

GLOBAL INDEX 2021 FINDINGS

Similar to the 2018 Index, the company leading the ranking in the 2021 Global Index is Nestlé, with an overall score of 6.7 out of 10. Unilever is in second place (6.3), followed by FrieslandCampina (5.9).

This Index expanded the scope of the Product Profile assessment, with nutrition information available for more products (38,176 products assessed in 2021 compared to 20,865 in 2018) across 25 different markets relevant for the companies (in 2018, only nine markets were included). This significantly improves the quality of the assessment and its representativeness of companies' sales in the global market.

Nine companies improved the healthiness of their product portfolios and increased the mean HSR in the markets selected. At overall portfolio level, 11,797 products, or 31% of 38,176 distinct products, meet the independent healthy threshold (an HSR of 3.5 stars or more). For all products assessed for all companies, the mean HSR is 2.4 stars. In 2018, the mean HSR for 20,865 products assessed was also 2.4 stars. Five companies were found to have 50% or more of products assessed meet the healthy threshold.

Highlights of improvement in nutrition policies and practices include:

- Thirteen companies have improved their score in nutrition governance, reflecting strengthened nutrition policies and management systems.
- Nine companies showed improved healthiness of their products at portfolio level.
- Fourteen companies apply some form of company-specific nutrient profiling model (NPM) to monitor the healthiness of their products, while 19 companies make commitments on the (re)formulation of products at nutrient level.
- Nine companies commit to follow international guidance by Codex and WHO/the Food and Agriculture Organization (FAO) to ensure food fortification delivers clear health benefits. In 2018, only four companies assessed did so.

The 2021 methodology gives more weight to the Products category, applies stricter evidence requirements, and has an increased focus on companies' commercial efforts to address malnutrition. With these changes, the average score across all the companies remains the same in this Index as in 2018: 3.3 out of 10. When only taking into consideration the 22 companies that were assessed in both 2018 and 2021, the average score is 3.6. This indicates that, overall, these companies are doing slightly better than in 2018. However, the 10 leading companies of the 2021 ranking, except for Arla, score slightly lower than in the 2018 iteration, while most companies in the middle and lower rankings score slightly higher. ATNI calls on all companies, especially the leading companies, to step up their efforts to improve healthy diets. All companies should seize this opportunity to make healthy products affordable to consumers globally and thus maintain competitiveness given consumers' changing needs and preferences.

- In 2018, no companies applied interpretive nutrition labeling front-of-pack (FOP), which provides consumers with a qualification of the (relative) nutrition quality of the product. However, by 2021, six companies had introduced it to some or all products globally.
- This index shows 12 companies disclose lobbying positions on important nutrition topics, whereas, in 2018, only two companies did so (notably FOP labeling and health claims regulation). Plus, more companies have made commitments and/or provided examples of supporting governments in their efforts to prevent and address malnutrition.
- Three of the six companies assessed in the BMS/CF Marketing Index 2021, also included in the Global Index, have increased their scores since 2018. Danone and Nestlé retained first and second place on that Index respectively, and Kraft Heinz came third, because it shared its BMS marketing policy for the first time and performed relatively well in ATNI's in-country assessment, carried out in Mexico.

The companies that improved the most in the overall ranking are Arla (rising six places) and Meiji (rising five places):

Arla's greatest improvement has been in labeling and marketing: Since 2018, it has adopted a new labeling policy, with commitments to display nutritional information on both FOP and back-of-pack (BOP), and the company has also introduced a government-endorsed interpretive labeling on some of its products. Arla's responsible marketing policy improved through tailored marketing of healthy products for groups experiencing, or at high risk of, malnutrition in low- and middle-income countries. Meiji's score changed from 0.8 to 3.1, mostly due to the Meiji Group Sustainability 2026 Vision – a new strategy that includes a focus on nutrition (including addressing undernutrition and micronutrient deficiencies among women and older people in Japan) – and the introduction of several new basic policies relating to responsible marketing, labeling, and employee health.

ATNI welcomes this overall (albeit slight) improvement on three years ago. Despite these efforts, however, considering the overall average score of 3.3, there are still many aspects of company performance that urgently require investment and improvement. **2021 is both the era of COVID-19 and the Nutrition for Growth Year of Action: There has never been a greater need and opportunity for food and drink manufacturers to step up the positive changes needed to ensure healthier diets for all.**

Category A: Governance

Nestlé and FrieslandCampina rank first and second in **Nutrition Governance**, which addresses nutrition strategies, management systems, and reporting. Thirteen of the 22 companies that were assessed in 2018 have since strengthened their nutrition policies and management systems. Kraft Heinz has shown the greatest improvement, increasing its score by 2.8 points after adopting global nutrition guidelines in 2020, and Grupo Bimbo moved up furthest (by seven places) in this Category.

Although Governance remains the highest-scoring category on the Index, there has been only a small increase in average score (4.5 to 4.6).

Selected Best Practices

- Among the companies assessed, Nestlé demonstrates the most comprehensive nutrition strategies, management systems, and reporting.
- FrieslandCampina has updated its 'Nutrition Policy', published a 'Better Products Program' with nutrition criteria, and the company's 'Broadening Access to Nutrition' policy aims to make foods and beneficial nutrients available to more people, especially those with lower incomes.



Category B: Products

Danone leads in **Formulating Appropriate Products:**

The company ranks first in the Product Profile and has updated its NPM, which is used to guide reformulation and innovation initiatives. Arla, Kraft Heinz, Mars, and Grupo Bimbo have made significant progress in their scores and rankings because of their adoption of new company specific NPMs and/or new commitments on (re)formulation.

This Index expanded the scope of the Product Profile assessment, with nutrition information available for more products (38,176 products assessed in 2021, compared to 20,865 in 2018) across 25 different markets relevant for the companies (in 2018, only nine markets were included). This significantly improves the quality of the assessment and its representativeness of companies' sales in the global market.

Nine companies show an increased mean HSR of products in the markets selected. This is one of three scored components of the Product Profile. Nestlé showed the highest improvement (0.8 Health Stars change), followed by Ferrero (0.5 Health Stars change). Both companies received a maximum score for this component.

However, the mean HSR score, a second scored element of the Product Profile, for all companies and all products was 2.4, the same as in 2018. Only five companies had half or more of their distinct products included in this research meet the healthy threshold (achieving an HSR of 3.5 stars or more out of 5). Four of these companies are estimated to derive 50 percent or more of their retail sales from these healthy products, showing most other companies are falling short in providing nutritious options globally. Of the 38,176 products assessed across all companies, 11,797 (31%) meet the healthy threshold – the same percentage as in 2018.

Danone achieved the highest mean healthiness score (6.9 out of 10). An indication of the nutritional quality of the company's products in best-selling categories across major markets, it was the only company to achieve the healthy threshold of 3.5 HSR at portfolio-level when results were sales-weighted.

Danone and Mars received the highest score on the relative healthiness of their products within product categories, a third scored component of the Product Profile assessment. Mars is assessed across eight product categories in which it competes with one or more peers. The company ranks first in 'Confectionary' and 'Ready meals', and second in 'Rice, Pasta, and Noodles'. Danone achieves a top rank in the categories 'Bottled Water' and 'Dairy'.

Fourteen companies have adopted some form of NPM, compared to 13 in 2018. While ATNI learned of more companies planning to use independent NPMs or already using government-endorsed systems to validate their own/company-specific models, only three companies provided evidence that their definition of healthy products corresponds with the HSR healthy threshold.

Nine companies, four more than in 2018, indicate that their approach to the fortification of products, to help address undernutrition, is based on international guidance shared by FAO (Codex) and/or WHO (Guidelines on Food Fortification with Micronutrients). Just six commit to only fortify products of high underlying nutritional quality, or which meet certain nutrition criteria.

More than half of the companies have not made significant progress in this Category since the 2018 Index – particularly when it comes to the nutritional quality of products in their portfolios, adopting/improving NPMs, disclosing the number of products that meet healthy criteria, and developing healthy, appropriate products to address undernutrition and micronutrient deficiencies.

Selected Best Practices

- Ajinomoto and Kellogg adopted a full NPM. Grupo Bimbo has published new nutritional guidelines and an NPM which are validated by a government-endorsed system.
- Kellogg upgraded its model, which is now considered a full internal NPM (that calculates overall scores of ratings of the nutritional quality of its products). In addition, the company stands out in reporting by using an independent, government-endorsed NPM (Nutri-Score) as a tool to (re)formulate its products.
- As part of its newly released 'Future Foods' strategy, Unilever has made a commitment to double the number of products sold that deliver 'positive nutrition' by 2025. The company defines this as foods which "contain significant, impactful amounts of crucial ingredients and macronutrients, like vegetables or proteins, and/or micronutrients, like vitamins and minerals." The company is in the process of updating its NPM.
- Arla, FrieslandCampina, and Danone showed evidence that their definition of healthy products corresponds with the HSR ≥ 3.5 definition of healthy.
- Both FrieslandCampina and Nestlé have published commentaries on their investments to develop products specifically for priority populations experiencing, or at risk of, all forms of malnutrition (including overweight/obesity and diet-related noncommunicable diseases (NCD's)).

Compared to 2018, more companies define targets for at least one of the following nutrients – sodium, trans fat, saturated fat, and sugar/calories – but only Unilever defines a target on foods delivering ‘positive nutrition’ for all products globally.

Category C: Accessibility

When it comes to **Accessibility and Affordability** of healthy products, FrieslandCampina and Nestlé have the most comprehensive approaches to pricing and distribution, including for products designed to address micronutrient deficiencies. Overall, companies perform better on accessibility (i.e., geographical access and distribution of healthy products) than on affordability (i.e., healthy product pricing). However, the average score for this category remains the lowest of the Index at 1.9, a decrease from 2018 when it was 2.5. This is partly because of a more demanding methodology in terms of requiring recent evidence and public disclosure on commitments. ATNI has also applied a heavier focus to the way companies improve their accessibility of healthy products commercially. ATNI does take note of the actions companies take non-commercially, but these efforts (such as donations and other philanthropic programs) hold less weight in the end score.

Most low-scoring companies made broad, stand-alone commitments that were not part of a formal policy. At times, these companies demonstrated ad hoc actions in some (but not all) markets and/or for some of their products.

There was also little evidence of a strategic, global approach to the pricing and distribution of healthy products that address micronutrient deficiencies to populations experiencing, or at high risk of, malnutrition. Despite a clear need for action to improve the affordability and accessibility of healthy products, particularly as COVID-19 has further threatened access to nutritious foods and increased micronutrient deficiencies, companies’ practices show limited progress in this area.

Selected Best Practices

- In ensuring Accessibility and Affordability of products, FrieslandCampina was the only company with objective, measurable targets, linked to its ‘Broadening Access to Nutrition’ policy for improving the pricing and distribution of its healthy products. One of its objectives is to increase the share of affordable nutrition products in its lower-income markets (Nigeria, Pakistan, Ivory Coast, Indonesia, Vietnam, and the Philippines) to at least 15% of sold volume in 2025. Additionally, the company aims to increase the percentage of affordable nutrition products that complies with its own nutrition criteria, ‘Affordable Nutritional Standards’, in these markets to at least 50% in 2025.

Category D: Marketing

FrieslandCampina again ranks first on **Responsible Marketing** (a score of 7.9 compared to an average of 3.5), consistently scoring high in general marketing policies, policies for children specifically, and auditing and compliance. In addition, it is one of the few companies to explicitly commit to developing and delivering marketing strategies to reach low-income groups at risk of undernutrition and micronutrient deficiencies with healthy and/or fortified products. Mars and Nestlé came second and third, respectively. The largest improvement (moving up five places) was made by Arla, which saw major improvements in its auditing of, and compliance with, marketing policies; including joining the EU pledge on advertising to children and initiating internal auditing of policies for all audiences to complement the auditing required by the EU pledge.

In general, companies score highest on the criterion assessing the quality of marketing policies for children. Most companies (20) have a specific marketing policy for this age group. However, many aspects of these policies could be improved in areas such as age ranges, and to cover all settings where children gather, along with digital spaces.

The lowest score is found in general aspects of responsible marketing, with a clear need for action to address in-store/point of sales and sponsorship marketing. Another issue, which has become even more evident and urgent as COVID-19 widens health inequalities globally, is for companies to commit to developing and delivering marketing strategies for healthy products that prioritize vulnerable populations.

An unscored element of the Index's research assesses whether products are suitable to be marketed to children, according to WHO criteria. In total, only 3493 out of 38,852 assessed products were deemed suitable to be marketed to children based on the criteria of relevant WHO regional NPMs. This equates to nine percent of distinct products assessed, which together also represent nine percent of the sales value of packaged foods of all companies combined. In 2018, ATNI found that 14% of 22,137 products assessed met the criteria of the WHO Regional Office for Europe Nutrient Profile Model.

Selected Best Practices

- FrieslandCampina was the only company to make explicit commitments on marketing strategies that reach priority populations and provide evidence of steps taken to reach these populations with products which address their specific nutrition needs through tailored marketing, on a global scale.
- Mars, Nestlé, and Unilever demonstrate leadership in their general marketing policies for all audiences. All three have publicly available responsible marketing policies that are fully aligned with the principles of the International Chamber of Commerce (ICC) general marketing code and make commitments beyond the ICC Code. They each apply their policy to all media channels covered by the ATNI methodology and implement it globally.
- Arla remains the only company specifically to use a definition of 'child' as being those aged under 18 (as defined in the UN Convention on the Rights of the Child), and to set out which aspects of its responsible marketing policy applies to under-18s and which to under-12s.

Category E: Lifestyles

Global food and beverage manufacturers have a significant impact on the **Lifestyles** of their employees and consumers. Overall, most companies (20) have a commitment to the health and wellness of their employees and implement programs designed to improve physical health and/or nutrition – with Unilever leading the field.

However, despite the need for action to support employee health and wellbeing – a factor that has been particularly evident during the COVID-19 pandemic – companies' efforts in this category achieved an average score of just 2.7. Only eight companies state their intention to address health and wellbeing in their wider value chain, which has been shown to be vitally important for supply-chain resilience during crises such as COVID-19. Most companies still do not provide support consistently across all their markets for breastfeeding mothers in the workplace. And, while most companies have programs on nutrition education that are healthy diet and active lifestyle orientated, these would be better designed, and more effective and appropriate, were they clearly evidence-based, aligned with relevant national or international guidelines, and (co-)implemented by independent third parties with relevant expertise.

Selected Best Practices

- Unilever's 'Lamplighter Program' combines health risk appraisals with physical activity opportunities, good nutrition, and mental resilience to improve employee health and wellbeing.
- Nestlé's new Global Parental Support Policy foster a gender-neutral approach to childcare, promoting paid leave, non-discrimination, and flexible working, and requiring breastfeeding rooms in all company locations with at least 50 employees.

Category F: Labeling

Unilever leads in the Category of **Product Labeling and Health and Nutrition Claims**, improving its score and rising three places in the ranking thanks to its front-of-pack (FOP) and back-of-pack (BOP) labeling commitments, transparency, and adherence to international guidelines. An important step forward in this Category is that, in 2018, none of the companies had introduced interpretive labeling (e.g., using color-coding, a traffic light system, or a star or similar rating system instead of only quantitative information) – but, by 2021, six companies had done so for some or all their products. Since 2018, there has also been an increase in the products and markets to which companies apply their BOP labeling commitments. However, the number of companies disclosing their overall BOP and FOP labeling commitments has not improved.

Overall, the average score of this Category (3.6) has remained low. Less than a third of all companies assessed in this 2021 Global Index adhere to (inter)national guidelines regarding the use of labeling claims. There is additional room for improvement regarding transparency, with some companies scoring very poorly overall on the disclosure element of product labeling.

Selected Best Practices

- Nestlé has a public commitment to use interpretive labeling on its products, globally. It is the only company that commits to not use nutrition and health claims in countries where local or national regulations are less strict than the Codex Alimentarius Guidelines, and it also uses an NPM to inform the use of claims. Meanwhile, Danone has extensive public commitments regarding the use of both FOP and BOP labeling on its products.
- Danone is also the only company that commits to display nutrition information online which specifically takes into account differences in product composition (which often varies between markets) for over 90% of its products globally; in turn providing consumers with accurate, country-specific nutritional information about its products.

Category G: Engagement

When it comes to **Engaging with Governments and Policymakers**, it is encouraging that 10 more companies than in 2018 are now disclosing lobbying positions on relevant nutrition topics, notably FOP labeling and health claims regulation. Meanwhile, almost all companies were found to have anti-corruption measures and whistleblowing mechanisms in place, and 15 companies either assign Board oversight of their lobbying positions or carry out internal audits of their lobbying activities. More companies are also making commitments and/or providing examples of supporting government efforts to prevent and address malnutrition, including obesity.

However, with an average score of just 2.9 across all the companies, there is still considerable room for improvement – particularly on disclosure of trade association membership, paid lobbyist activity, and governance conflicts of interest. Just two companies publicly commit to lobbying in support of measures to improve health and nutrition. A key concern is that only three companies were found to publish a commentary on lobbying measures to prevent and address all forms of malnutrition, and most companies focus primarily on supporting governments in their home market. There is significant scope for companies to invest in more comprehensive and structured engagement with domestic and international nutrition stakeholders, in order to inform, develop, and improve their nutrition strategies, policies, and programs.

Selected Best Practices

- Danone and PepsiCo are the only companies with a public commitment to engage with governments and policymakers with the intention to only support measures that prevent and address malnutrition. PepsiCo was found to be the most transparent in disclosing its lobbying positions across several topics, including responsible marketing and advertising legislation.
- Kellogg states that it actively engages in ongoing conversations with multilateral organizations, governments, and NGOs, to identify risks and opportunities and inform its strategies, new programs, and food innovations. It has also engaged with governments to address hunger and malnutrition among children from low-income households.

MARKETING OF BREAST-MILK SUBSTITUTES (BMS) AND COMPLEMENTARY FOODS (CF)

Manufacturers of BMS and CF have a significant impact on infant and young child (IYC) nutrition globally; influencing optimal breastfeeding and complementary feeding practices which not only have direct impacts on IYC health but, ultimately, affect the health of future generations. The International Code of Marketing of Breast-milk Substitutes and all subsequent relevant World Health Assembly (WHA) resolutions, including WHA 69.9 (collectively referred to as 'The Code'), urges and guides BMS and CF manufacturers to market their products responsibly to protect and promote exclusive breastfeeding in the first six months, and continued breastfeeding up to two years of age and beyond. ATNI expanded the coverage of the BMS Index in 2021 to include the nine largest companies in the global baby food segment: Abbott, Danone, Feihe, FrieslandCampina, Kraft Heinz, Mengniu, Nestlé, Reckitt, and Yili.

Danone – the company with the second highest sales in the baby food segment in 2019 at \$8.5 billion – once again leads the BMS/CF Marketing Index 2021, with a score of 68%. This result is a substantial improvement from its 2018 score of 46%. Nestlé – the market leader with sales of just over \$15 billion in this segment in 2019 – comes second, with a score of 57%, also a substantial improvement on its 2018 score of 45%. These two companies' performances increased principally due to the relatively high levels of compliance ATNI found with The Code, and local regulations that go beyond this in the Philippines and Mexico; compared to lower levels of compliance found in similar studies that ATNI carried out in Nigeria and Thailand for the 2018 assessment (BMS/CF 2). However, their scores fell on the BMS/CF 1 element of the Index, which assesses the alignment of their policies, management systems, and disclosure with the International Code on the Marketing of Breast-milk Substitutes and all subsequent, relevant WHA resolutions up to and including WHA 69.9 in 2016. This is because neither company has revised its marketing policy since the 2018 Index, and the fact they were assessed for the first time on their compliance with WHO guidance related to WHA 69.9 on ending inappropriate marketing of foods for infants and young children.

Kraft Heinz increased its ranking to third in the BMS/CF Marketing Index 2021, with a score of 38%, up from zero percent in 2018. This improvement was driven by having shared with ATNI for the first time a BMS marketing policy, as well as achieving a better result in the Mexico study compared to the study carried out in Nigeria in 2017. This company is substantially different to the others assessed in the BMS/CF Marketing Index, as it is the smallest (with global sales in 2019 of \$512 million) and because it generated most of those sales from CF, whereas the majority of the other companies generated most of their sales from formulas.

While some of the companies' policies align to the 1981 Code recommendations and associated WHA resolutions to some extent, most make significant exclusions in relation to certain products and markets. None apply in full, globally. Moreover, none of the six companies whose policies could be assessed for this Index have yet extended them to incorporate the 2016 WHO guidance.

The companies assessed in both the Global Index and the BMS/CF Index are Danone, FrieslandCampina, Kraft Heinz, Mengniu, Nestlé, and Yili, and their scores in the Global Index are adjusted based on their scores in the BMS/CF Index. The methodology for the BMS/CF Marketing Index 2021 is available [here](#), and the Index report is available [here](#).