strategy of becoming a 'total beverage company', it reports four areas of action: a) reducing added sugar; b) making smaller packages; c) offering more drinks with additional nutrition; and, d) giving people the right information. Although this illustrates the company has a strategic focus on nutrition and health, Coca-Cola is strongly encouraged to adopt a comprehensive nutrition policy.

- **PRODUCTS:** Coca-Cola has improved transparency on its nutrition-related reporting and has continued its efforts to reduce sugar. Coca-Cola reports that its low- or no-sugar beverages account for about 45 percent of products in the company's global portfolio (compared to 30 percent reported in ATNI's Global Index 2018), and about 29 percent of its global sales in volume. The company states that the average sugar per 100ml in its beverages decreased by four percent in 2019.

- **PRODUCTS:** Despite limited public disclosure, Coca-Cola has shared with ATNI relevant examples of products that might help address undernutrition through fortification with micronutrients – a positive development since 2018. In 2018, the company launched a clinically-tested micronutrient-fortified beverage in India, 'Minute Maid Vitingo', which aims to address iron deficiency in children in-line with country priorities; and this product was highlighted in ATNI's India Spotlight Index 2020. However, the company did not provide evidence on how the product is having an impact. Another example is 'NutriForce' juices which, according to the company, deliver one third of the nutrient reference values (NRVs) for key nutrients that support growth and development in school-aged children. The company shared with ATNI that NutriForce has been launched in Cambodia, India, Indonesia, Mexico, Pakistan, the Philippines, and Thailand, and generally includes iron, zinc, vitamin A, vitamin B12, calcium, and folic acid.

- **MARKETING:** The company's relatively strong performance on responsible marketing is mostly attributed to its 'marketing to children's arrangements' for digital media. The company provided evidence of having a response mechanism to ensure corrective measures are taken regarding any non-compliance with its marketing policy through internal business unit audits. Notably, in Australia, the company goes beyond its commitment by not commercially advertising in or near (within 300 meters) primary or secondary schools. The company is encouraged to expand this commitment globally.

Priority areas for improvement

- **GOVERNANCE:** Coca-Cola is encouraged to formally adopt (in a public document or policy) a nutrition strategy covering all forms of malnutrition and groups affected and to more explicitly include nutrition-related Key Performance Indicators (KPIs) in its sustainability agenda. ATNI advises this strategy is approved by the Board of Directors and its delivery subjected to audits and annual management reviews. The company could consider further improving its nutrition governance by linking CEO compensation to performance on its sugar-reduction and portfolio transformation strategies.

- **GOVERNANCE:** Coca-Cola has not improved its transparency on how nutrition considerations play a role in mergers and acquisitions, and how much of its sales are derived from healthy products (apart from the current disclosure on the proportion of beverages with low- or no-sugar mentioned in 'main areas of strength'). This represents an important opportunity for the company, as it continues to expand its portfolio with new product categories, for example, with the acquisition of Chi Ltd in Nigeria in 2019, which includes a range of affordable juice and dairy drinks.

- **GOVERNANCE:** The company's annual report and selected sustainability metrics are externally verified. However, nutrition-related indicators are not included. Coca-Cola is strongly encouraged to independently verify the proportion of the company's global portfolio consisting of low- or no-sugar beverages and preferably the overall proportion of 'healthy' products. To report on the latter, the company is advised to formally adopt a Nutrient Profiling Model (NPM) to define 'healthy', or publicly align the number of low- or no-sugar beverages with external benchmarks to ensure these products support healthy diets as much as possible.

- **PRODUCTS:** The company shared with ATNI that 21 percent of its products launched in the last three years have been of smaller portion size. Coca-Cola is encouraged to research and publicly disclose the impacts on consumer portion control.

- **PRODUCTS:** The company shows evidence on developing fortified products that help address deficiencies among specific populations. The company is encouraged to harness this effort by making a commitment to address the specific needs of people experiencing, or at high risk of, any form of malnutrition (priority populations) through healthy and appropriate products. ATNI advises that Coca-Cola adopts a fortification policy and commits to only fortify products of high underlying nutritional quality or meeting relevant nutrition criteria. In addition, the company is encouraged to link its 'women's empowerment' non-commercial activities with nutrition outcomes.

- **PRODUCTS:** The company has a sugar/calorie reduction strategy based on local pledges. For example, in partnership with Coca-Cola Hellenic Bottling Company, it committed to "reduce by 25 percent the calories per 100ml of sparkling soft drinks by 2025." In Australia and New Zealand, Coca-Cola has a 2025 goal to reduce the sugar in

● **LIFESTYLES:** Regarding community-supporting initiatives towards healthy eating and active lifestyles, the company provides evidence that some programs are designed by or (co)implemented with stakeholder groups with relevant expertise. For example, 'Balance Calories Canada' follows a three-step education process encouraging consumers to 1) swap for low/no-calorie drinks; 2) try a smaller portion size; and, 3) balance calories with activities.

● **LABELING:** Compared to 2018, Coca-Cola has improved its performance in category F by disclosing a commitment to follow the Codex Alimentarius guidelines for health and nutrition claims, also when fortifying products with relevant micronutrients. The company shared with ATNI relevant information from its internal 'Global Requirements for Claims & Communications.' In the public domain, it states: "in the absence of national or supranational laws, regulations or guidelines (e.g., EU, MERCOSUR, GCC), our company will follow the Codex Guidelines for Use of Nutrition and Health Claims (CAC/GL 23-1997)." The company is encouraged to expand this commitment even when not embedded in local regulations.

● **ENGAGEMENT:** Coca-Cola discloses a list of U.S. trade associations it belongs to that engage in lobbying, as well as the portion of the dues it pays that are used for this purpose. While companies are required by law in the U.S. to publish detailed quarterly reports on their lobbying activities, Coca-Cola is the only company found to publish their reports directly on their website. The company also provides a highly detailed breakdown of its political contributions in the U.S.

its total portfolio (measured in g per 100ml) by 20 percent, using 2015 as the baseline year. While Coca-Cola reports that its low- or no-sugar beverages account for about 45 percent of its portfolio, it has not adopted a global sugar reduction target which is time-bound, externally verifiable, and applicable to all relevant products. As in 2018, the company is still encouraged to define products' formulation or reformulation targets for 'positive ingredients/nutrients' – e.g., fruits, vegetables, nuts and legumes – particularly as it continues to expand its portfolio covering different beverage categories in major markets like juices and dairy.

● **ACCESSIBILITY:** Coca-Cola has not yet formalized commitments, measurable objectives, and targets to improve the affordability and accessibility of its healthy products for all consumers in all its markets. Although the company shared with ATNI evidence that it has conducted analysis on appropriate pricing of nutritious/fortified products for both the general consumer and priority populations, the company could consider articulating a clear definition of healthy products in its approach, ideally linked to the use of a government endorsed NPM.

● **MARKETING:** Coca-Cola shared with ATNI examples of responsible marketing arrangements in schools. For example, with the European soft drinks industry, it has committed to sell only low- and no-sugar drinks in all secondary schools. In the United States, the American Beverage Association (ABA) removed full-calorie soft drinks from primary and secondary schools. ATNI advises that the company extends these marketing to children commitments globally, covering all children under the age of 18 and places where children typically gather.

● **LIFESTYLES:** Although the company shared relevant examples of employee health and wellness programs, it has not tracked expected outcomes, nor is there evidence the programs are available to all employees globally. The company and its bottling partners are strongly encouraged to make a commitment to improve the health and wellness of groups across the food supply chain that are not direct employees (e.g., smallholder farmers, factory workers, small scale vendors) through nutrition-sensitive programs, including expected outcomes. The company could consider introducing a formal policy on employee health and wellness which includes supporting breastfeeding mothers at work.

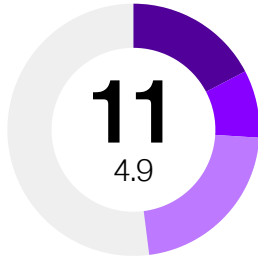
● **LABELING:** Coca-Cola has not made a global commitment to adopt an interpretive front-of-pack (FOP) labelling system. ATNI recommends the company to continue to support governments and other stakeholders to develop interpretive FOP systems which do not undermine existing systems.

● **ENGAGEMENT:** Coca-Cola is encouraged to publicly commit to lobby responsibly; that is, with an explicit focus on supporting measures designed to improve health and nutrition, with a solid grounding in independent, peer-reviewed science. It is recommended the company conducts internal or independent audits of its lobbying activities, including by third parties, to better manage and control their lobbying. The company is advised to also improve its lobbying transparency by disclosing any potential governance conflicts of interest and Board seats at trade associations, and expand its existing disclosure to cover other markets, not just the U.S.

- **ENGAGEMENT:** The company does show some evidence of new products developed to help address micronutrient deficiencies (e.g., Vitingo, its iron-fortified powdered drink in India), but there was no evidence it had looked for external expert advice on how it should design its strategies, policies, and programs, to prevent and address undernutrition and micronutrient deficiencies on a strategic/Board level. The company is therefore encouraged to conduct well-structured and focused engagement with a variety of independent stakeholders with expertise in nutrition and addressing malnutrition, in order to strengthen their strategies and policies and provide valuable feedback on their relevance and effectiveness.

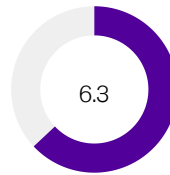
Category Analysis

Governance

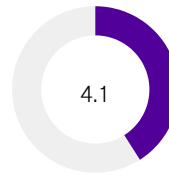


- A1 Nutrition strategy
- A2 Nutrition management
- A3 Reporting quality

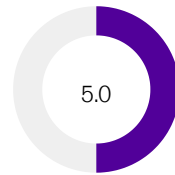
Commitment



Performance

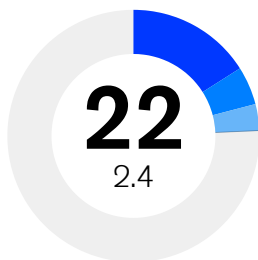


Disclosure



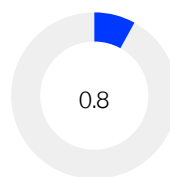
The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

Products

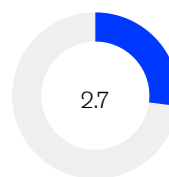


- B1 Product Profile
- B2 Product formulation
- B3 Defining healthy products

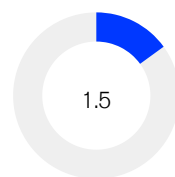
Commitment



Performance

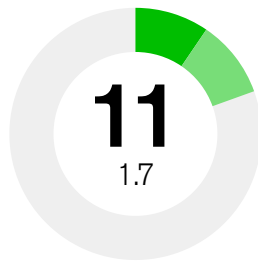


Disclosure

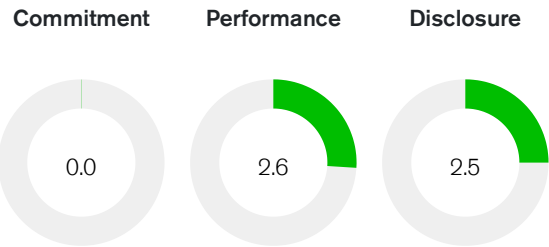


The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

Accessibility

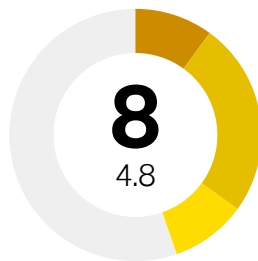


- C1 Product pricing
- C2 Product distribution

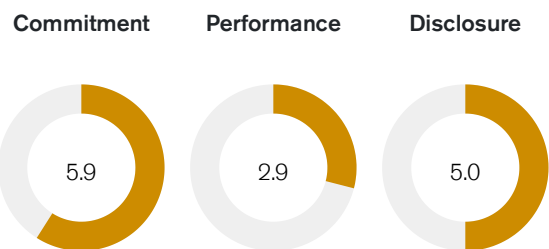


The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

Marketing

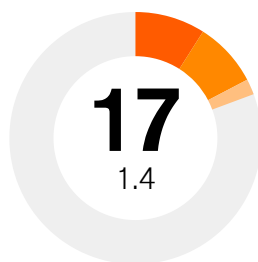


- D1 Marketing policy
- D2 Marketing to children
- D3 Auditing and compliance

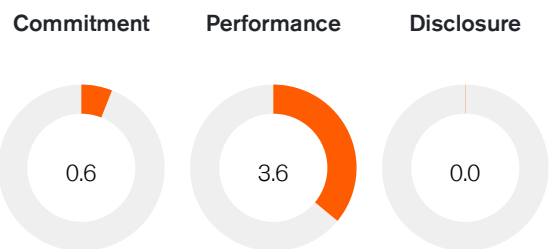


The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

Workforce

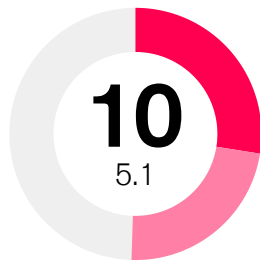


- E1 Employee health
- E2 Breastfeeding support
- E3 Consumer health



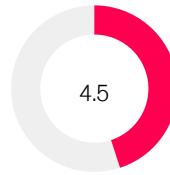
The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

Labeling

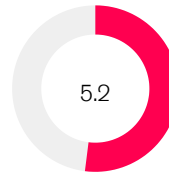


- F1 Product labeling
- F2 Claims

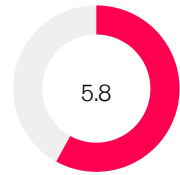
Commitment



Performance

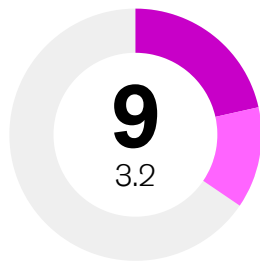


Disclosure



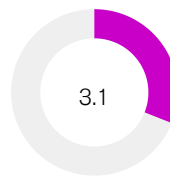
The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

Engagement

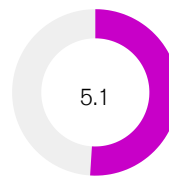


- G1 Influencing policymakers
- G2 Stakeholder engagement

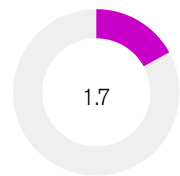
Commitment



Performance



Disclosure



The big circle on the left represents the company result for this Index category, showing the rank out of 25 and the score below it. The smaller circles above indicate company's scores on the three types of indicators.

Detailed Product Profile Results ^{1 3}

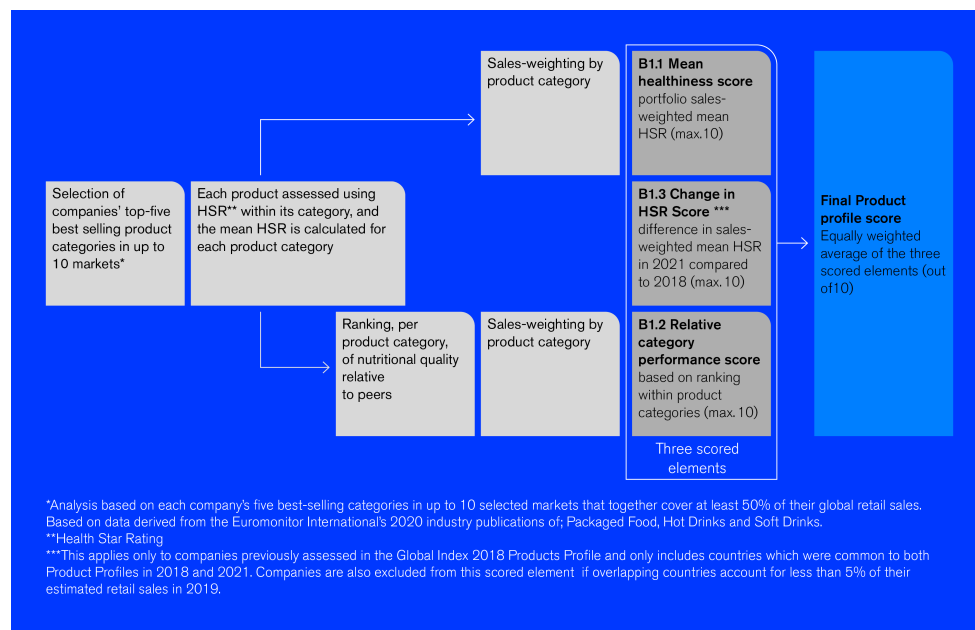


22

Rank 22 / Score 2.8

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. This assessment is undertaken in partnership with The George Institute for Global Health (TGI), with additional data input from Innova Market Insights.

The methodology for the Global Index 2021 Product Profile has been revised and now includes three scored elements. The overall Product Profile score reflects: B1.1, the mean healthiness of a company's product portfolio; B1.2, the relative healthiness within product categories compared to peers, and; B1.3, changes in the nutritional quality of product portfolios compared to the Global Index 2018 Product Profile. The steps taken to calculate the final Product Profile scores are visualized in Box 1. The next section further explains each of these three elements.



Coca-Cola has been assessed for the second time in the Global Index Product Profile. In the previous assessment, nine of the company's markets were selected, and a total of 1186 products analyzed – accounting for approximately 45-50% of global retail sales in 2017, excluding baby foods, plain tea, and coffee. In this Index, a total of 1278 products have been analyzed across 10 of the company's major markets. Products from the top five best-selling product categories within each market are included. In 2019, these products accounted for 50-55% of the company's global retail sales, excluding baby foods, plain tea, and coffee.

Japan is a new country included in this iteration. In 2018, a total of 8 product categories were covered by the assessment, compared to 11 categories in 2021. For all companies, Bottled Water has been split into two categories for this iteration (Bottled Water – pure and Bottled Water – other). 'Sports Drinks and Energy Drinks' has been split into 'Sports Drinks' and 'Energy Drinks'. Products from the 'Asian Specialty Drinks' and 'RTD Coffee' are assessed in 2021 but were not in 2018, whereas products from the 'Processed Fruit and Vegetables' category were assessed in 2018, but are not in 2021.

In this Product Profile assessment, Coca-Cola scores 3.6 out of 10 (B1.1) in the mean healthiness element, 4.9 out of 10 (B1.2) for the relative healthiness of its products within categories compared to peers, and 0 out of 10 (B1.3) for changes in nutritional quality (mean HSR) over time. This results in Coca-Cola obtaining an overall score of 2.8 out of 10 and ranking 22 out of 25 in the Product Profile.

B1.1 Portfolio-level Results

| Average HSR (out of 5 stars) (sales-weighted) | 10 Countries included | Range of global sales included ⁴ ① | Healthy products (HSR) | | | | Products suitable to market to children (WHO regional models) - UNSCORED | | |
|---|---|--|------------------------|---------------------------------|--|---|--|---------------------|-----------------------|
| | | | No. products assessed | % products healthy (≥3.5 stars) | % retail sales healthy 2019 (≥3.5 stars) – assessed countries only | % estimated global retail sales healthy 2019 (≥3.5 stars) ⁵ ① | No. products assessed | % products suitable | % sales from suitable |
| 1.8 | Australia, China, Hong Kong, India, Japan, Mexico, New Zealand, South Africa, UK, USA | 50-55% | 1278 | 23% | 10% | 11% | 1346 | 8% | 10% |

- A total of 1278 products manufactured by Coca-Cola, sold in 10 countries, covering 11 product categories, were included in this Product Profile (baby foods, plain tea and coffee were not assessed). The company's sales-weighted mean HSR is 1.8 out of 5. ATNI turns this value into a score between 0 and 10, resulting in a mean healthiness score of 3.6 out of 10 for Coca-Cola. The company ranks 19 out of 25 companies in this first scored element (B1.1).

WHO nutrient profiling models (unscored): Only 8% of products assessed were found to be of sufficient nutritional quality to market to children, according to the World Health Organization (WHO) regional nutrient profiling models. These products were estimated to generate 10% of the company's sales in 2019. More information on this part of the assessment can be found in the Marketing section (Category D) of the Index.

- Overall, 23% of distinct products assessed were found to meet the HSR healthy threshold (HSR ≥3.5). Together, these products accounted for an estimated 10% of Coca-Cola's retail sales of packaged food and beverages 2019 in the selected markets (excluding baby food, plain tea, and coffee). Assuming the products and markets included in the assessment are representative of the company's overall global sales, ATNI estimates the company derived approximately 11% of its global retail sales from healthy products in 2019.

B1.2. Product Category Results

| | No. products analyzed | % products healthy (HSR >= 3.5) | Company mean HSR | Mean HSR for all companies selling this product category | Company performance (rank in mean HSR compared to peers selling products in the same category) |
|-------------------------|-----------------------|---------------------------------|------------------|--|--|
| Energy Drinks | 1 | 0% | 1.0 | 1.1 | 3rd out of 3 |
| RTD Coffee | 13 | 0% | 1.3 | 2.7 | 6th out of 6 |
| Asian Speciality Drinks | 2 | 0% | 1.5 | N/A | N/A |
| Carbonates | 458 | 1% | 1.5 | 1.6 | 4th out of 5 |
| Concentrates | 3 | 0% | 1.5 | 1.2 | 1st out of 7 |
| Sport Drinks | 101 | 2% | 1.7 | 1.8 | 2nd out of 3 |
| RTD Tea | 32 | 0% | 1.8 | 1.7 | 2nd out of 7 |
| Bottled Water-other | 74 | 5% | 2.1 | 2.1 | 1st out of 6 |
| Juice | 450 | 38% | 2.7 | 3.2 | 6th out of 8 |
| Dairy | 104 | 74% | 3.6 | 2.9 | 1st out of 18 |
| Bottled Water-pure | 40 | 100% | 5 | 5 | 1 |

- The 'Bottled Water- Pure' category receives a standard rating of five stars, according to the HSR algorithm for all companies. For Coca-Cola, 'Dairy' was the next best performing category, where a total of 104 products analyzed obtained mean HSR of 3.6 out of 5. Energy drinks (1.0) had the lowest mean HSR of all product categories included for Coca-Cola.

- For five out of the eleven categories assessed, Coca-Cola products perform equal to or better than the mean HSR of companies selling products in the same categories. The 'Asian Specialty Drinks' category is not compared to a mean HSR for all companies, as Coca-Cola is the only company for which this category is assessed.

- Coca-Cola scores 4.9 out of 10 in this second scored element (B1.2) and ranks 18 out of 25 companies. This is based on its ranking compared to peers within the 11 categories, using the scoring system set out in ATNI's methodology.

B1.3. Change in mean HSR

| | No. of products analyzed in 2018 | No. of products analyzed in 2021 | Sales weighted mean HSR 2018 | Sales weighted mean HSR 2021 |
|--------------|----------------------------------|----------------------------------|------------------------------|------------------------------|
| Australia | 158 | 56 | 1.7 | 2.1 |
| China | 66 | 68 | 2.1 | 1.8 |
| Hong Kong | 58 | 48 | 1.8 | 2.3 |
| India | 32 | 48 | 1.9 | 1.6 |
| Mexico | 139 | 321 | 1.9 | 1.6 |
| New Zealand | 152 | 81 | 1.9 | 2 |
| South Africa | 82 | 72 | 1.4 | 1.9 |
| UK | 148 | 285 | 2.2 | 2.2 |
| USA | 351 | 281 | 1.7 | 1.7 |
| TOTAL | 1186 | 1233 | 1.8 | 1.8 |

▪ Coca-Cola showed no increase in mean HSR between the 2018 and 2021 Product Profiles (mean HSR=1.8 to 1.8). The change in HSR score only takes into account the nine countries included in both 2018 and 2021 assessments.

▪ Adjusting scores by country sales weighted estimates (which gives more weight to company's largest markets), Coca-Cola achieves an increase of zero in mean HSR between 2018 and 2021, resulting in a score of zero out of 10 on this element using the scoring system set out in ATNI's methodology.

Full Product Profile report: https://new-l40rlzsq.accesstonutrition.org/app/uploads/2021/06/GI_Global-Index_TGI-product-profile_2021-2-1.pdf

Disclaimer Global Index 2021

The user of the report and the information in it assumes the entire risk of any use it may make or permit to be made of the information. NO EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS ARE MADE WITH RESPECT TO THE INFORMATION (OR THE RESULTS TO BE OBTAINED BY THE USE THEREOF), AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, ALL IMPLIED WARRANTIES (INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF ORIGINALITY, ACCURACY, TIMELINESS, NON-INFRINGEMENT, COMPLETENESS, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE) WITH RESPECT TO ANY OF THE INFORMATION ARE EXPRESSLY EXCLUDED AND DISCLAIMED.

Without limiting any of the foregoing and to the maximum extent permitted by applicable law, in no event shall Access to Nutrition Foundation, nor any of its respective affiliates, The George Institute, Euromonitor International, Innova Market Insights, or contributors to or collaborators on the Index, have any liability regarding any of the Information contained in this report for any direct, indirect, special, punitive, consequential (including lost profits) or any other damages even if notified of the possibility of such damages. The foregoing shall not exclude or limit any liability that may not by applicable law be excluded or limited.

Euromonitor International Disclaimer. While every attempt has been made to ensure accuracy and reliability, Euromonitor International cannot be held responsible for omissions or errors of historic figures or analyses and take no responsibility nor is liable for any damage caused through the use of their data and holds no accountability of how it is interpreted or used by any third party.

The George Institute Disclaimer. While the George Institute has taken reasonable precautions to verify the information contained in the report, it gives no warranties and makes no representations regarding its accuracy or completeness. The George Institute excludes, to the maximum extent permitted by law, any liability arising from the use of or reliance on the information contained in this report.

Footnotes

1. The overall Product Profile score reflects: B1.1 the mean healthiness of a company's product portfolio; B1.2 the relative healthiness within product categories compared to peers, and; B1.3 changes in the nutritional quality of product portfolios compared to the Global Index 2018 Product Profile.
2. In the Global Index 2018, the Product Profile Assessment was conducted as a separate assessment. The results were based on scores generated by applying the Health Star Rating (HSR) nutrient profiling system, which analyzes the level of several positive nutrients (e.g. fruits, vegetables and fibers) and several negative nutrients (e.g. salt, sugar and saturated fat) in products.
3. The overall Product Profile score reflects: B1.1 the mean healthiness of a company's product portfolio; B1.2 the relative healthiness within product categories compared to peers, and; B1.3 changes in the nutritional quality of product portfolios compared to the Global Index 2018 Product Profile.
4. Retail sales data derived from Euromonitor International.
5. 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).
6. Within-category ranks are calculated for all product categories in which two or more companies are active. Next, a performance percentage is calculated from the inverted rank (e.g. first out of 10: inverted rank $10/10 = 100\%$ performance score; tenth out of 10: inverted rank $1/10 = 10\%$ performance score). The 'Bottled Water- Pure' category receives a standard rating of five stars, according to the HSR algorithm for all companies.