

SIGNATORIES' EVALUATION OF NESTLÉ'S CALL TO ACTION ROADMAP

The Signatories' intention was that companies would first commit to all of the asks set out in the Call to Action and deliver a roadmap to outline how and when each of the commitments would be implemented.

Nestlé submitted its Roadmap relating to its Call to Action response on 17th February 2021.

The Roadmap is set out as a table on two pages, illustrating in which year each element of Nestlé's plan will start and end. The Roadmap includes seven elements, some of which broadly map to the Call to Action asks. It states that *'The success of this plan requires collective action from a range of stakeholders. Consequently, we have set out the steps that Nestlé is able to deliver unilaterally. As we progress through the plan, more steps will be identified to achieve even greater Code compliance globally.'*

In terms of Call to Action specific steps:

	Nestlé's commitments in relation to the Call to Action	Related action as set out in roadmap	Signatories' evaluation of roadmap <i>ATNI provides input in assessing the planned actions against the 4 Asks of the Call to Action</i>
Ask 1	Nestlé did not commit to full Code compliance by 2030.	Dialogue with industry, signatories and other interested parties to find a pathway to advance industry commitments on the promotion of infant formula, while ensuring compliance with antitrust laws. Event in H1 2021, with continued dialogue throughout the timeframe of the plan	The signatories note Nestlé's willingness to try to forge a greater industry commitment. However, the company has not made any additional commitments or set out any new steps to unilaterally advance its own commitment beyond that set out in its initial response.
Ask 2	Nestlé committed to take the first step of extending its current policy for IF0-6 that applies currently only in higher-risk markets and apply it globally by the end of 2022.	By end of December 2022: Unilaterally stop promotion to consumers of infant formula for babies aged 0-6m in the remaining countries where our policy has not	As noted in the signatories' assessment, Nestlé's commitments to extend its current published policy is welcomed, as is this plan to implement it.

	<p>ATNI's forthcoming BMS/CF Marketing Index will indicate the extent to which the company's current BMS Marketing policy aligns to The Code.</p>	<p>applied to date, extending it to the United States, Canada and Japan, where no relevant regulations currently exist.</p> <p>By Q4 2021: Review and approval of the expanded Global Policy, Guidelines, Do's and Don'ts – By H1 2022: Appointment of local WHO Code Compliance manager Q3-Q4 2022: Training program December 2022: Implementation of local compliance program</p>	<p>However, to fully meet this ask, the company would need to extend its existing policy to all breast-milk substitutes marketed as suitable for <u>0 up to 12 months</u> of age in ALL countries and plug any gaps with The Code in its current policy that ATNI identifies.</p>
Ask 3	<p>Nestlé states that it will actively engage with stakeholders to encourage implementation of the WHO Code and subsequent relevant resolutions into national laws. It specifies that Nestlé supports regulating promotion of infant formula for babies aged 0-12 months globally.</p> <p>To fully meet this request, the company would need to support legislation fully aligned with the Code for all products 0-36 months. This fell short of Ask 3: as the company did not state that it will support the adoption and implementation of national legislation <u>fully</u> aligned with the Code.</p>	<p>From H2 2021, based on outcomes of the above initial dialogue:</p> <p>Collective action to introduce the WHO Code into national legislation, with a focus on USA, Canada, and China. The most effective way to secure Code compliance is through well-drafted and well implemented legislation.</p>	<p>The signatories note Nestlé's commitment to drive collective action by the industry.</p> <p>To align with the Call to Action, such action must press for legal measures for all formulas, 0 -36 months, and aligned fully to the wording of The Code, including all subsequent resolutions.</p>
Ask 4	<p>Nestlé has engaged actively with ATNI and pledged to continue to do so.</p>		<p>No further comment needed.</p>

Nestlé outlined additional actions not related to the Call to Action including:

1. Commission in H2 2022, based on outcomes of the above initial dialogue, a thorough, academically-rigorous study on how WHA 69.9 can be most effectively implemented, while remaining consistent with other WHO principles and guidance. We are willing to financially support such a study which should be conducted by an independent, credible party commissioned and supervised by a multisectoral working group.

The signatories do not support this proposal. There is a conflict of interest in Nestlé doing this, as a BMS manufacturer. It is the role of entities such as the World Health Organization, which published a manual in 2017 on implementing WHA 69.9, to offer such guidance based on independent science, not that funded by BMS manufacturers. The signatories advise Nestlé to rather explore how it can effectively implement all recommendations associated with WHA resolution 69.9.

2. From H1 2021: Engagement with institutional investors to mainstream the use of WHO Code compliance within indices beyond FTSE4Good and ATNI

- **Engagement with ATNI to explore a joint advocacy plan with the signatories of the Investors Expectations on Nutrition, Diet and Health**
- **Engagement with Nestlé's main institutional investors**

The signatories concur with the intention to increase the use of WHO Code compliance measures within indices other than FTSE4Good and ATNI. However, they are concerned that direct engagement between Nestlé and investors is unlikely to be impartial. Therefore, they do not support this line of work.

3. 2021: Working with global and regional retailers and e-commerce players to help contribute to WHO Code compliance, respecting anti-trust laws.

Q2 2021: Map retailers and define advocacy plans

Q4 2021: Building training materials and engagement guidelines for the markets

The signatories are pleased to see Nestlé taking this action to fulfil its obligation under The Code by using its influence, where possible, with retailers and e-commerce companies to encourage them also to adhere to The Code.