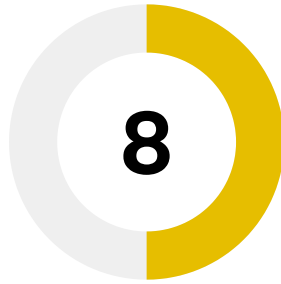


Kellogg ¹

Reported product categories
Cereals, Dried and Frozen Processed
Food, Snack Bars, Savoury Snacks



↑ Rank 8 / Score 5

Rank 10 (2016)



Product Profile

Rank 10 / Score 5

Headquarters
U.S.

Market capitalization
\$25,865 m

Reported revenue by geography ³
North America 65%, Rest of
World 35%

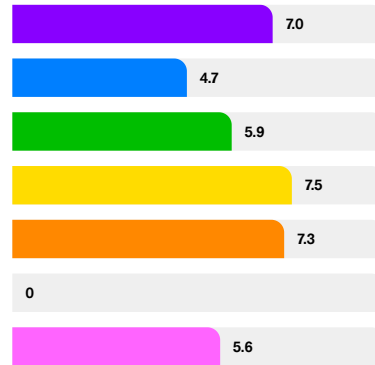
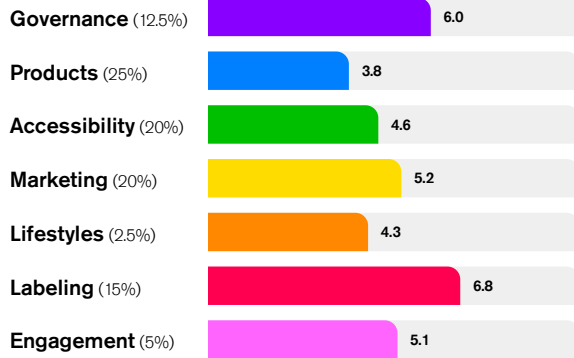
Number of employees
33,577

Total revenue ²
\$13,014 m

Corporate Profile

Nutrition 9/5

Undernutrition 5/5.2



Main areas of strength

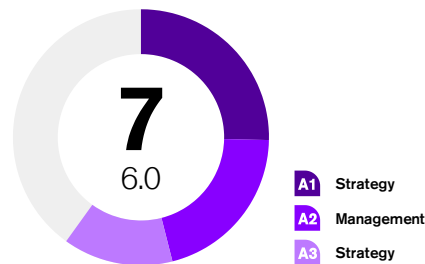
- Kellogg's score has increased from 2.5 in 2016 to 5.0 out of 10 in 2018. The company achieved a substantial increase in score compared to the 2016 Global Index and now ranks eighth.
- Kellogg has improved its commitments and disclosure in Category A and several other categories of the ATNI methodology through its new Kellogg 'Nutrition Milestones' document, published in September 2017. The company is commended for publishing this document, which clarifies how its central business strategy relates to its nutrition strategy, including the 'Global Breakfast Food Beliefs' articulated in 2015 and the new 'Global Snack Food Beliefs.'
- New commitments to improve the affordability and accessibility of healthy products for low-income consumers are disclosed by the company, relevant as well for products that aim to address undernutrition in developing countries.
- Similar to 2016, Kellogg's responsible marketing approach is codified in a policy that includes a wide range of commitments covering marketing to all consumers, as well as specific commitments regarding marketing to children.
- New compared to 2016, Kellogg now commits to follow Codex guidance on nutrition and health claims in markets where regulation is weak or lacking.
- The company has improved its score in Undernutrition-related aspects of the ATNI methodology by disclosing new commitments and by providing clarification about its approach. The company's 'Growth 2020' strategy, which aims to double the business in emerging markets, is linked to commitments to provide targeted, fortified products that address nutritional deficiencies in developing countries. Kellogg is one of only a few companies that commit to creating and delivering marketing strategies appropriate to reaching undernourished populations in developing countries.
- Similar to 2016, its philanthropic undernutrition strategy is driven primarily through its 'Breakfast for Better Days' program that includes food bank donations and breakfast programs. Both its commercial and philanthropic approaches are focused on children and youth under 18.

Priority areas for improvement

- Kellogg ranks tenth in the Product Profile assessment with a score of 5.0 out of 10, based on an assessment of its major product categories in eight countries. Kellogg was estimated to derive only 24% of its total sales from healthy products, i.e. products achieving a rating of 3.5 stars or more on the Health Star Rating (HSR) system. These findings illustrate that Kellogg has significant scope to improve the healthiness of its portfolio through product reformulation, innovation and/or portfolio changes.
- The 'Nutrition Milestones' document contains many commitments that are not disclosed elsewhere, or only to a limited extent. The company is encouraged to update the document in the future to ensure transparency on its activities and progress. The various commitments made in the document should be reflected as well in future formal reports such as the annual report, showing the integration of its focus on nutrition and health with its commercial strategy.
- Currently, the company defines various product reformulation targets that cover only selections of products; cereals, snack foods and products marketed to children. Kellogg should define a comprehensive set of targets, covering all products globally and all relevant nutrients to increase or decrease.
- Kellogg still does not apply a fully-defined Nutrient Profiling System (NPS) but it applies a limited set of nutritional criteria defined over ten years ago. The company uses various definitions of healthy products, e.g. based on regionally defined criteria. The company is strongly encouraged to adopt an NPS that is based on internationally recognized criteria, e.g. as applied in the HSR system, and to adopt a clear definition of healthy products based on it.
- Although Kellogg has a strong marketing policy that covers all consumers, the company should update it to cover all new media channels. In addition, it is recommended to extend its commitments to not perform marketing activities in or near primary or secondary schools, or in other places popular with children.
- To complement Kellogg's nutrition labeling commitments, the company should commit to implement interpretative front-of-pack labeling globally.

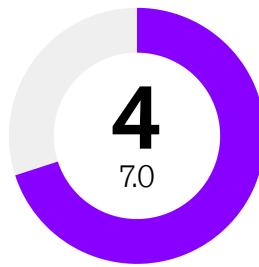
Category Analysis

Category A - Governance 12.5% - Nutrition



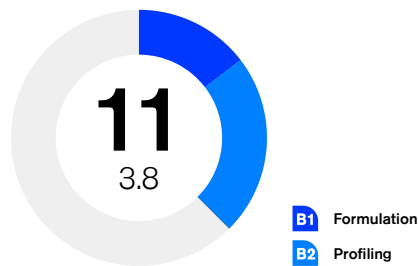
- Kellogg increased its score in this category substantially through new disclosure about its nutrition strategy and governance in the extensive Kellogg 'Nutrition Milestones' document, published in September 2017. The document describes how the company's purpose 'Nourishing families so they can flourish and thrive' relates to its growth strategy, committing to build a progressive health portfolio and addressing undernutrition in emerging markets. It includes commitments to address the Sustainable Development Goals (SDGs) 2 'Zero Hunger' and 3 'Healthy lives and promoting well-being', as well as playing a role in tackling the global challenges of increasing levels of obesity and diet-related chronic diseases.
- As in 2016, it conducts an extensive nutrition-related business risk assessment, which informs its overall strategy acquisition. The company illustrates in the Milestones document that nutrition issues are factored into decisions about mergers and acquisitions.
- Kellogg could increase its score by disclosing the percentage of revenues derived from healthy products year-on-year, according to the company's definition, and by increasing this percentage.
- Kellogg's comprehensive and global nutrition strategy, for which the CEO is formally accountable, is disclosed in the Milestones document. A limited set of objectives is described, including concrete product reformulation objectives by 2020 linked to its 'Global Breakfast Food Beliefs' and 'Global Snack Food Beliefs.' However, objectives related to other aspects of ATNI methodology are missing or not concrete enough. To strengthen its nutrition strategy, the company should develop a broader range of measurable objectives and report on progress like it does for product reformulation. In addition, the company is encouraged to set up a standard internal audit and annual management review of its nutritional strategy, as no evidence was found that this is currently in place.
- Although the company states it gathers input from several committees and advice bodies, evidence is lacking that a formal panel is in place to advise on preventing and addressing obesity and diet-related disease to the Board. The company is encouraged to do so, gathering experts with a broad range of expertise such as marketing, labeling and promoting active lifestyles that can provide regular, strategic advice.
- Kellogg provides annual reporting on its global approach to tackling nutrition issues in its Corporate Social Responsibility report and, more extensively, in the Milestones document. In the absence of clear objectives as mentioned, the company does not provide a clear outlook on future plans and targets and should increase its reporting on preventing and addressing obesity and diet-related chronic diseases.
- The company should incorporate nutrition-related reporting into its annual report, showing the importance of the focus on nutrition in its overall growth strategy. In addition, despite its global presence, the company does not publish separate reports for its major markets. Kellogg could meet industry leading practice by conducting external verification of the reported nutrition data.

Category A - Governance 12.5% - Undernutrition



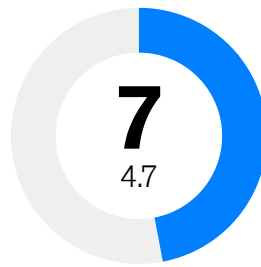
- Kellogg has increased its score in the Undernutrition section substantially compared to 2016 through disclosing new commitments and information in its Milestones document as well as in other sources and in feedback to ATNF.
- A clear commitment to play a role in combating undernutrition and micronutrient deficiencies in low-income countries is made in the Milestones document, through targeted fortification according to international guidance. The company also discloses a strategic review of the commercial opportunities in addressing undernutrition, a statement that was supported by additional evidence in feedback to ATNF.
- Kellogg disclosed that it intends to address undernutrition commercially with a focus on children, through targeted micronutrient fortification and by partnering with external experts to assess nutrition and other needs. This strategy is linked to one of the pillars of its 'Growth 2020' strategy, aiming to double its emerging market business, including in higher-priority countries such as Egypt and Nigeria.
- The company's global philanthropic strategy is driven primarily through its 'Breakfast for Better Days' program that includes food bank donations and breakfast programs aimed at children. The aim is to increase the availability of foods that address hidden hunger in undernourished populations. The program runs in 22 countries, including higher- and lower-priority developing countries, including Egypt, India, Malaysia and Peru. Although the program also runs in selected developed countries, the activities in developing countries are relevant here.
- Although both commercial and philanthropic strategies are described in the Milestones document, limited details of how it will actually address undernutrition are provided, for instance related to the research into nutritional needs and how this translates into the adaptation of product composition. The company should provide more detail and clarity. In addition, the definition of the target group for combating undernutrition (children and youth under 18) lacks detail, which Kellogg is encouraged to provide as well, in addition to addressing children under two and women of child-bearing age as priority groups.
- Kellogg discloses that the responsibility for implementing its undernutrition policy lies with the Chief Growth Officer but could increase this to CEO level for industry-leading practice.
- In the Milestones document the company states it has conducted market research to assess the need or potential for addressing undernutrition commercially, as well as working with various advisory panels. However, the evidence of relevant studies is limited and it is not evident that a formal panel is in place to advise the company on its undernutrition strategy. Kellogg should increase its market research efforts, or the disclosure of recent and relevant studies. In addition, Kellogg should form a formal panel with a wide range of relevant expertise for regular consultations on the company's undernutrition strategy and ongoing programs.

Category B - Products 25% - Nutrition



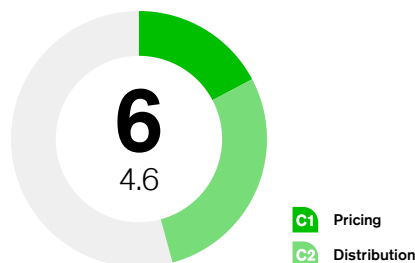
- Kellogg did not make major changes in its approach to product innovation and reformulation compared to 2016, but now commits to invest in R&D to improve the nutritional quality of its products. As in 2016, the company disclosed that it spent 1.4% of net sales in R&D over the last three years. It did not define a target to increase its spending or efforts in the future but is encouraged to do so.
- Kellogg commits to align its product reformulation efforts to national or regional dietary guidelines and provides examples of new, healthy products. The company could improve by providing consolidated information about the number of new, healthy products launched.
- The company reports to define healthy products at a regional level, aligned to local guidelines developed by independent experts. For example, it states that it uses EU Pledge criteria in Europe and FDA criteria in the U.S. To increase its transparency, the company should disclose these criteria and should apply consistent, stringent criteria for healthy products worldwide.
- Kellogg does not publish the percentage of healthy products according to its own criteria. In the Product Profile assessment, only 24% of sales estimated to be derived from healthy products (25% of the product portfolio), based on an HSR of 3.5 or more. These results indicate that the company should considerably scale up its efforts to improve the healthiness of its products.
- The company discloses that 18% of U.S. products meet the CFBAI criteria for marketing to children. The Product Profile assessment estimated that, based on WHO EURO criteria, only 8% of products meet this criteria in the U.S. (6% of estimated sales) and globally (8% of products; 7% of estimated sales).
- Kellogg sets some targets to reformulate its products but does not have a comprehensive set of targets covering all products and relevant nutrients. A target to eliminate trans-fat from partially hydrogenated oils across all products is in place. The company discloses that 85% of products are free from such ingredients. Other targets apply only to a limited number of products. For example, sugar and salt targets are in place that cover its cereal products and, new since 2016, selected snack products; a saturated fat target is in place that covers products marketed to children only. The company does not set targets to increase fruits, vegetables, nuts, legumes or whole grains. The company should define a complete set of reformulation targets. In addition, the company should increase its transparency by publishing its performance and progress against all targets.
- Kellogg applies a limited set of nutritional criteria, the 'Kellogg Global Nutrient Criteria' which was defined more than ten years ago, and reports to apply it as a precursor to an NPS, driving product reformulation. The company should review these criteria and implement a full NPS based on stringent, internationally recognized criteria, covering all products and both 'positive nutrients' and 'negative nutrients.'

Category B - Products 25% - Undernutrition



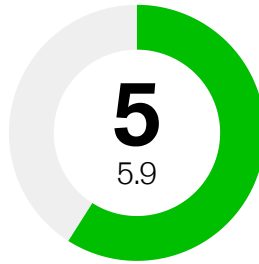
- Kellogg commits to tackling undernutrition and micronutrient deficiencies in developing countries through initiatives that aim to increase the number or volume of relevant products available to undernourished populations. It commits to “seek to use ingredients with high inherent levels of micronutrients, including a large expansion of products with ancient grains like amaranth, quinoa and ragi, particularly targeting developing countries.” The company has also provided a fortification policy in feedback to ATNF, which clearly states the commitment to only fortify products of high underlying quality. It does not disclose a target to increase related R&D spending, nor does it make an explicit commitment to basing the company's approach to fortification on Codex guidance (CODEX CAC/GL 07-1987). The company should do so.
- Kellogg is commended for providing a commentary on investments made in research to develop solutions to undernutrition. In its Milestones document, it states that an annual prize is awarded to a nutrition professional actively engaged in research to benefit populations in non-industrialized countries. In addition, Kellogg collaborates with HarvestPlus, an international NGO, on growing biofortified maize in Nigeria to potentially address vitamin A deficiencies in Africa and Asia in the future.
- It is not clear from the company reporting whether new products to address undernutrition commercially have been developed in the last two years. The company should step up its efforts to develop suitable products, and/or to disclose more detailed information. The company affirms that its non-commercial ‘Breakfast for Better Days’ program delivers products specifically formulated for undernourished groups, focusing on children over six, in higher and lower-priority developing countries. The company should support programs aimed at priority groups (women of child-bearing age and children under two) as well.

Category C - Accessibility 20% - Nutrition



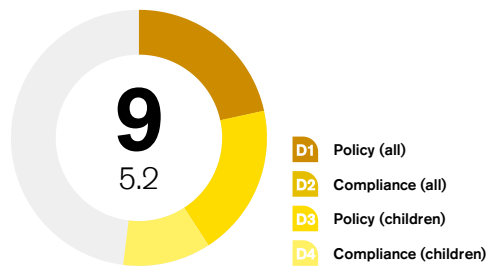
- Kellogg has articulated its global approach on affordability and accessibility of healthy products, as part of its central commercial ‘Growth 2020’ strategy, in its Milestones document, leading to a substantial improvement in this category compared to 2016. The company makes an explicit reference to low-income groups in its efforts to improve affordability and accessibility, but the definition of healthy products should be improved in its approach. Currently, the company defines healthy products on a category level, but it should apply a definition based on products meeting a complete set of nutritional criteria, anchored in a full NPS.
- A formal policy that codifies the company's affordability and accessibility commitments regarding healthy products is currently not in place. The description in the Milestones document is assessed as a policy under development, for which Kellogg's Chief Growth Officer is responsible for implementing. Kellogg could improve its score by adopting and publishing a formal policy. It should define concrete targets as well.
- Kellogg discloses many examples related to improving affordability and accessibility of its products to low-income groups, but it does not clearly describe that these examples relate to healthy products, which is crucial to ensure low-income consumers improve their diets. Therefore, most examples are not considered relevant, except for work that Kellogg did in India to assess and improve the accessibility of healthy grain-based products. Furthermore, some evidence was found that showed the company offered discounts, price promotions or coupons on healthy products at the same or greater rate as for less healthy products in developed countries. The company should improve its approach by focusing on and disclosing information about products that meet healthy criteria.

Category C - Accessibility 20% - Undernutrition



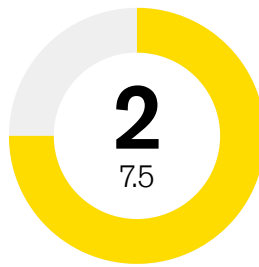
- Kellogg's Milestone document includes a clear commitment to improving the affordability and accessibility of its products that address micronutrient deficiencies. However, the company does not provide concrete objectives.
- The company is commended for an unconventional initiative to improve the accessibility of relevant products for undernourished consumers in developing countries through a non-commercial approach: It awards an annual award & lectureship for work that results in "enabling and increasing access to nutritious food in non-industrialized countries."
- The 'Breakfast for Better Days' non-commercial program, through school feeding programs and food bank donations, also increases the accessibility of relevant products.
- Kellogg discloses examples of improving affordability, by reducing sizes of products or through other means that address micronutrient deficiencies to make them more affordable. In Colombia, a popular product in the traditional retail channel is provided as a single-serve package, making it easier for low-income families to purchase it. Over 50% of sales in Colombia in the retail channel is derived from this affordable single-serve fortified product. In other examples provided in the Milestones document, it is unclear how undernutrition is addressed. Kellogg should provide more detailed examples of how it improves affordability and accessibility of relevant products to address undernutrition.

Category D - Marketing 20% - Nutrition



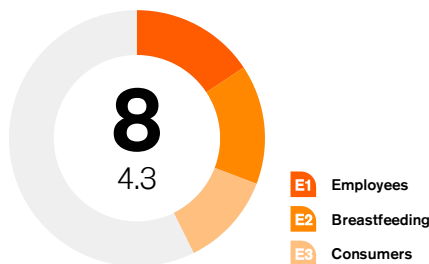
- Kellogg did not show major changes in its approach to responsible marketing, or its disclosure, compared to 2016. The Kellogg Worldwide Marketing & Communications Guidelines (KWMCG), fully published and in effect since 2008, addresses global marketing guidelines for all consumers. Specific commitments for marketing to children are included as well. There is no evidence that the guidelines have been updated since 2016. There is a need to update the coverage of media channels to include mobile and SMS marketing, as well as other channels not mentioned in the KWMCG, in relation to marketing to all consumers.
- The company makes commitments that cover the International Chamber of Commerce (ICC) Code for Advertising and Marketing Communication Practice without an explicit reference to the ICC. The company could improve to industry-leading practice by committing not to use any models with a BMI of under 18.5.
- There is no evidence that the company monitors its compliance against its policy regarding marketing to all consumers. Kellogg should arrange this, commissioning independent, external auditing.
- The KWMCG include a wide range of commitments related to responsible marketing to children. In addition, the company participates in pledge organizations including EU Pledge, IFBA, CFBAI and CGF. The company makes a strong set of commitments on responsible marketing to children, covering all relevant media channels. To improve to industry-leading practice, the company should commit to not use, without exceptions, its own fantasy and animated characters with a strong appeal to children, and not to use inappropriate price minimization.
- The company does not market any products to children under six, and markets only healthy products, according to its own definitions, to children aged 7-12. An audience threshold of 35% is applied to guide this approach, which the company could strengthen to <25% for industry-leading practice. A comprehensive set of tools is applied to ensure that online marketing deters certain age groups, which the company should apply to mobile marketing as well.
- Kellogg commits to refraining from marketing activities in primary schools and to only offering 'educational materials' when in agreement with schools/parents. However, the company is encouraged to extend this commitment to places near primary schools, in or near secondary schools and to other places popular with children. In addition, industry-leading practice extends responsible marketing commitments to beyond the age of 12.
- Kellogg's compliance regarding responsible marketing to children is audited globally through the International Food & Beverage Alliance, as well as through regional pledge organizations. The company should commission complementary independent third-party audits, to publish its individual results of auditing through pledge organizations, and to make a public, global commitment to take corrective action in case of any non-compliance.

Category D - Marketing 20% - Undernutrition



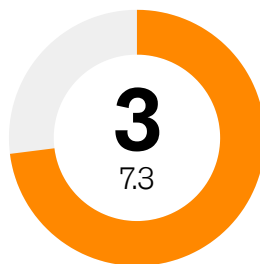
- Kellogg is one of only a few companies to make and disclose a commitment to developing and delivering marketing strategies appropriate to reaching undernourished populations in developing countries. It states in its Milestones document: "As part of our emerging market strategy, Kellogg is developing and delivering marketing strategies appropriate to reaching undernourished populations in developing countries."
- The company states it has generated consumer and marketing insight, having used creative agencies and communication across multiple channels to understand and reach undernourished consumers in developing countries with appropriate products. However, no relevant evidence was provided that relates to addressing undernutrition among specified target groups. Kellogg should increase its efforts in this area and/or to improve its disclosure by clarifying how its efforts relate to targeting undernourished consumers.

Category E - Lifestyles 2.5% - Nutrition



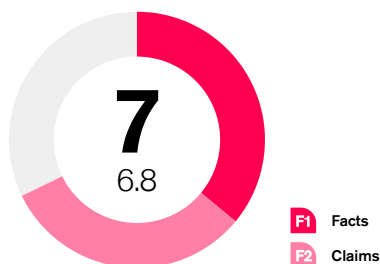
- The Milestones document discloses a commitment to support employee health and well-being globally. The company reports having a 'Feeling Gr-r-reat' health management program for its U.S. employees, focused on fitness, wellness and disease prevention. Similar programs are available in other countries, although not all employees have access. Participation in the program is tracked, and the results are evaluated internally. The company should improve by extending the program to all employees and family members. It should also articulate and disclose expected health and business outcomes of its programs and by implement independent evaluations with full disclosure of the outcomes.
- Kellogg commits to supporting breastfeeding mothers with a policy covering its home market. Furthermore, a new parental leave policy was implemented in North America in 2017, offering paid parental leave to both parents, including adoption parents, leading to a total paid leave for mothers of up to three months. Despite these positive developments, its policies are not implemented globally. The company is encouraged to do so, to extend paid maternity leave to six months or more and to ensure that facilities to support nursing mothers are available in all locations. The company is commended for publishing a brief commentary regarding its support for breastfeeding mothers in its Diversity & Inclusion Report.
- Kellogg disclosed more information about consumer-oriented education programs. In its Milestones document, the company commits to supporting healthy eating, nutrition education and active lifestyles programs for consumers that are developed and implemented globally by independent groups, in addition to its own programs. It provides descriptions of the types of programs it supports, as well as examples from the U.S., Canada, Mexico and Columbia, covering a comprehensive range of topics. Kellogg should develop a policy which excludes brand-level sponsorship of consumer-orientated programs. It should also support independently designed and implemented programs exclusively and should commission independent evaluations for all its educational programs with public disclosure of the results.

Category E - Lifestyles 2.5% - Undernutrition



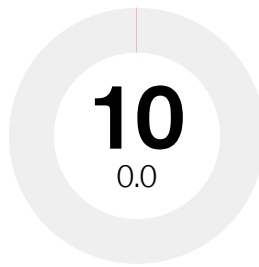
- Kellogg has increased its disclosure compared to 2016 in its Milestones document regarding nutrition education programs for the undernourished in developing countries.
- Although a written policy or guidelines on the kinds of programs it will sponsor or fund does not appear to be in place, it provides descriptions of relevant programs. For example, a project is run with TechnoServe in India to promote women in leadership roles and to educate about the benefits of a diverse diet. Across various countries, including higher-priority countries, educational activities linked to the company's breakfast programs, educate undernourished consumers about the benefits of consuming fortified foods (or foods inherently high in micronutrients) and of child micronutrient supplementation. The company could improve by adding programs that educate about the benefits of exclusive breastfeeding and other aspects of maternal and infant nutrition in relation to undernutrition in developing countries. Kellogg should have all programs designed, implemented and evaluated by third-parties with relevant expertise, combined with full disclosure that includes a description of the role of the company.

Category F - Labeling 15% - Nutrition



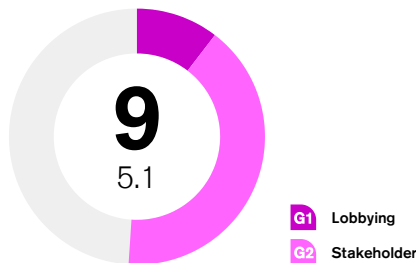
- Similar to 2016, Kellogg commits to provide nutrition information on front-of-pack (FOP) and back-of-pack (BOP) globally, as stated in its policy disclosed on the corporate website and through its membership of the industry association IFBA. The company commits to provide BOP nutrition information for most key nutrients but does not express a global commitment to label fiber and trans-fat. According to the company's policy, FOP labeling should include numeric information only and show the percentage of recommended daily intake. This falls short of leading practice to implement interpretative FOP labeling. The company should implement interpretative FOP labeling globally. Like all companies, Kellogg should ensure to not undermine existing local interpretative FOP labeling systems by implementing alternative or additional systems.
- The company discloses that it has implemented its BOP commitments fully. The company discloses that FOP labeling is implemented on 80% of products globally. However, the number of markets in which FOP labeling is fully implemented is not disclosed. The company is encouraged to fully implement FOP labeling in all markets and to disclose its performance.
- Kellogg has improved since 2016 in relation to the use of nutrition and health claims. In its Milestones document, it commits to follow Codex guidance in markets where regulation is weak or lacking. In addition, the company has now provided evidence to ATNF of tracking the number of products that meet its healthy standard that carry health and nutrition claims. The company should step up this industry-leading practice by tracking this information globally and disclosing the number of healthy products with health or nutrition claims. It should also disclose whether any complaints have been upheld against it about the misuse of health or nutrition content claims.

Category F - Labeling 15% - Undernutrition



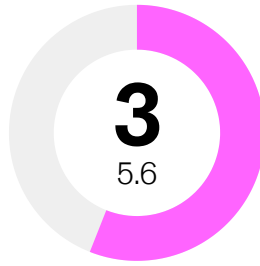
- As in the past, no evidence of a commitment was found to labeling products that either have naturally high levels of micronutrients or that have been fortified with micronutrients. The company should express and disclose this commitment, as part of its nutrition labeling policy and/or its micronutrient fortification policy.
- The company states in its Milestones document “For countries where no national regulatory system exists, Kellogg places a health or nutrition claim on a product only when it complies with Codex.” The company should specify this commitment for fortified products, stating explicitly that Codex standards will always be used as a minimum, in case local regulation are weaker.

Category G - Engagement 5% - Nutrition



- As in 2016, Kellogg publishes its Code of Ethics. However, the document (or any other policy) does not contain a commitment to only engage with governments, political parties, policymakers and policymaking bodies in support of measures to prevent and address obesity and diet-related chronic diseases. The company should make this commitment.
- The company’s disclosure in relation to lobbying and influencing is limited. Relevant information about financial contributions is disclosed, but Kellogg has room to improve its transparency by disclosing all relevant memberships, potential governance conflicts of interest and board seats at influential organizations. In addition, it is encouraged to provide a commentary on its lobbying measures to prevent and address obesity and diet-related chronic diseases, as well as by disclosing its positions used in lobbying, as these relate to nutrition.
- Compared to the 2016 Index, Kellogg has substantially improved its commitments and disclosure related to stakeholder engagement in its Milestones document and in the 2016-2017 Corporate Social Responsibility report. It commits to engage with stakeholders in designing its nutrition strategy and shows evidence of a comprehensive, well-structured approach. The examples provided, including interaction with Action for Healthy Kids and Feeding America, appear to relate to U.S. stakeholder engagement mostly. Kellogg can further improve by providing evidence of international stakeholder engagement related to nutrition and the prevention of obesity and diet-related chronic disease, as well as by disclosing specific examples of how input has been used to adapt policies and to change business practices.

Category G - Engagement 5% - Undernutrition



- Kellogg expresses a new commitment in its Milestones document to play an active and constructive part, in developing countries, in supporting governments' efforts to address undernutrition. The company describes one relevant example, although indirect, of supporting U.S. legislation that enabled initiatives to address undernutrition in developing countries. The company is encouraged to provide a narrative about its activities in developing countries to support governments' efforts to introduce policy or regulation to address undernutrition.
- In its Milestones document the company provides evidence of one-on-one discussions with key organizations working on undernutrition to solicit input on its commercial strategy to undernutrition. For example, the World Food Programme organization was consulted in 2017 to inform a new commercial approach to addressing undernutrition in Asia-Pacific. Kellogg states it engages with other relevant organizations including Oxfam and the World Foodbank Network, but a link to informing its commercial strategy is not clear. The company should disclose more examples of its interactions.

Product Profile



10

Rank 10 / Score 5

Average HSR score products (sales-weighted)	Percentage of healthy products (sales-weighted)	Percentage of healthy products suitable to market to children (sales-weighted)	Number of products included in HSR and WHO EURO assessments		Number of countries included in the assessment
			HSR	WHO EURO	
2.5 stars	24%	7%	1309	1331	8

- Kellogg average sales-weighted HSR is 2.5 (2.5 unweighted as well), generating a Product Profile score of 5.0 out of 10, and it ranks tenth.
- The estimated percentage of products that meet the healthy threshold, weighted by sales, is 24% (25% unweighted). The proportion of products that are suitable to be marketed to children, based on WHO EURO nutritional criteria, was estimated to be only 7% based on sales-weighted data (9% unweighted). Overall, sales-weighted results are similar to unweighted results based on the number of products.
- Out of the eight countries included in Kellogg's analysis, South Africa had the highest mean HSR both before and after results were weighted by sales (3.1 and 3.3 respectively). Mexico, U.S. and Australia had the lowest mean HSR.
- Examined by category, the highest mean HSR was seen in the 'Processed Meat and Seafood' category (3.9), followed by 'Breakfast Cereals' (3.3), with 'Savory Snacks' having the lowest mean HSR of all Kellogg's product categories (2.0) driven mainly by Kellogg's Pringles brand potato crisps. 'Breakfast Cereals' and 'Savory Snacks' represent Kellogg's largest categories revenue-wise. The highest-ranked category (Processed Meat and Seafood) represents a low proportion of sales and consists of vegetarian meat alternative products under the Gardenburger and Morningstar Farms brands.
- Around half of all breakfast cereal products across all countries are considered healthy, defined as having an HSR greater or equal to 3.5. The 'Processed Meat and Seafood' and 'Breakfast Cereals' categories were the only categories with >10% products eligible for marketing to children.
- Kellogg ranks seventh on the 2018 Global Index and tenth in the Product Profile assessment. It does not disclose the number of healthy products according to its own criteria, therefore a comparison to the findings of the Product Profile assessments cannot be made. However, the company discloses that 18% of products are suitable for marketing to children, which is substantially more than was found in the Product Profile assessment based on WHO Euro criteria. Overall, the Product Profile assessment indicates that Kellogg generates a relatively small proportion of its sales from healthy products. In addition, a low proportion of its portfolio fulfils criteria to be marketed to children. These results indicate that the company should step up its efforts to make its products healthier.

For full details, see the company's Product Profile scorecard.

Disclaimer Global Index 2018

General Disclaimer

As a multi-stakeholder and collaborative project, the findings, interpretations, and conclusions expressed in the report may not necessarily reflect the views of all companies, members of the stakeholder groups or the organizations they represent or of the funders of the project. This report is intended to be for informational purposes only and is not intended as promotional material in any respect. This report is not intended to provide accounting, legal or tax advice or investment recommendations. Whilst based on information believed to be reliable, no guarantee can be given that it is accurate or complete.

Sustainalytics participated in the data collection and analysis process for the Global Index 2018, contributed to the company scorecards and supported writing the report.

Westat is responsible for the collection of data related to company compliance with the International Code of Marketing of Breast-milk Substitutes and any additional country specific regulations related to marketing of these products in Bangkok, Thailand and Lagos, Nigeria. Westat is responsible for the analysis of the data related to compliance with the BMS Marketing standards and for the preparation of its final study report, the results of which have been incorporated by ATNF into the 2018 Global Access to Nutrition report and the scoring of company performance for the same Index.

The George Institute for Global Health (TGI) is responsible for the data collection for the Product Profile assessment, using data from available databases that was supplemented with data provided by companies to ATNF. TGI is also responsible for the analysis of the data related to the Product Profile and the TGI Product Profile final report, the results of which have been incorporated by ATNF into the 2018 Global Access to Nutrition report. Furthermore, TGI is responsible for the data collection and analysis related to the historic sodium reduction assessment in Australia, the results of which have been incorporated into the Product Profile chapter of the 2018 Global Access to Nutrition report.

Innova Market Insights (Innova) is responsible for the data collection and analysis related to the historic sodium reduction assessment that was performed in four countries, the results of which have been incorporated into the Product Profile chapter of the 2018 Global Access to Nutrition report.

Euromonitor International Disclaimer Although Euromonitor International makes every effort to ensure that it corrects faults in the Intelligence of which it is aware, it does not warrant that the Intelligence will be accurate, up-to-date or complete as the accuracy and completeness of the data and other content available in respect of different parts of the Intelligence will vary depending on the availability and quality of sources on which each part is based.

Euromonitor International does not take any responsibility nor is liable for any damage caused through the use of our data and holds no accountability of how it is interpreted or used by any third-party.

Footnotes

1. Scorecard version 2, 31 October 2018.
2. Source: Morningstar, USD historic exchange rate
3. Source: Morningstar