UNILEVER'S GLOBAL POSITION ON NUTRITION LABELLING INCLUDING FRONT OF PACK LABELLING

Key messages

- It is important that consumers have access to the nutritional composition of Unilever products, so they can make informed choices.
- Unilever provides nutrition labels on every branded product in every country.
- We support implementation of additional Front-of-Pack (FOP) labels if these help consumers to make healthier food choices and if they incentivise industry to reformulate.
- FOP labelling schemes should include all products, aligned with internationally Dietary Guidance and evidence based.
- Algorithms underlying FOP labelling schemes should be based on regulated serving sizes or product group specific standards.

Unilever's Position to Nutrition labelling

Unilever provides transparent fact-based nutrition information as crucial instrument to empower people make informed choices. We label all our products globally, aligned with Codex Alimentarius Guideline CAC/GL 2-1985, where this is legally allowed:

- Big 8 nutrients on back-of-pack (BOP), energy, protein, carbohydrate, sugars, fat, saturates, fibre and sodium.
- Front-of-pack (FOP) icon showing energy content as either a % contribution to the Guidelines Daily Amount (GDA) or as an absolute quantity.
- Per serving (preferred option) and per 100g/ml.
- For small or unusually shaped packs, 'Big 4' on BOP (energy, protein, carbohydrates, and fat) and energy per portion FOP.

- For energy, sugars, fat, saturated fat and salt, the % contribution per portion to the GDA is given as an icon or text on BOP.

Unilever's Position to Front-of-Pack labelling schemes

We support the implementation of additional (interpretative) FOP labels that adhere to the following principles:

- Encourages consumers to healthier food and beverage choices
- Incentivizes industry to reformulate healthier products
- Scientifically sound, reflecting government endorsed internationally accepted dietary guidelines
- All-inclusive scheme for packaged food and beverage products
- Focus on key nutrients of public health concern, with limited compensation by positive nutrients

These principles are best reflected if the algorithm underlying FOP labelling schemes are product group specific or based on serving sizes, and not based on a calculation per 100g/ml with the same benchmarks across all products or limited set of product groups. Servings-based algorithm better reflect what people consume; this approach requires regulated serving sizes. An algorithm based on product group specific benchmarks considers the role of the product in the diet, so inherently reflect frequency of consumption as well as appropriate serving sizes. Both options result in a better alignment with dietary guidelines (more details in appendix).

We believe that a FOP labelling scheme should be embedded in broader programmes and consumer communication to stimulate healthy diets and lifestyles and supported by independent effectiveness studies.

We will strive for harmonization, ideally across the globe as per WHO ambition, but at least on regional level of one simple consistent standard. We believe that a

proliferation of national schemes is obstructing consumer understanding in two ways: different expressions between neighboring countries are confusing, more importantly education efforts would have to be repeated country by country, which would hamper the leverage of best practice learnings.

We want to work together with all parties involved (regulators, ministries of health, scientist, consumer organizations, etc.) to implement FOP labelling systems. We commit to implement government-endorsed schemes that are aligned with our principles, with the prerequisite that the FOP labelling scheme is accepted in neighboring countries where these products will also be on the market to avoid unnecessary complexity in our supply chain.

Key advocacy asks

- FOP labelling schemes should provide a good differentiation within a product category to help consumers to make healthier choices and incentivise the industry to reformulate.
- This is best achieved when the scoring algorithm is based on product specific benchmarks or serving size and not scored per 100g/ml with the same benchmarks for all products.
- Regarding product group specific benchmarks, we recommend having a set of e.g., 9 products groups (fats, dairy, cereal/carbohydrate, protein, fruit & vegetables, meals, snacks/treats, sauces/condiments, beverages.
- FOP labelling schemes should be embedded in integrated programmes to stimulate healthy diets and lifestyles and supported by continuous consumer education campaigns and independent effectiveness studies.
- We strive for harmonization across regions (and limitation of the number of labels), to avoid consumer confusion and supply chain complexity.

Appendix:

Unilever's recommendation for algorithm based on serving size

Assessment of the nutritional quality of a product calculated per 100g or 100ml leads to unexpected scores. In the case of products consumed in larger than 100g serving size (like meals) the nutrients consumed is underestimated whereas in products consumed in small serving sizes (like dressings, spreads) the amount of nutrients consumed is overestimated.

This also leads often to hardly any differentiation within a product category and that is one pre-requisite for a FOP labelling scheme to be successful in allowing consumers to choose the healthier option and stimulate the industry to reformulate.

To apply an algorithm based on serving size it is best if this is based on regulated serving sizes or across industry standardized serving sizes that are government endorsed.

Unilever's recommendation for algorithm based on specific product groups

Regarding product group specific standards, we recommend having a set of 9 products groups including fats, dairy, cereal/carbohydrate, protein (meat/fish and its alternatives), fruit & vegetables, meals/composite dish, snacks/treats, sauces/condiments, and beverages. These are the commonly used product groups in different nutrient profiles including EFSA, EU Pledge, Choices international and the Keyhole scheme. Please note that other nutrient profiles like WHO EU include at least 17 product groups, and this may be too complicated for a FOP labelling scheme.

Unilever's view on existing FOP labelling schemes

Healthy Choices Logo's

Positive, encouraging FOP logos, such as applied in e.g., Singapore, Thailand, Sweden are our preferred option as these schemes meet most of our principles.

Nutri-Score

We can support the visual expression as it is simple for consumers to use. However, we believe the algorithm underlying Nutri-Score (NS) needs to change towards product group specific benchmarks, as a servings-based approach is not feasible due to the lack of regulated serving sizes in Europe where this scheme is currently implemented. The underlying algorithm is very complex and adequate for the French dietary recommendations being more lenient on added fats and cheese. The algorithm consists of 4 product groups: foods, fats, cheese, beverages. Hence an algorithm with a wider number of product groups adaptations would allow NS to be better aligned with different countries dietary recommendations. In addition, it allows for a bigger within category differentiation incentivizing the industry to reformulate and better choice for consumers.

The current benchmarks are defined per 100g, which results in unpredictable scores, especially in the big product category Foods, as meals and soups (serving size ~300g) score more positive and small portions such as dressings score more negative than we would expect based on the nutrient content consumed.

Multiple Traffic lights

We can support the visual expression of MTL schemes. Those that are implemented are hybrid schemes where the % GDA is expressed per serving and the color coding is based on per 100g calculation. However, the UK Traffic light scheme has an adaptation for products >120g to be scored per serving. We support this adaptation per serving and would welcome a similar change for products that are consumed in serving sizes smaller than e.g. 60 or 80g.

Health Star Rating (HSR)

We can support the visual expression of HSR. However, the underlying algorithm is based on 100g or 100ml dependent on product format. The algorithm is complex,

and dairy product categories are favoured enhance the health perception of these products. We propose similar adaptions as mentioned for Nutri-Score.

<u>Warning Logo's</u>
We do not favor warning labels as the benchmarks are one-fits-all across product groups and based on per 100g. This results in a lack of differentiation in several product categories, where all products carry a warning. For consumers there is then no visibility of the healthier choice in a product category, nor does this stimulate reformulation.