



Category F: Labeling

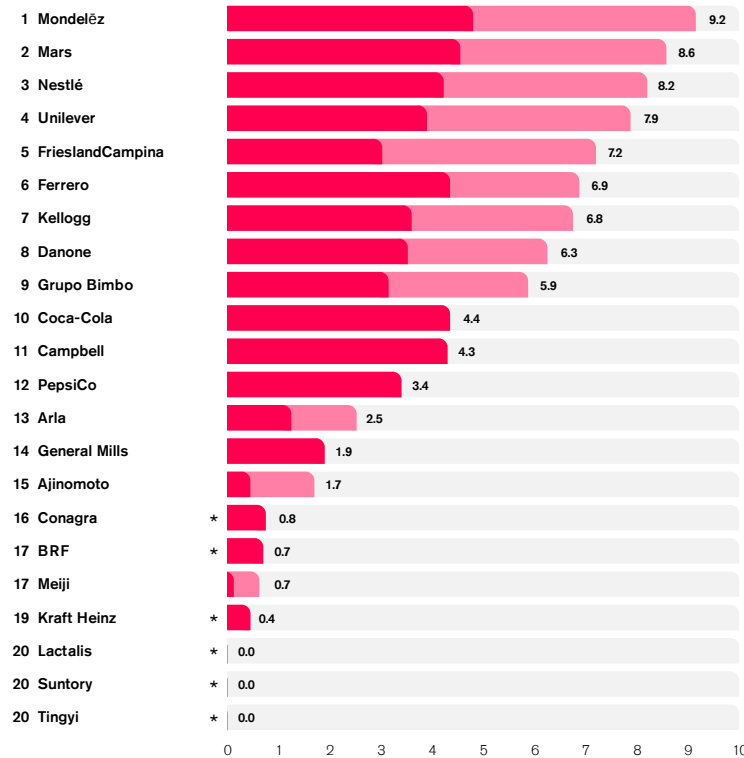
15% of the score

Category F consists of two criteria:

- F1 Nutrition labeling
- F2 Health and nutrition claims
- F3

To perform well in this category, companies should:

- Adopt, publish and fully implement a global policy on nutrition labeling that commits to provide information on all key nutrients in a way that is easy to understand for consumers, including information on portion size and nutrients as percentages of Daily Values (or equivalent) displayed appropriately in nutrition information panels on the back of packs and in interpretative format on the front of packs.
- Disclose the degree to which full labeling policy is implemented, at the level of markets with full roll-out.
- Adopt and publish a global policy on the use of both health and nutrition claims that states that, in countries where no national regulatory system exists, such claims will only be placed on products if they are in full compliance with the relevant Codex standard.
- Track and disclose the number of products that carry health and nutrition claims.



Category F Nutrition ranking, based on equally-weighted Criteria F1 and F2 scores

F1 Facts
F2 Claims

* Did not provide information to ATNI

What are the main changes in Category F compared to 2016?

- The average score increased to 4.0 from 2.5 in 2016 (as shown in Figure 2), and Mondelez leads the ranking with 9.2 points.
- Mars showed the most improvement by increasing its score by more than five points, which is mostly related to the complete roll-out of its labeling commitments and disclosure of this information, as well as its tracking of health and nutrition claims, which was not reported in 2016.
- Overall, companies have made considerable progress on nutrition labeling since 2016. Nineteen companies now express a commitment to provide consumers with nutrition information on product labels, 15 of which commit to provide it both on the back and front of packs. The greatest difference compared to 2016 was that companies provided more evidence of roll-out of these commitments across markets, as well as more public disclosure of policies and performance. Combined with an increase in commitments to appropriately use health claims (four more companies) and nutrition claims (three more companies).

F1 Nutrition labeling

Have companies improved their commitments to provide nutrition information on the back and front of packs?

Mondelez leads the ranking in Criterion F1 and, together with Mars, scores more than nine points. Both companies make public commitments to comprehensive nutrition labeling and publicly disclose information about their progress to roll-out comprehensive nutrition labeling in more than 80% of their markets.

In 2016, the majority of companies had expressed commitments to provide comprehensive nutrition information on back-of-pack (BOP) labels and an overview of essential nutrition information on front-of-pack (FOP) labels; however, little change was observed in this regard for 2018. The number of companies that make global commitments increased by one to 15 out of 22 companies. Thirteen of these companies commit to provide nutrient quantities as percentages of daily values (or equivalent) globally as well, the same as in 2016, and two additional companies (ConAgra and Kraft Heinz) commit to do so in their home markets.

Only nine companies commit to provide nutritional information on a per serving (or per portion) basis for products whether packaged as single portions or as multiple portions (rather than only per 100 grams or 100 ml). This is a slight increase on eight companies in 2016.

Mars and FrieslandCampina are the only two companies that commit to provide the full list of the eight most important nutrients globally. Several other companies commit to provide the full list of nutrients, but do not extend this commitment to all markets in which they are active. Commitments to label trans-fat and fiber are most often missing from companies' global commitments.

Most of the companies that express commitments to provide nutrition information on their labels are associated with the International Food and Beverage Alliance (IFBA) and/or the Consumer Goods Forum (CGF), two global industry associations. By being a member or partner, companies pledge to the global nutrition labeling commitments as determined by the association.

The industry association commitments are good starting points to define globally applicable minimum standards for nutrition labeling. However, these commitments are far from complete and companies should make additional commitments, e.g. on important topics such as interpretative FOP labeling.

Three CGF member companies – Ajinomoto, Meiji and Suntory – do not pro-actively disclose these commitments on their own website, nor did they report to adhere to these specific commitments to ATNF. This raises questions about how companies implement them. Given this lack of implementation evidence, these companies have not been scored based on their pledge to the CGF commitments.

Similar to 2016, none of the companies commit to provide FOP interpretative nutrition information for all products and for all markets in which the company is active. Fifteen companies commit to provide numeric FOP nutrition information, with 13 of these committing to showing percentages of recommended daily intake as well. There are relevant developments regarding interpretative FOP labeling.

Lactalis, Suntory and Tingyi are the only companies that do not express relevant commitments for any type of labeling, while Ajinomoto, BRF and Meiji disclose only very limited information. In addition to committing to provide information on calories and three 'negative nutrients' as partners in the Facts Up Front initiative locally in the U.S., ConAgra and Kraft Heinz commit only to follow national regulations. Arla makes labeling commitments for Europe, covering its main markets, but the company does not extend these globally.

What progress have companies made in rolling out their labeling policies since 2016?

Companies report higher rates of progress in rolling out their labeling commitments and disclose more information about their actions in this area than in 2016. This better performance and disclosure contributes most to the increase in the average score of Criterion F1 since 2016.

Ten companies report having fully rolled out their BOP nutrition labeling commitments in more than 80% of their markets, and six companies achieved this level of roll-out for FOP labeling, compared to only four for both types of labeling in 2016. Campbell's, Ferrero, Grupo Bimbo, Mars, Mondelez and Coca-Cola report that they have rolled out their full commitments for both BOP and FOP labeling in more than 80% of their markets, which is an industry-leading practice.

Six companies – Campbell's, Danone, FrieslandCampina, Kellogg, Mondelez, and Unilever – publicly disclose their performance in rolling out their labeling commitments, which is four more than in 2016. In addition, six companies disclose non-quantitative or indicative information about their labeling performance.

All of the companies that report to have rolled out their labeling policies in more than 80% of their markets are members of global industry associations IFBA and/or CGF. Although the industry associations arrange third-party auditing of responsible marketing to children commitments, third-party auditing of labeling compliance is not currently in place. By implementing these types of audits, there is potential to raise credibility and transparency in the area of nutrition labeling across a substantial part of the F&B industry.

F1 Recommendations for improvement

- Companies should commit to provide comprehensive nutrition label information globally
- Companies and industry associations should commit to provide interpretative FOP labeling globally
- Improve industry association commitments on nutrition labeling
- Better transparency regarding the implementation of industry association commitments

F2 Health and nutrition claims

Have companies improved their commitments to use health and nutrition claims appropriately?

Mondelez, FrieslandCampina, Mars, Nestlé and Unilever (in that order) lead the ranking for Criterion F2, scoring more than seven points each, indicating good overall performance regarding the appropriate use of health and nutrition claims, as reported by the companies.

For countries where no national regulatory system exists, the ATNI defines the appropriate use of health and nutrition claims as only placing a health or nutrition claim on a product when it complies with Codex guidance. The number of companies that commit to upholding this Codex guidance, in the absence of local regulation, increased from six to nine companies for both types of claims. One additional company – Ferrero – commits to not use health claims at all. All commitments are expressed with a global scope, a substantial increase compared to four companies expressing global commitments in 2016. Overall, these improved commitments contributed to the increase in average score of Criterion F2 by 1.4 points compared to 2016.

Six companies publicly disclose their commitments on health and nutrition claims, with Nestlé and Unilever providing most information. Nestlé publishes its full 'Policy on Nutrition and Health Claims', and Unilever publishes a position statement that describes the general criteria that apply. Despite progress since 2016, less than half of the companies express commitments to use health and nutrition claims appropriately, which explains why the average score for Criterion F2 remains low at 3.1 points.

Do companies track and disclose the number of products that carry health and nutrition claims?

More companies provided evidence to show that they internally track health and nutrition claims, from four (both types of claims) in 2016 to eight (both types of claims) and three (only one type of claim) in 2018. Of note, PepsiCo adopted a new internal policy in 2016 and has started to track health and nutrition claims internally.

Several companies reported the number of healthy products carrying claims to ATNF confidentially (seven for nutrition claims and five for health claims), but none of the companies discloses this information publicly.

Recommendations for improvement

- All companies should commit to use health and nutrition claims appropriately
- Health and nutrition claims should only be used for healthy products
- Improve governance and transparency

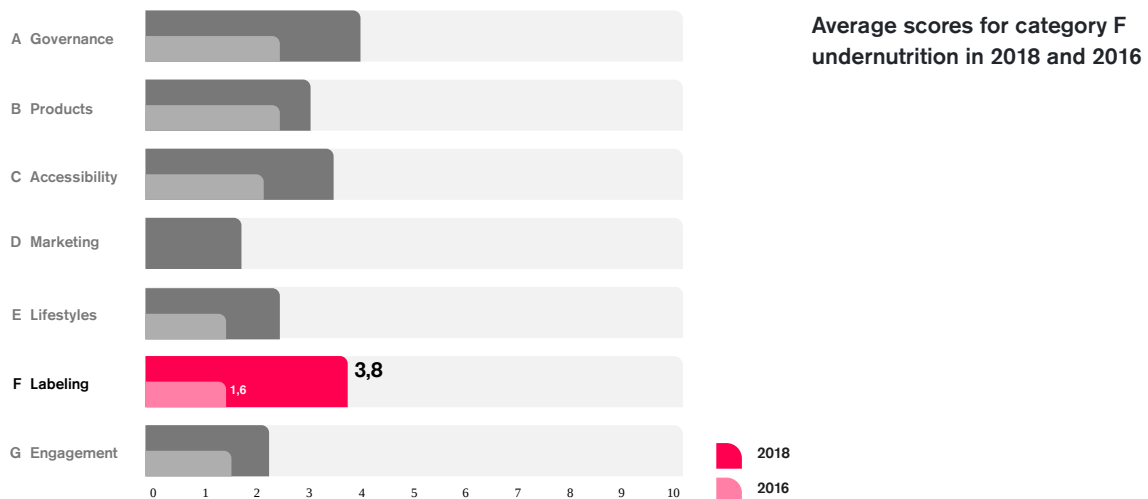
Category F - Undernutrition: Labeling



Proper food labeling in the context of undernutrition in developing countries / 15% of the total undernutrition score

To perform well on undernutrition in Category F, companies should:

- Adopt and publish a global policy on labeling that includes commitments to label the micronutrient content of all products sold in developing countries fortified with or naturally high in micronutrients.
- Adopt and publish a global policy on the use of both health and nutrition claims that states, in countries where no national regulatory system exists, these claims will only be placed on products if they are in full compliance with the relevant Codex standard ¹



What are the main changes in Category F compared to 2016?

- More companies make and disclose relevant commitments, increasing the average score from 1.6 to 3.8 points.

- Grupo Bimbo, Mars and Nestlé achieved a full score. They were followed in the ranking by Danone, FrieslandCampina, Mondelez and Unilever.

To what extent do companies properly label fortified products?

Coca-Cola, Danone, FrieslandCampina, Grupo Bimbo, Mars, Mondelez and Nestlé, commit to labeling products that either have naturally high levels of micronutrients or that have been fortified with micronutrients, and disclose this commitment or their policy expressing it.

Unilever makes the same commitment but does not publish this commitment publicly. This represents a substantial improvement from 2016, when four companies made the commitment and only two of these disclosed it publicly.

To what extent do companies place claims on fortified products in developing countries only when they comply with Codex standards?

Nutrition claims are particularly relevant for products that aim to address specific undernutrition issues, to clearly communicate to consumers what nutritional issue or deficiency the product addresses. Four companies, two more than in 2016, disclose their commitment to using health and nutrition claims on products that have been fortified only when these products are compliant with Codex fortification guidelines or the principles therein. These are Grupo Bimbo, Mars, Mondelez, Nestlé and Unilever.

Arla, Danone and FrieslandCampina make the same commitment without public disclosure, three more than in 2016. For a number of companies, the commitment refers to upholding Codex guidelines in the absence of local regulation. This can be ambiguous, as it may mean that Codex guidelines are the minimum standard in the case of weaker regulation, or it may mean that Codex guidelines are only upheld in case no local regulation exists at all. Although it was explained in clarification to ATN to mean that Codex principles were upheld as a minimum, this should be stated more clearly in corporate commitments.

Recommendations for improvement

- All companies should commit to label fortified products appropriately

Across Categories A and B, 12 companies commit to address undernutrition. All companies that develop products to fight undernutrition should clearly commit to label the relevant micronutrients in these products, but currently only eight companies do so.

- Clear commitments to only place health and nutrition claims on products aiming to address undernutrition when these comply with Codex guidelines

Clear commitments should be made to only make such claims on products when these comply with Codex guidelines, and in general should only be applied for healthy products, to avoid misleading consumers.