

Access to Nutrition Initiative

French SIF

5/11/2020



Objectives

- To present ATNI, the organisation, our Indexes and our new COVID-19 project
- To demonstrate the value of our work to investors and attract new French signatories to our Investor Expectations on Nutrition, Diets and Health.

Contents

- Introduction to ATNI
- COVID-19 project
- Investor Expectations on Diets, Health and Nutrition
- Comments from Mirova
- Q&A

ATNI's key characteristics



- Founded in 2013 as a not-for-profit organisation
- Funding only from philanthropic foundations and governments to ensure independence from industry and objectivity
- Independent Board
- Independent, unpaid Expert Groups advise on Index methodologies

Driving the private sector's performance on healthy, affordable diets.



Vision

A world where everyone eats a **healthy, balanced diet** that enables optimal physical and mental development, and where, as a result, deaths and illness from diet-related diseases are eradicated.

Mission

To **develop and deliver tools that track the contribution of the food and beverage sector** to addressing the twin global nutrition challenges of **obesity and undernutrition**, and the **wide range of diseases that go with them**.

To **hold companies accountable** for delivering on their commitments.

To use these tools, and engage with and support other stakeholders, to **encourage F&B companies to improve the diets of adults and children around the world**.

In other words, ATNI focuses on encouraging the private sector to contribute to the SDGs on nutrition:

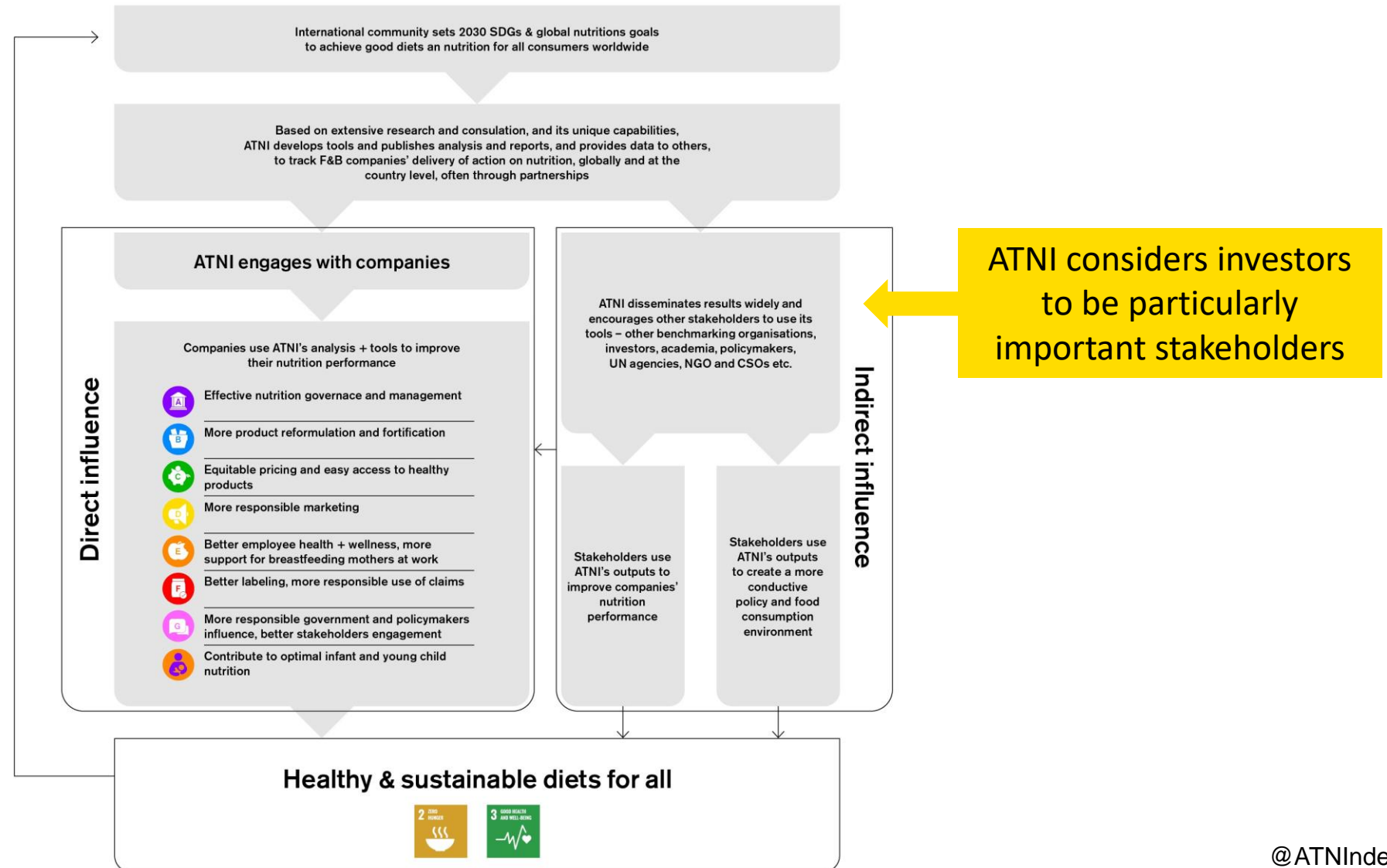


SDG 2: End hunger, achieve food security and improved nutrition, and promote sustainable agriculture

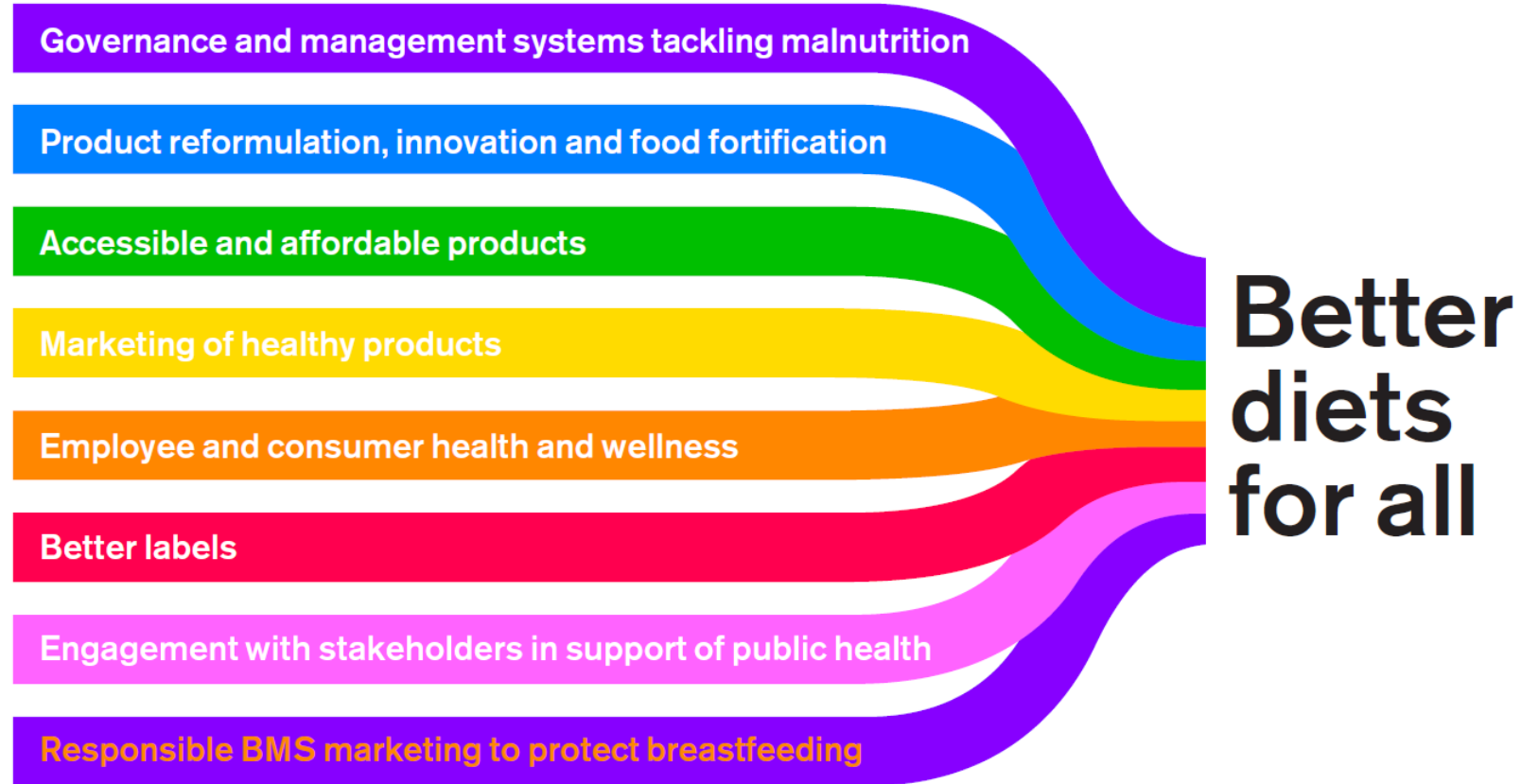


SDG 3: Ensure healthy lives and promote well-being for all at all ages

ATNI's Theory of Change



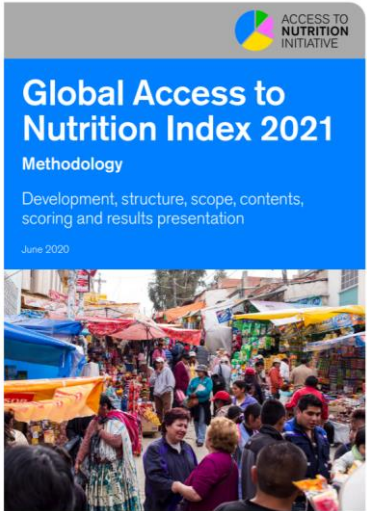
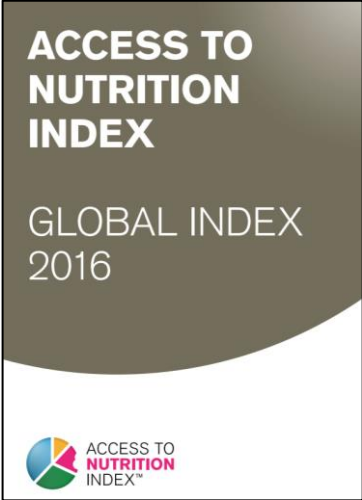
How companies can take action to tackle all forms of malnutrition



Main pillars of ATNI strategy 2021-2024(I)



1. Food and beverage sector Global Indexes



2. Country initiatives



Main pillars of ATNI Strategy 2021-2024 (II)



3. Monitoring tools for third parties



ATNI is a WBA ally and currently exploring how ATNI specific nutrition data can be used for the WBA Food and Agriculture Benchmark that will have only limited nutrition info.



ATNI has been co-chairing an accountability working group advising the Government of Japan and other stakeholders



ATNI has been asked to develop a global monitoring mechanism to assess the industry's accountability vis-a-vis WHO standards (specifically on reformulation).

BREASTMILK SUBSTITUTES CALL TO ACTION

ATNI has been asked to assess the responses of the companies to this 2020 CtA by UNICEF, WHO, HKI, Save the Children, fhi360, 1000days and BRAC, supported by the Meridian Institute.



Supporting and working with ATNI to develop the first ATNI UK Retailer Index.



ATNI is collaborating with FTSE and providing them with the BMS reports needed for the FTSE4Good Indexes.

4. Action research

Workforce Nutrition

ATNI will look into how companies can drive workforce nutrition improvements across their value chain, including indirect employees, i.e. suppliers and farmers

Accessibility and Affordability

ATNI is investigating the role that major food and beverage companies (F&B Cos) play in the affordability and availability of healthy foods, especially for the communities and areas most in-need

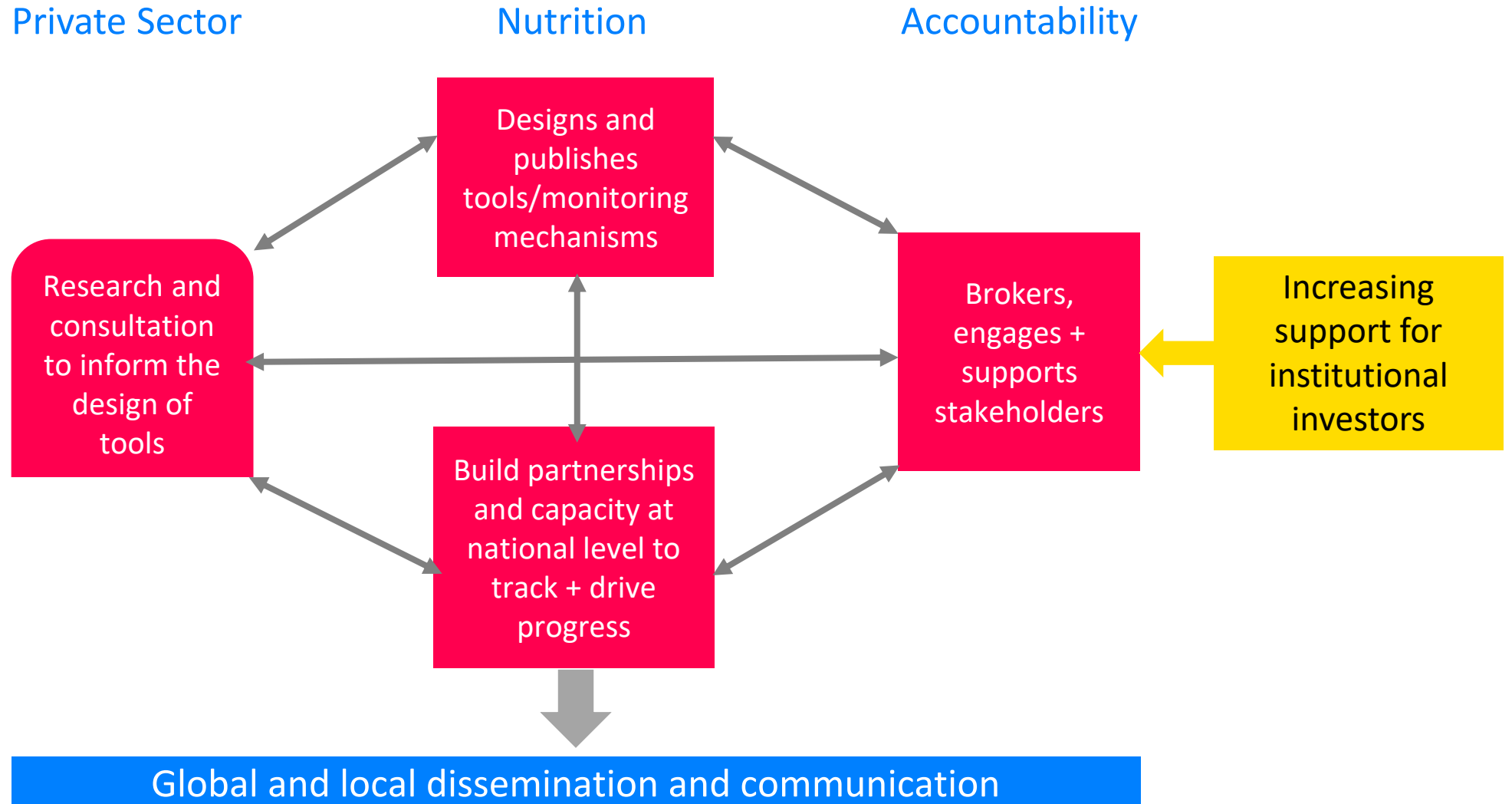
Complementary Foods

ATNI explores whether and how the complementary foods made by the companies ATNI engages with could contribute to improving young children's diets, with a focus on LMICs.

Covid-19 Project

Monitoring nutrition responses from food and beverage companies to the Covid-19 pandemic

Summary of ATNI's core capabilities and approach





COVID-19 project

Why ATNI is monitoring company responses to the pandemic



- Private-sector accountability is essential during the Covid-19 pandemic: the impact of the virus has highlighted the food industry's crucial role in ensuring manufacturing, supply and affordability of food to consumers worldwide.
- The food industry must ensure that it plays a key role in building back better from this global emergency.
- The findings can be used by other stakeholders to understand the industry response in greater depth, and it highlights examples of ways in which companies can take action.
- This project was commissioned by UK Foreign, Commonwealth and Development Office (FCDO)
- Malnutrition in all its forms is impacted by Covid-19. As recession bites, many people may turn to cheap but nutrition-poor foods under lockdown, with implications for diet quality such as micronutrient deficiency.

The world is at the start of what is a unique and urgent opportunity to reorient the food system towards a more healthy, equitable and sustainable future.



www.accesstonutrition.org



- The framework is intended to identify action (and inaction) by food and beverage manufacturers in response to the Covid-19 crisis.
- The framework is **not** intended to form the basis of a benchmark or Index. It adds an explicit Covid-19 lens to all of ATNI's work.
- The research covers Covid-19 related measures as they impact directly and indirectly on nutrition, in other words: **Nutrition-specific and nutrition-sensitive actions.**
- The research underpinning this report has been in two parts:
 1. A deep-dive analysis of 39 of the world's major food and beverage manufacturers
 2. Weekly updates on the response of food manufacturers, the wider food industry, consumers, NGOs and government to Covid-19 and its impact on nutrition.
- The research is largely based on publicly available data, it is acknowledged in the report that companies possibly do much more, companies are encouraged to provide extra actions.



Key themes emerging



1. Consumer trends and the financial bottom line

- Shifts in eating habits reflected in financial results
- Increased consumer engagement on health and nutrition

2. Strategic response

- Companies' reporting shows rapid reaction
- Nutrition-sensitive strategic responses not yet evident

3. Health of the workforce

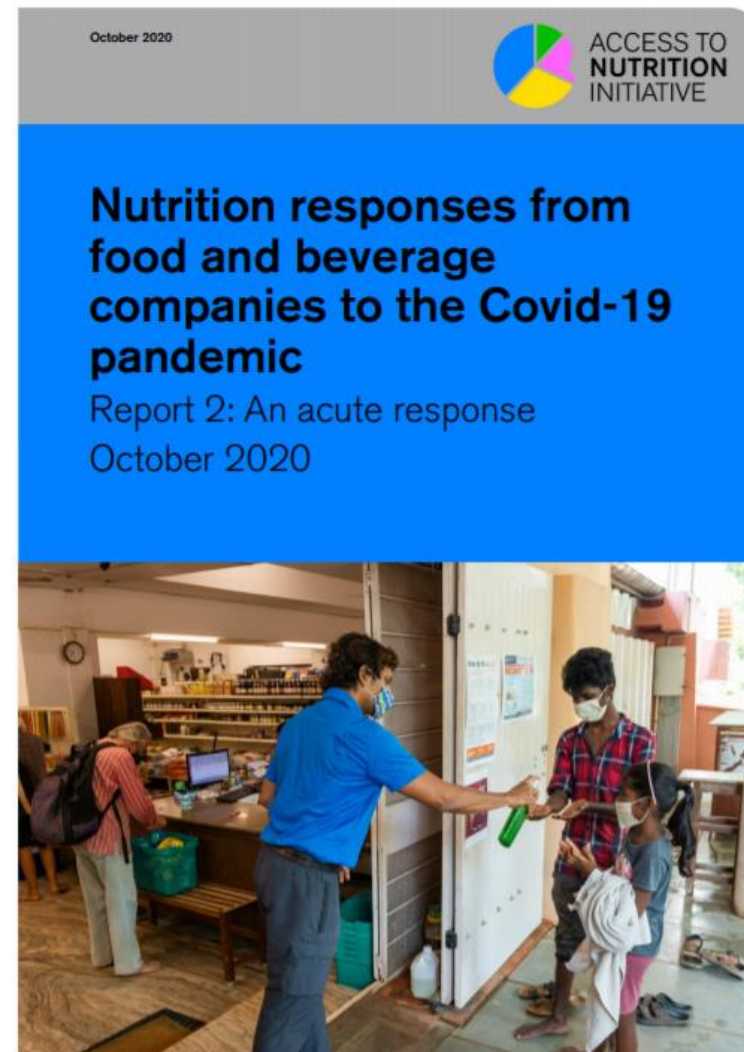
- Employee safety one of the most reported areas of corporate action

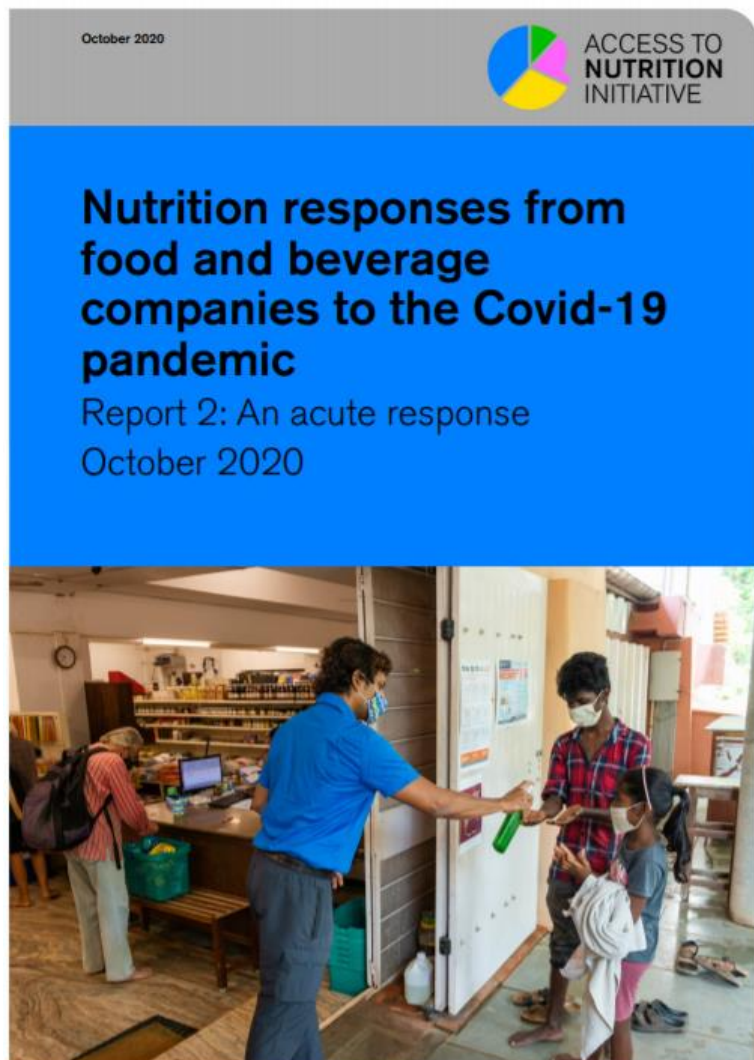
4. Resilience in the value chain

- Supply chains under significant strain – support for SMEs needs broadening

5. Donations

- Frequent financial and in-kind donations
- Lack of transparency about nutritional value of products





6. E-commerce

- Rapid shift towards e-commerce
- No specific focus on improving access to healthy foods

7. Responsible Marketing

- Shift to online marketing
- Unclear impact and regulation of marketing to children

8. Fortification, immunity, and the product mix

- Rising interest in immunity-boosting products requires caution

9. Engagement

- Long-term goals of engagement with governments and NGOs still unclear

10. Infant and young child nutrition

- Lack of reiteration of commitments to BMS Code
- Lack of emphasis on breastfeeding as best practice



Report 3: Deep-dive into India, Mexico, and Nigeria

The third report will analyse the Covid-19 / food nexus in three emerging market economies. Research will include in-depth interviews with local stakeholders.

Report 4: Recommendations

Planning and design for this report is still ongoing.

The report will include examples of best practice responses to the pandemic. It provide the food and beverage industry with actionable recommendations.

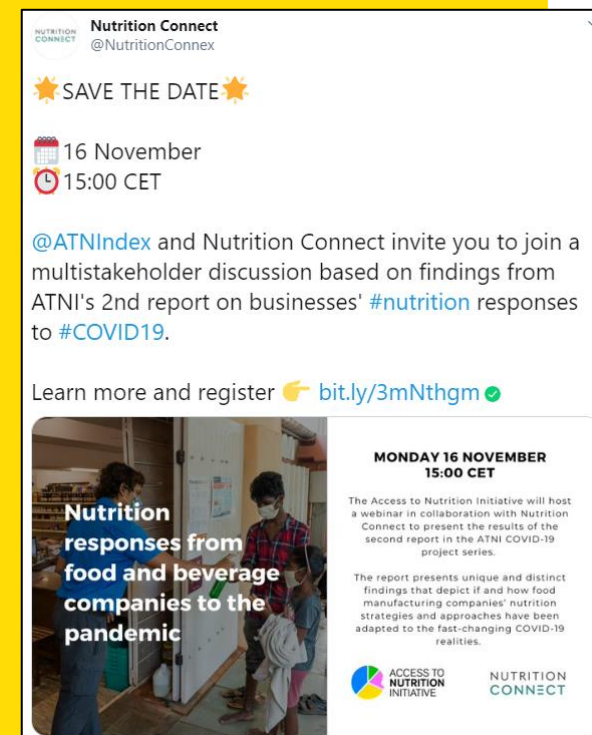
The fourth report will be a useful tool for investors, providing them with best-practice examples of what companies can achieve in response to Covid-19.

Multistakeholder event

ATNI is co-hosting a multistakeholder discussion on the findings from its Q2 Covid-19 report, published in October 2020.

The webinar will take place
on **November 16,**
15:00 CET.

Register here for the event:
bit.ly/3mNthgm





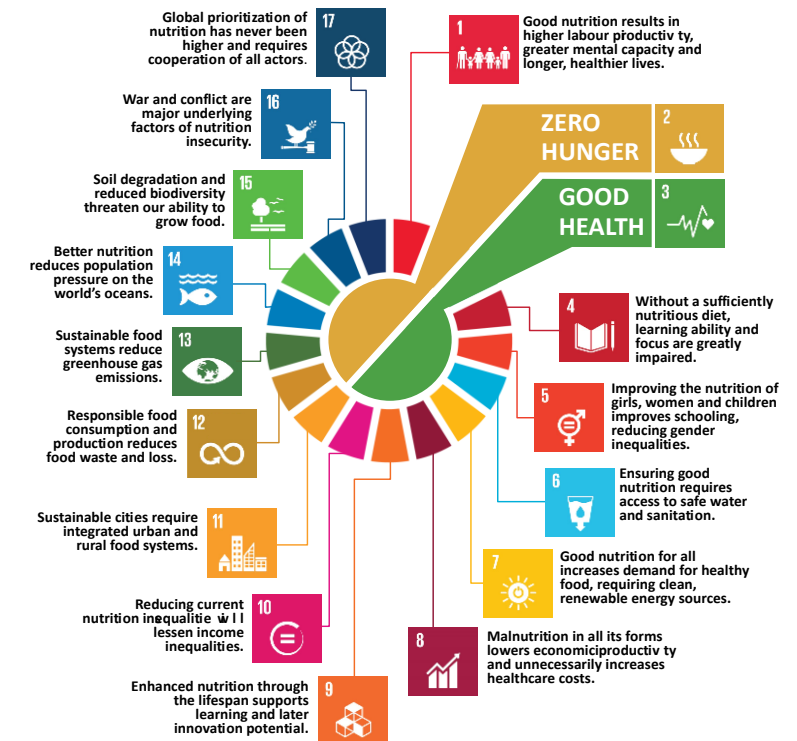
Investor expectations on Diets, Nutrition and Health

Investor Expectations - three key drivers



1. Alignment of stakeholders around SDGs, including many responsible investors.
 - Nutrition clearly central to delivering all SDGs, as well as being included with 2 specific goals (2 & 3)
2. Need to increase investor engagement on nutrition to accelerate progress on addressing global nutrition challenges
3. Opportunity to bring the institutional investor perspective into international debates and decision-making processes on nutrition
 - N4G 2020 Summit: Coordinating all-stakeholder commitments to improving nutrition, accelerating progress towards achieving international targets and goals
 - Other international nutrition policy forums

NUTRITION AND THE SDGs CENTRAL TO THE 2030 AGENDA



UNITED NATIONS DECADE OF
ACTION ON NUTRITION
2016-2025

Right time to evolve initial Investor Statement of 2013



- Investor statement originally published in 2013, to support ATNI launch
- Outlines key risks and opportunities related to nutrition – but not expectations.
- Investors were asked to pledge action via their research and engagement by signing up to the Investor Statement.
- Strong signatory base to build from.
- Following two rounds of collaborative signatory engagement on two iterations of the Global Index, as well as the US and India Indexes, plus greater clarity and alignment on international nutrition goals, targets, standards, guidelines etc., value of developing Investor Expectations became clear
- ATNI therefore included within its 2020 – 2023 strategy a plan to:
 - Evolve the Investor Statement into a set of Investor Expectations
 - Provide greater support to investors through a ‘secretariat’
- ATNI secured funding from FCDO to support this work

The nutrition crisis is global, pervasive and hugely damaging



"Progress to date is simply not good enough". Global Nutrition Report, 2018



Triple burden of malnutrition:

1. Undernutrition (not enough to eat) – stunting and wasting (820 million people)
2. Micronutrient deficiencies – anaemia, blindness, hypothyroidism, other illnesses (2 billion people)
3. Overweight and obesity – diabetes, hypertension, cardio-vascular disease, cancers etc. (+2 billion people)

These burdens often overlap; 88% of countries have more than one burden

"Developing countries must now bear the crippling double burden of both non-communicable and communicable disease." Harvard College, Global Health Review

Goal is to reduce triple burden through nine key global nutrition targets (set by WHO)

WHO Maternal, infant and young child targets, 2025



TARGET 1:
40% reduction in the number of children under 5 who are stunted



TARGET 4:
No increase in childhood overweight



TARGET 2:
50% reduction of anaemia in women of reproductive age



TARGET 5:
Increase the rate of exclusive breastfeeding in the first 6 months to at least 50%



TARGET 3:
30% reduction in low birth weight



TARGET 6:
Reduce and maintain childhood wasting to less than 5%

WHO Nutrition-related NCD targets 2025



TARGET 4:
30% relative reduction in mean population intake of salt

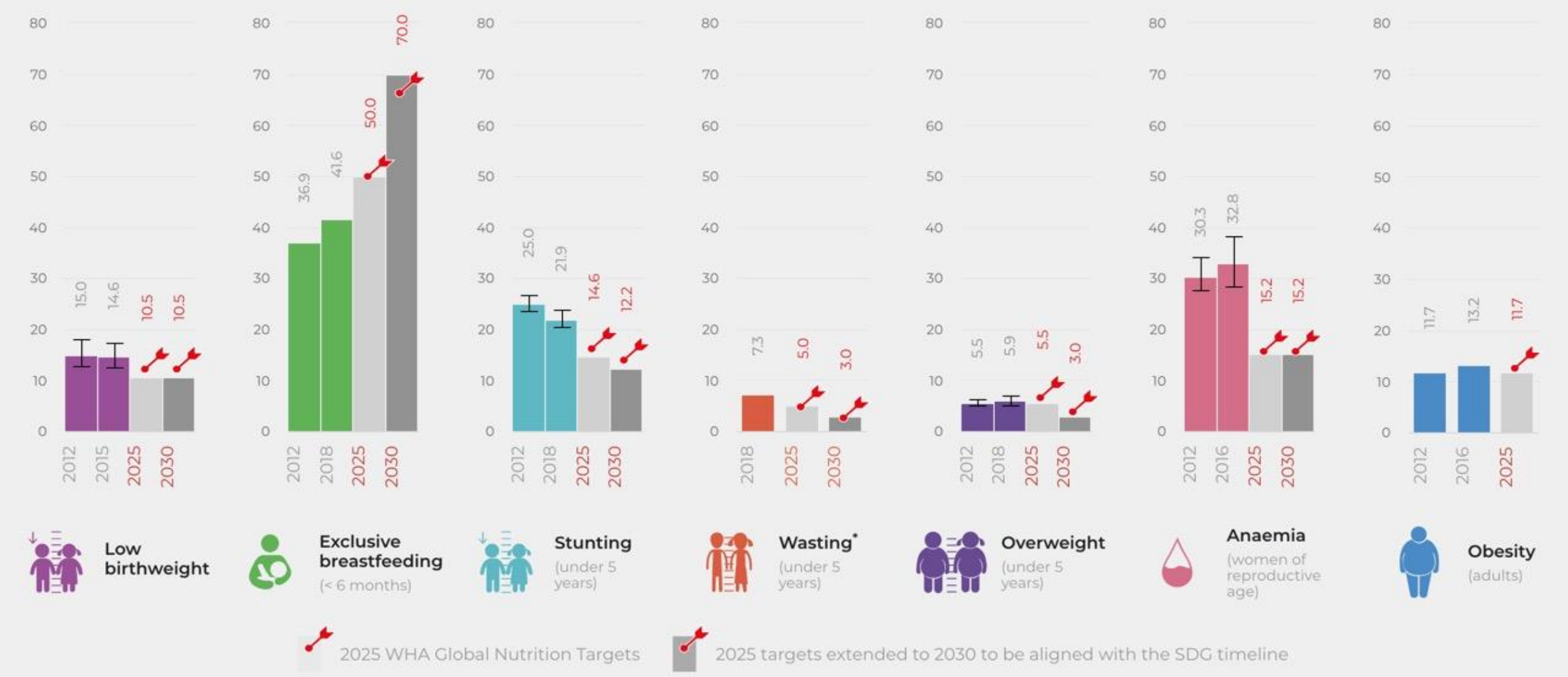


TARGET 6:
A 25% relative reduction in the prevalence of raised blood pressure



TARGET 7:
Halt the rise in obesity and diabetes

Progress on malnutrition is too slow to achieve the 2025 global nutrition-related targets



Source: FAO

Business and investment case to tackle nutrition is building



1. Four key drivers for F&B manufacturers and retailers

- Consumers trends
- Regulation
- Fiscal measures
- Innovation

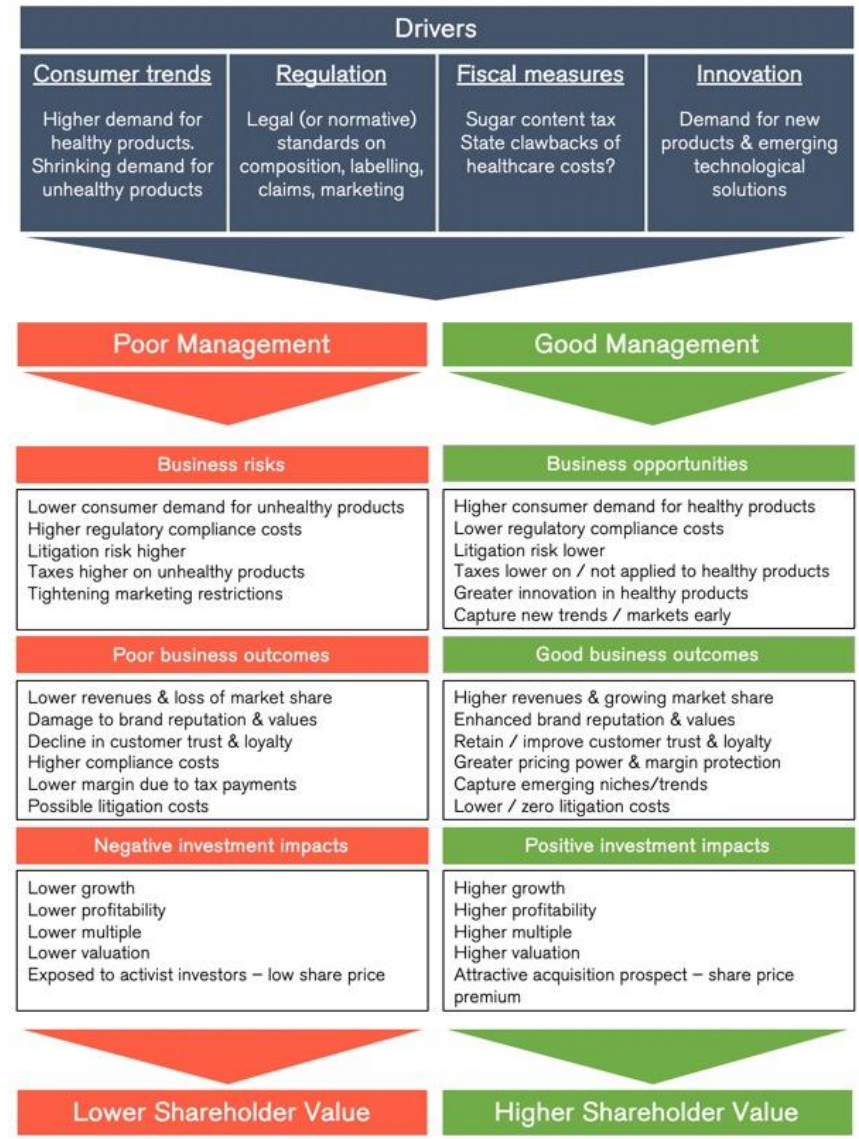
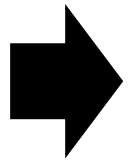
F&B companies' investment impacts and returns depend on how well companies manage nutrition-related risks and opportunities

2. Whole-economy impacts

- 8.4% of health budget across 52 OECD countries expected to be spent, on average, to treat the consequences of overweight between 2020 and 2050
- Associated average reduction to GDP due to lower employment and reduced productivity predicted to be 3.3%.
- Expected economic costs of undernutrition, in terms of lost national productivity and economic growth, range from 2% to 3% of GDP in some countries, up to 11% of GDP in Africa and Asia each year.
- Adults with at least one chronic disease associated with being overweight are 8% less likely to be employed the following year. When they have a job, they are up to 3.4% more likely to be absent or less productive

3. Link to Covid-19

- Poor diets not only contribute to individuals developing a range of preventable, non-communicable diseases but also put them at greater risk of contracting and dying from communicable diseases such as Covid-19
 - Studies of data in various countries are showing higher levels of severe illness and/or deaths among people with obesity, diabetes and other diet-related diseases



Scope, structure, tone and intended use of Investor Expectations



Scope and structure

- **Nutrition focus**: Reference to nutrition's role within the food system – but important not to stray too far into other topics for which separate investor expectations exist (climate change, sustainable palm oil, child labour in cocoa etc).
- **Manufacturers and retailers only**: Expectations designed for these two segments, as business models of companies within other segments of the value chain differ.
- **Clear link to international policy architecture**: Framed within SDGs, WHO targets, authoritative agencies' standards and guidance.

Tone

- **Broad application**: Designed to be suitable to all styles of responsible investment
- **Investor voice**: Written in the 'investor voice' to make clear the expectations are being set by institutional investors, for use with companies in which they invest.
- **Menu of options**: Not an 'all or nothing' proposition. Each signatory is free to use the Investor Expectations as they see fit, tailored to the company context, business model etc.

Use

- **Research framework**: Provide a four-pillar framework to structure analysis of companies
- **Engagement**: Expectations can be used as a basis for engagement with all F&B manufacturers and retailers as well as those those included within ATNI Indexes.



1. Introduction

2. Context

- i. SDGs
- ii. Food system failure
- iii. Scale and nature of the global nutrition challenge
- iv. Global societal and economic implications
- v. International policy response
- vi. Role of institutional investors

3. Investor Expectations

- i. Governance
- ii. Strategy + Annex 1
- iii. Lobbying
- iv. Transparency

4. Development process, acknowledgements

Annex: Strategy - detailed expectations relating to international goals, targets on products, marketing, labelling etc.

Four key expectations



1. Governance

Put in place governance and management systems that ensure delivery of a comprehensive nutrition strategy for all markets, which include:

- Assigning responsibility for delivery of the strategy at both Board and senior management level
- Linking CEO and senior management remuneration to delivery of the nutrition strategy and targets
- Establishing processes to ensure a consistent approach to delivering the strategy within and across all markets and business units
- Establishing a process by which the Board and senior management can monitor and review progress, and report regularly and comprehensively to shareholders and stakeholders.

2. Strategy

Develop and commit to delivering a comprehensive nutrition strategy and plan to deliver affordable, accessible healthy food and beverage products (healthy products) to all consumers in all markets. Include within the strategy, as relevant to the company's business model, specific commitments to:

- Articulate a definition of healthy products using an independent nutrient profiling model (such as the Health Star Rating system or equivalent)
- Improve the affordability and accessibility of healthy products (through action on pricing, distribution and promotion, plus placement in retail environments) by setting SMART targets
- Set SMART targets that deliver internationally agreed recommendations and standards on nutrition, across all 13 areas set out in the Annex. [SMART targets are Specific, Measurable, Achievable, Relevant and Time-bound].

For those companies that make and market breast-milk substitutes (BMS) and complementary foods and drinks marketed as suitable for children aged between six months and three years of age, in addition: Commit to achieve full global compliance, as soon as possible but by 2030 at the latest, with the International Code of Marketing of BMS and subsequent relevant WHA resolutions, including WHA 69.9.

Annex 1: Key topics align to business functions / ATNI Categories

- Products (B)
- Marketing (D)
- Labelling and claims (F)
- Human resource management (E)
- Supply chain

Four key expectations



3. Lobbying

In order to demonstrate a commitment to lobby only in support of government measures to address diet-related diseases, public health and nutrition, and not to undermine regional, national and sub-national policy, regulations, guidelines and standards designed to improve health through better diets, companies should:

- Adopt the five principles and associated management practices set out in the Responsible Lobbying Framework: legitimacy, transparency, consistency, accountability and opportunity.

4. Transparency

Disclose publicly in formal corporate reports:

- Governance arrangements, nutrition strategy, plan and related SMART targets, key nutrition policies and standards for defining healthy products.
- Quantitative data on the (increasing) revenues from healthy products.
- A narrative on progress in implementing the strategy, for all business units, in key markets, and in aggregate for the whole business.
- How the implementation of the nutrition strategy is reducing risk and impacting shareholder value.
- Information on lobbying, as outlined in the Responsible Lobbying Framework.

In addition, actively participate in private sector accountability initiatives that track companies' delivery on their commitments, such as, but not limited to, the Access to Nutrition Initiative.

All Expectations within Strategy linked to international nutrition goals, targets, standards and guidance



International goal(s) and targets	Relevant business area	Related target/guidance	Investor Expectation	Category/ Topic within ATNI methodologies	
1 PRODUCTS				Manufacturers	Retailers
UN SDG 2 & 3 WHO NCD Targets 4, 6, 7 WHO MIYCN Target 4	Nutrient profiling	Health Star Rating (or equivalent independent system)	1.1 Adopt the existing nutrient profiling system, to assess and manage the quality of all packaged products sold and to promote 'healthy' products.	Category B (Products) <i>B3: Healthy products (nutrient profiling system)</i>	Topic 2 Nutrient profiling system
UN SDG 2 & 3 WHO NCD Targets 4, 6, 7 WHO MIYCN Target 4	Formulation	WHO standard for reducing or eliminating transfat, added sugars <ul style="list-style-type: none"> • saturated fat • fruits, vegetables, nuts, legumes and whole grains 	1.2 Commit to reformulating packaged products in line with WHO targets and guidance on maximum levels of trans-fat, salt, free sugars and saturated fat and minimum levels of fruit, vegetables, nuts, legumes and whole grains and /or improving the nutritional profile of the overall product portfolio / range.	Category B (Products) <i>B2: Product formulation</i>	Topic 3 Product formulation

ATNI is increasing resources dedicated to supporting investors



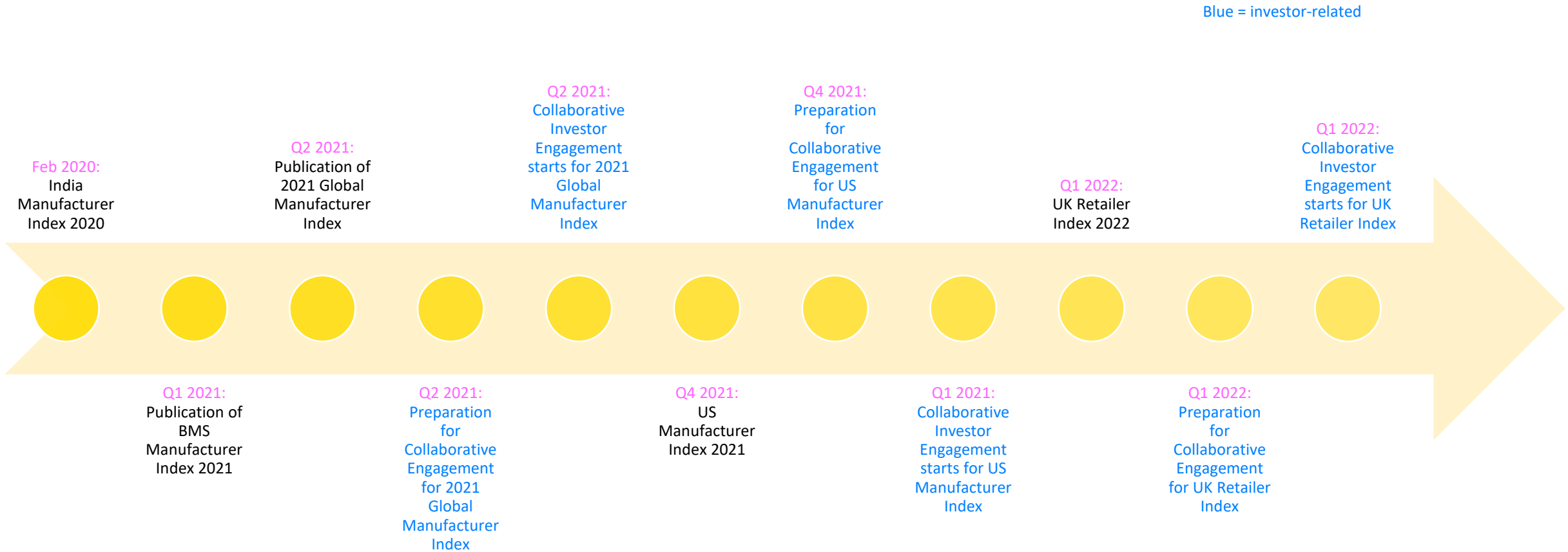
ATNI investor support functions

- Maintains investor portal on website
- Supports investor signatories in their engagement; develops additional materials to support engagement, e.g. questions to use with Investor Expectations, best practice examples
- Facilitates collaborative investor engagement with companies ranked in its Indexes following publication of each new Index, e.g. by
 - Organising engagement calls/meetings with companies
 - Briefing participating investors before calls
 - Writing and circulating notes of all calls
- Publishes an annual report summarising signatories' engagement on nutrition, diets and health
- Publicises via our website and social media the work of the investor signatories to amplify their own communications
- Communicates investor and finance sector perspectives at nutrition events and conferences
- Grows signatory base
- Dedicated email address: investor.support@accesstonutrition.org
- 1 FTE split between Rachel Crossley / Katie Gordon / Efi Chatzinikolaou

Portal (under development)

- Available to signatories
- Password-protected
- Source of research and news relevant to nutrition and investment
- Location of all key documents relating to collaborative engagement with ATNI companies

Timelines for upcoming publications and engagement





How is Mirova using ATNI's work?



Q&A



ACCESS TO
NUTRITION
INITIATIVE

Improving nutrition for all
Driving the private sector's performance
on healthy, affordable diets.

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Funders

The Access to Nutrition Initiative's core funders are:



BILL & MELINDA
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