

Hero

Headquarters
Switzerland

Type of ownership
Public

Estimated percentage of Hero's global
F&B sales from BMS ¹
10%

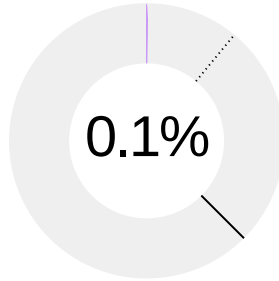
Estimated percentage of Hero's global
baby food sales from BMS ²
17%

Company also assessed in:



CF Index 2024

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BMS Marketing
Score 2024 ³

— Average score
— Highest score



Corporate Profile
Score

0.1%

Important:

The research findings regarding companies' performance in this Index are based on information shared by companies or gathered by service providers, in addition to information that is available in the public domain.

The level of detail and comprehensiveness of information shared by companies and gathered through external service providers varied. In the case of limited or no engagement by companies, this Index may not represent the full extent of their efforts. Similarly, in the case of limited data collected by service providers, the findings of this Index may not provide a comprehensive representation of company practices.

ATNI's research and Indexes do not assess compliance with local regulations or laws, but rather assess private sector performance against international standards and guidance.

BMS COUNTRY STUDIES

Country assessments were carried out in China, Germany, Indonesia, Viet Nam and the U.S.. As Hero does not sell BMS products in either of the selected countries, it was not assessed on this component.

BMS CORPORATE PROFILE



Corporate Profile
Score

0.1%

The Corporate Profile component of the BMS and CF Marketing Indexes 2024 evaluates the extent to which a company's policies align with various provisions of the Code, the effectiveness of its related management systems as well as the company's level of disclosure on commitments relating to BMS marketing. Hero's BMS marketing commitments were assessed across 11 topics that cover different aspects of the Code on which the company scored an average of 1%. This score is equivalent to the company's initial overall Corporate Profile score before a geographic penalty (if applicable) is applied to each BMS product type. The final Corporate Profile score considers how the company's BMS marketing commitments are applied for the different BMS product types sold by the company, and across different markets. As Hero sells infant formula, follow-up formula, and growing-up milks, the company's application of BMS commitments was evaluated for each product type, as shown in the next section on 'Geographic application of BMS commitments by product type'. The scores and findings on each topic are described in further detail in the section below on 'BMS Commitments by Topic'.

<https://new-140rlzsq.accesstonutrition.org/app/uploads/2024/03/Geographic-penalty.pdf>

Geographic application by Hero of BMS commitments by product type

The table below shows the percentage of product sales where commitments are upheld and the geographic penalty applied to each type of BMS. The penalty ranges from 0% up to 90% depending on whether a company fully upholds its BMS marketing commitments in all or none of the countries in which it operates, respectively, where national Code regulations are absent or less stringent than the company's policies and standards.

Corporate Profile score before penalty ⁴	Product type	Percentage of Hero's global sales from markets where BMS commitments are upheld ⁵	Geographic penalty applied	Final Corporate Profile score
0.7%	Infant formula ⁶	0%	90%	0.1%
	Follow-up formula ⁷	0%	90%	
	Growing-up milk ⁸	0%	90%	

Commitments are upheld

- Upheld for all products in this category - without exception - globally
- Upheld for some products in this category - without exception - globally
- Upheld for all products in this category - without exception - only in some markets
- Upheld for some products in this category, and only in some markets
- Not upheld for this product category in any market
- No policy found in the public domain nor shared by the company, therefore no information on how commitments are upheld

No information was found in the public domain nor shared by the company describing how BMS marketing commitments are upheld for each product type and in which markets. Therefore, the corresponding geographic penalty for each product type (infant formula, follow-up formula, and growing-up milk) is the maximum of 90% and the final Corporate Profile score is 0.07%.

Infant formula

The corresponding geographic penalty for this product type is the maximum of 90%.

Follow-up formula

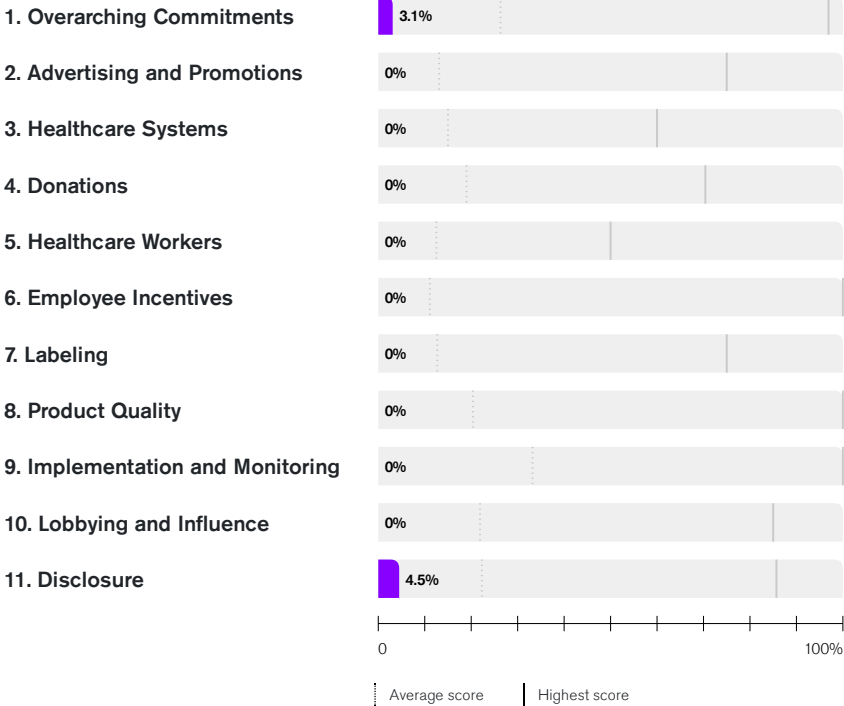
The corresponding geographic penalty for this product type is the maximum of 90%.

Growing-up milk

The corresponding geographic penalty for this product type is the maximum of 90%.

ATNI calls on Hero to develop and/or publish a BMS marketing policy that fully aligns with the wording of the Code, in addition to upholding the relevant national regulations where the company operates. The policy should also cover all milks that are specifically marketed for feeding infants and young children from birth up to the age of three years, and it should be applied in all markets in which the company operates in.

Topics Overview



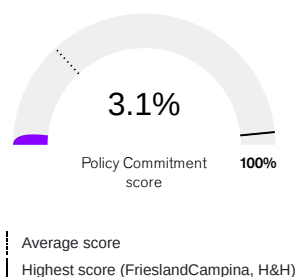
These represent the initial overall scores before applying the penalty.

BMS commitments by topic

Most topics include assessments on both policy commitments and management systems, except for the topic on 'Implementation and Monitoring', which mostly considers management systems, and the topic 'Overarching Commitments', which considers policy commitments only. A separate topic assesses the level of disclosure and transparency practiced by companies on the different aspects of the Code.

1. Overarching Commitments

This topic consists of policy commitment indicators only.

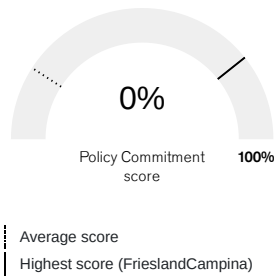


Policy Commitment

- In Hero's 2021 Sustainability Report the company states its support for breastfeeding, without mentioning age ranges.
- ATNI did not find a BMS marketing policy published by Hero. No other relevant information was found to reflect recognition of the International Code of Marketing of Breast-milk Substitutes and relevant subsequent WHA resolutions, including the guidance on ending the inappropriate promotion of foods for infants and young children supported by WHA resolution 69.9.
- No information was found either on the company's support of exclusive breastfeeding for the first six months and continued breastfeeding up to two years of age or beyond, as well as of the introduction of appropriate complementary foods from the age of six months, as per international public health recommendations.
- The company therefore did not score on this topic. To score in this area in future, Hero is urged to recognize the Code in full and to make these statements.

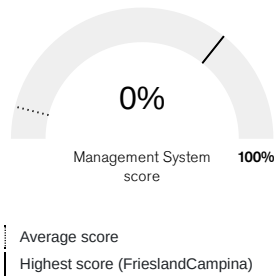
2. Advertising and Promotions

This topic consists of policy commitment indicators and management system indicators. Each set of indicators contributes an equal weight of 50% each to the topic score.



Policy Commitment

- As a BMS Marketing policy was not found in the public domain and ATNI was not able to establish contact with the company during the research phase, Hero did not score on this topic since no relevant information was found in regard to the company's commitments on advertising and promoting BMS.
- In order to score in this area, the company should comply with Article 5 of the Code and recommendation 6 of the guidance supported by WHA 69.9, by refraining from advertising BMS through various media channels and prohibiting distribution of samples or promotional materials to caregivers. Additionally, the company should avoid point-of-sale promotions and cross-promotion between different types of BMS, ensuring distinct packaging and labeling for each BMS product type.
- Hero is encouraged to adopt these Code requirements in full and clearly outline them in a company policy dedicated to the responsible marketing of breast-milk substitutes.

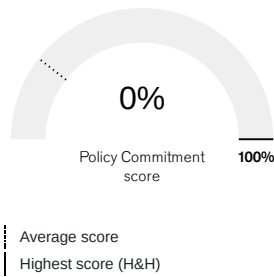


Management System

- In its 2021 sustainability report, Hero mentioned that employees have access to training, however, it was unclear whether any training is related to advertising BMS products to the general public and mothers. ATNI was unable to identify documentation about any management systems the company has in place to implement any policy it may have in relation to BMS marketing.
- To score in this area, Hero would need to develop comprehensive management systems, procedures and other guidance for its employees to implement all commitments set out in its policy(ies) relating to responsible BMS marketing.

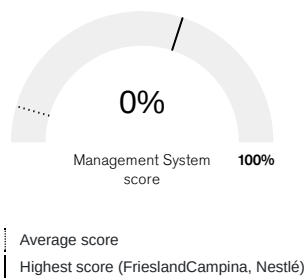
3. Healthcare Systems

This topic consists of policy commitment indicators and management system indicators. Each set of indicators contributes an equal weight of 50% each to the topic score.



Policy Commitment

- As a BMS Marketing policy was not found in the public domain and ATNI was not able to establish contact with the company during the research phase, Hero did not score on this topic since no relevant information was found in regard to the company's commitments on responsible marketing of BMS throughout the healthcare system.
- In order to score in this area, the company should comply with Article 6 of the Code and recommendation 6 of the guidance supported by WHA 69.9, by refraining from using healthcare facilities for promoting BMS products, displaying related materials, providing gifts or coupons to caregivers and offering them education on infant and young child feeding, or deploying personnel within these settings. The company should also prohibit demonstrations of formula feeding by its staff and avoid hosting events or campaigns in health facilities.
- Hero is encouraged to adopt these Code requirements in full and clearly outline them in a company policy dedicated to the responsible marketing of breast-milk substitutes.

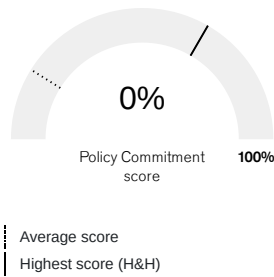


Management System

- ATNI was unable to identify documentation about any management systems the company has in place to implement any policy it may have in relation to BMS marketing.
- To score in this area, Hero would need to develop comprehensive management systems, procedures and other guidance for its employees to implement all commitments set out in its policy(ies) relating to responsible BMS marketing.

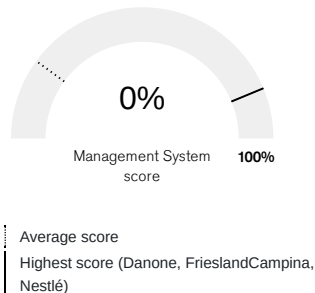
4. Donations

This topic consists of policy commitment indicators and management system indicators. Each set of indicators contributes an equal weight of 50% each to the topic score.



Policy Commitment

- As a BMS Marketing policy was not found in the public domain and ATNI was not able to establish contact with the company during the research phase, Hero did not score on this topic since no relevant information was found in regard to the company's commitments on BMS donations.
- In order to score in this area, the company should comply with the Code requirements specified in recommendation 6 of the guidance supported by WHA resolution 69.9, as well as WHA resolutions 47.5 and 63.23, and the Operational Guidance for Infant and Young Child Feeding in Emergencies. The company should comply with the Code recommendations by refraining from providing free or reduced-price BMS products (including equipment, materials or services) through healthcare facilities. In humanitarian settings, BMS donations should be provided only upon official authoritative request, ensuring compliance with Code provisions and quality standards. In social welfare institutions, BMS products are only provided upon request, without using donations for sales inducement or distribution outside institutions.
- Hero is encouraged to adopt these Code requirements in full and clearly outline them in a company policy dedicated to the responsible marketing of breast-milk substitutes.

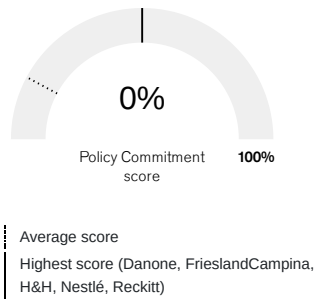


Management System

- ATNI was unable to identify documentation about any management systems the company has in place to implement any policy it may have in relation to BMS marketing.
- To score in this area, Hero would need to develop comprehensive management systems, procedures, and other guidance for its employees to implement all commitments set out in its policy(ies) relating to responsible BMS marketing.

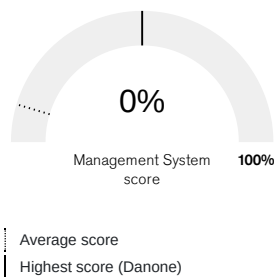
5. Healthcare Workers

This topic consists of policy commitment indicators and management system indicators. Each set of indicators contributes an equal weight of 50% each to the topic score.



Policy Commitment

- As a BMS Marketing policy was not found in the public domain and ATNI was not able to establish contact with the company during the research phase, Hero did not score on this topic since no relevant information was found in regard to the company's commitments on marketing BMS to healthcare workers.
- In order to score in this area, the company should comply with Article 7 of the Code and recommendation 6 of the guidance supported by WHA 69.9 by ensuring only factual information is provided to health workers that does not imply bottle-feeding superiority and that is limited to provide guidance on appropriate use of BMS. Any form of financial or material inducements to healthcare staff should be prohibited, and as a BMS company it should not sponsor scientific meetings for health professionals to avoid conflicts of interest.
- Hero is encouraged to adopt these Code requirements in full and clearly outline them in a company policy dedicated to the responsible marketing of breast-milk substitutes.

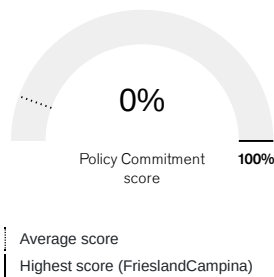


Management System

- ATNI was unable to identify documentation about any management systems the company has in place to implement any policy it may have in relation to BMS marketing.
- To score in this area, Hero would need to develop comprehensive management systems, procedures, and other guidance for its employees to implement all commitments set out in its policy(ies) relating to responsible BMS marketing.

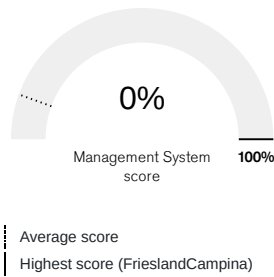
6. Employee Incentives

This topic consists of policy commitment indicators and management system indicators. Each set of indicators contributes an equal weight of 50% each to the topic score.



Policy Commitment

- As a BMS Marketing policy was not found in the public domain and ATNI was not able to establish contact with the company during the research phase, Hero did not score on this topic since no relevant information was found in regard to the company's commitments on the incentives of company employees involved in BMS marketing.
- In order to score in this area, the company should comply with Article 8 of the Code by excluding the sales volume of BMS products from determining incentives for its employees or distribution partners.
- Hero is encouraged to adopt these Code requirements in full and clearly outline them in a company policy dedicated to the responsible marketing of breast-milk substitutes.

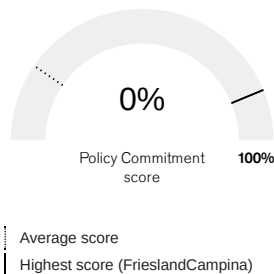


Management System

- ATNI was unable to identify documentation about any management systems the company has in place to implement any policy it may have in relation to BMS marketing.
- To score in this area, Hero would need to develop comprehensive management systems, procedures, and other guidance for its employees to implement all commitments set out in its policy(ies) relating to responsible BMS marketing.

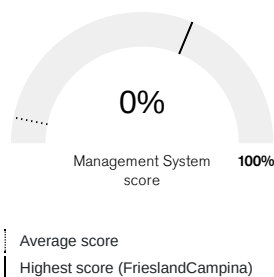
7. Labeling

This topic consists of policy commitment indicators and management system indicators. Each set of indicators contributes an equal weight of 50% each to the topic score.



Policy Commitment

- As a BMS Marketing policy was not found in the public domain and ATNI was not able to establish contact with the company during the research phase, Hero did not score on this topic since no relevant information was found in regard to the company's commitments on the labelling of BMS products.
- In order to score in this area, the company should comply with Article 9 of the Code and recommendation 4 of the guidance supported by WHA resolution 69.9 by ensuring that BMS packages have clear labels with information in the appropriate local language(s) and that they include appropriate breastfeeding messages. Labels should avoid idealizing formula use, include ingredient information as well as warnings against the health hazards of inappropriate powdered formula preparation. Health or nutrition claims for BMS products should only be included if required by national regulations.
- Hero is encouraged to adopt these Code requirements in full and clearly outline them in a company policy dedicated to the responsible marketing of breast-milk substitutes.

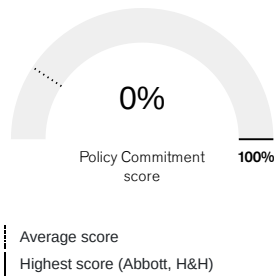


Management System

- ATNI was unable to identify documentation about any management systems the company has in place to implement any policy it may have in relation to BMS marketing.
- To score in this area, Hero would need to develop comprehensive management systems, procedures and other guidance for its employees to implement all commitments set out in its policy(ies) relating to responsible BMS marketing.

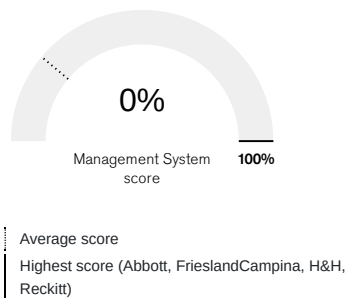
8. Product Quality

This topic consists of policy commitment indicators and management system indicators. Each set of indicators contributes an equal weight of 50% each to the topic score.



Policy Commitment

- As a BMS Marketing policy was not found in the public domain and ATNI was not able to establish contact with the company during the research phase, Hero did not score on this topic since no relevant information was found in regard to the company's commitments on the quality of BMS products.
- In order to score in this area, the company should comply with Article 10 of the Code and is encouraged to clearly outline which specific Codex standards it follows at a minimum, and to ensure that the listed standards are regularly revised so that the most updated versions are adhered to.

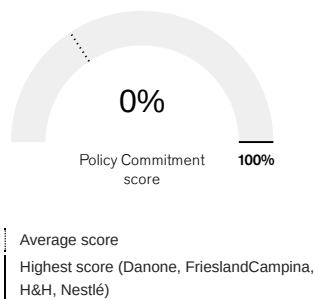


Management System

- ATNI was unable to identify documentation about any management systems the company has in place to implement any policy it may have in relation to BMS marketing.
- To score in this area, Hero would need to develop comprehensive management systems, procedures, and other guidance for its employees to implement all commitments set out in its policy(ies) relating to responsible BMS marketing.

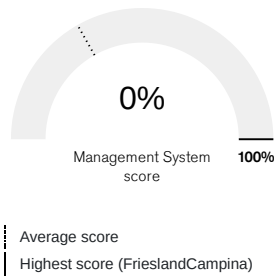
9. Implementation and Monitoring

This topic consists of policy commitment indicators and management system indicators. The policy commitment indicators contribute to 20% of the topic score, while 80% of the weight of the score is attributed to management system indicators.



Policy Commitment

- As a BMS Marketing policy was not found in the public domain and ATNI was not able to establish contact with the company during the research phase, Hero did not score on this topic since no relevant information was found in regard to the company's commitments on monitoring its BMS marketing practices.
- In order to score in this area, the company is encouraged to develop a policy dedicated to the responsible marketing of breast-milk substitutes, if it does not already have one, and clearly define as well as effectively communicate responsibilities for implementing BMS marketing commitments and monitoring compliance of the company's practices to the principles of its BMS marketing policy.

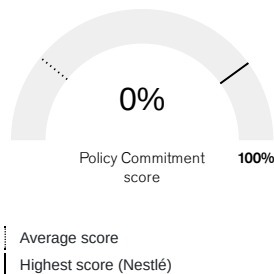


Management System

- In Hero's 2021 annual report the company states that it has controls and processes in place to ensure high quality products, however none of the relevant food safety and quality certifications assessed were found explicitly listed, such as ISO 9001, FSSC22000, HACCP, BRC, and IFS.
- ATNI was unable to identify documentation about any management systems the company has in place to implement any policy it may have in relation to BMS marketing, therefore the company did not score in this aspect.
- To score in this area, Hero would need to develop clear guidance for its employees and contractual third-parties on the responsible marketing of BMS as outlined in the company's related policy(ies). The company should also have effective systems in place to monitor and manage incidences of non-compliance with the company BMS marketing policy(ies). The company should also clearly assign executive responsibilities and oversight to ensure the effective implementation of its BMS marketing policy.

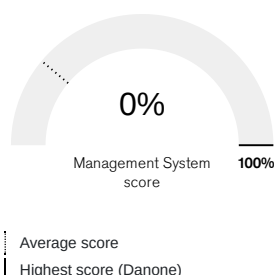
10. Lobbying and Influence

This topic consists of policy commitment indicators and management system indicators. Each set of indicators contributes an equal weight of 50% each to the topic score.



Policy Commitment

- ATNI did not find any publicly available information with regard to any commitments or objectives the company has in relation to engagement with policymakers on BMS marketing. The company therefore did not score on this topic.
- To score in this area, Hero is encouraged to develop a policy setting out under what circumstances and how it will lobby and engage with governments and policymakers on issues relating to the Code and BMS marketing. The company should also commit to not undermining existing public policy frameworks, the work of WHO or similar agencies, and Government efforts to develop regulations to implement the Code in full. In addition, the company should review the positions of all trade associations and industry policy groups it belongs to and assess the extent to which they align with the company's own policy positions.

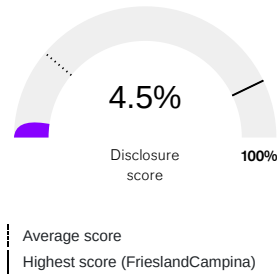


Management System

- ATNI was unable to identify documentation about any management systems the company has in place to implement any policy it may have in relation to engaging with stakeholders on BMS marketing.
- To score in this area, Hero would need to clearly assign executive responsibilities and oversight to ensure the effective implementation of its policy on engaging with stakeholders on BMS marketing and the Code, as well as develop clear systems and control mechanisms such as reporting and internal audits.

11. Disclosure

This topic consists of disclosure indicators only.



Disclosure

- As ATNI was not able to identify any information in the public domain relating to Hero's policy, management systems, lobbying activities or its accountability mechanisms related to BMS marketing, the company did not score on this topic, except partially for the indicator assessing the disclosure of a list of trade associations and industry members that the company is a member of. ATNI found evidence in the company's 2022 annual report, where the company provided a list of membership associations, however, it was unclear whether this list is exhaustive and whether these relate to BMS.
- In addition to developing and having a comprehensive company policy dedicated to the responsible marketing of breast-milk substitutes, if the company does not already have one, Hero is encouraged to have its commitments available and easily accessible in the public domain.

Footnotes

1. BMS stands for breast-milk substitutes which include any milks (or products that could be used to replace milk, such as fortified soya milk alternatives), in either liquid or powdered form, that are specifically marketed for feeding infants and young children up to the age of three years. These include: - Infant formula (IF) - Follow-up formula (FUF) - Growing-up milk (GUM) It is important to note that the Code never made exceptions to formulas for special medical purposes therefore these products are also included within the scope of ATNI's studies. Bottles and teats however are not included in ATNI's assessments as these products generally would not be manufactured by food and beverage companies.
2. 83% of Hero's global baby food sales are derived from complementary foods.
3. The Corporate Profile score contributes to 100% of Company's BMS Marketing Index score.
4. This is the company's average score on the 11 topics.
5. Euromonitor retail sales estimates (2021 data) were used to calculate the proportion of companies' global product sales covered per product type. It is important to note however that the underlying data used for the calculations may not be fully representative of the company's markets. Euromonitor International intelligence is used under license. Although Euromonitor aims to correct inaccuracies of which it is aware, it does not warrant that the data 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 content will vary depending on the availability and quality of sources on which each part is based.
6. Product weighting: 45%
7. Product weighting: 35%
8. Product weighting: 20%