CF Index 2024

Headquarters Viet Nam

Type of ownership Public

Estimated percentage of Vinamilk's global F&B sales from CF \bullet ¹ 4%

Estimated percentage of Vinamilk's global baby food sales from CF ①² 33%

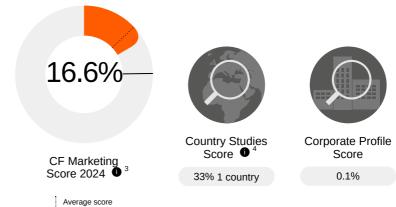
Countries covered in country studies Viet Nam

Company also assessed in:



BMS Index 2024

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Highest score

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.



CF COUNTRY STUDIES



The Country Studies component of the BMS and CF Marketing Indexes 2024 evaluates the extent to which a company's marketing practices align with specific provisions of the WHO Code (not against local Code-related regulations). The main marketing channels assessed in the Country Studies for the BMS and CF Marketing Indexes 2024 are online points-of-sale, traditional and online media outlets, and product labels which were all assessed according to the NetCode protocol. Vinamilk only sells CF products in one (Viet Nam) of the five countries selected for the assessment which represents 100% of Vinamilk's estimated global CF sales. The Country Studies results for Vinamilk are summarized below for Viet Nam across each marketing channel.

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Country Studies overview

Vinamilk	Country assessments			CF market 0 ⁵	
	Total incidences of non- compliance across online, traditional media, and product labels 1 ⁶	Number of product labels assessed 17	Company brands found	CF market share	Proportion of Vinamilk's global CF sales
CHINA	N/A	N/A	N/A	N/A	N/A
GERMANY	N/A	N/A	N/A	N/A	N/A
INDONESIA	N/A	N/A	N/A	N/A	N/A
US	N/A	N/A	N/A	N/A	N/A
VIET NAM	11	5	Optimum Gold, Ridelac	37%	100%

Code compliance level

Complete (0 incidences of Code noncompliance corresponding to a country score of 100%) High (>0-10 incidences of Code noncompliance corresponding to a country score of 66%)

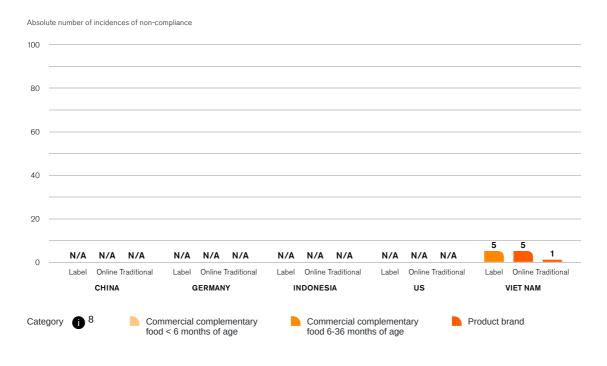
Medium (>10-20 incidences of Code non-compliance corresponding to a country score of 33%)

Low (> 20 incidences of Code noncompliance corresponding to a country score of 0%)

• Viet Nam accounts for all the CF sales from Vinamilk. The company's CF sales account for a high share of the total Vietnamese CF market with approximately 37%. A total of 11 incidences of non-compliant marketing practices for Vinamilk CF products were found, which included five non-compliant advertisements or promotions on online media channels, one non-compliant TV advertisement and all the five product labels assessed contained at least one incidence of non-compliance.



Observed incidences of non-compliance with the Code per country



Main in-country findings

The total number of incidences of non-compliant marketing practices for Vinamilk that were found in Viet Nam was 11.

For the Viet Nam market, five incidences of non-compliance were observed from inappropriate product labels and through the social listening of online platforms. On traditional media, only one incidence of non-compliance was found during the research period.

Although no commercial complementary foods explicitly intended for infants below six months of age were found for Vinamilk in this assessment, the five online media observations as well as the one traditional media observation in Viet Nam were from CF products that had no clear age range specified. All the label products assessed were found to include a clear age of introduction of the CF product.

Online findings

• The total incidences of non-compliance found online (5), were all found on the company's local social media platforms (Facebook and Youtube). No point-of-sale promotions were found on online retailers of Vinamilk's CF products in Viet Nam in the eight-week period the selected channels were monitored.

• Across the country assessment where online adverts of Vinamilk's CF products were found, an average of three incidences of non-compliance were identified with each observation. All the adverts were missing the statement on the importance of exclusive breastfeeding in the first six months of life and continued breastfeeding for up to two years or beyond. Also, all products found promoted online did not include a clear recommended age of introduction. Other incidences of non-compliance found in the advertisements included providing education on infant and young child feedings or incentives for product purchase such as gifts. All the online advertisements found included a health claim (five out of five), followed by nutrition claims (four out of five) and marketing claims (three out of five).

Traditional media findings

• During the research period, one CF television advertisement from Vinamilk was found in Viet Nam for which at least seven incidences of non-compliance were observed. The advertisement did not include a statement on the importance of exclusive breastfeeding in the first six months of life and continued breastfeeding for up to two years or beyond, nor the recommended age of introduction. The advert also included an image of a baby which might suggest the use for infants under the age of six months and text that could undermine breastfeeding. In addition, the product was presented by an expert in a research center, while an endorsement by a health professional is clearly against the Code and recommendation 4 of WHA 69.9 guidance. It contained a health claim, a nutrition claim, and a marketing claim.

CF product label

• The number of Vinamilk CF product labels assessed were five.

• For each of Vinamilk product labels assessed, at least one incident of Code non-compliance was observed. The average number of incidences of noncompliance per product label was three in the Viet Nam market.

• Also, only one of the product labels assessed did not clearly indicate the recommended introduction age, and only one contained text, image or other element that undermines or discourages appropriate complementary feeding. • The assessment found that all Vinamilk's product labels contained at least one type of claim: five out of five labels contained nutritional and health claims while four out of the five labels contained marketing claims.

• It is worth noting that ATNI did not have the resources to collect products from the different markets and take pictures of its labels. For this assessment, ATNI used product label images from an external provider. For some products, images were not clear enough or did not show all parts of the package, in these cases ATNI asked the respective companies to provide images of the labels. Vinamilk did not respond to ATNI during the verification phase, and no images of product labels were provided, as requested by ATNI. Therefore, incomplete assessment remained for three products in Viet Nam. Since at least one incidence of noncompliance was identified from the existing images, these labels were counted as a non-compliant observations.

Recommendations

· Given the incidences of non-compliant marketing practices for CF products observed, Vinamilk is encouraged to consider the gaps identified to improve its CF marketing practices in Viet Nam such that they fully align with requirements of the Code. The WHA 69.9 supported guidance includes recommendations around which messages should be present on CF labels to support optimal infant and young child feeding, and which are inappropriate and could undermine recommended practices. Vinamilk should incorporate these recommendations in their policies and practices and apply them to their CF products, as none of the CF products in this assessment fully met these requirements. Examples of aspects that the company can improve across all platforms include restricting the use of all types of claims as defined by WHO Europe's Nutrient and Promotion Profile Model for all forms of CF marketing.

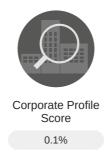
• None of the online adverts of CF by Vinamilk that were assessed in Vietnam included a statement on the importance of exclusive breastfeeding in the first six months of life and continued breastfeeding for up to two years or beyond, which is a Code requirement as per recommendation 4 of the guidance on inappropriate promotion of foods for infants and young children supported by WHA resolution 69.9. ATNI encourages Vinamilk to fully align with the Code for all CF products, and to ensure that this statement is also included across all forms of marketing on online and traditional media platforms.

• From the online assessment, no point-of-sale promotions were found on online retailers in the eightweek period the channels were monitored. However, from the online media assessment, incidences of noncompliance were found. Vinamilk is strongly encouraged to take responsibility for monitoring its marketing practices beyond local regulations, according to the principles and the aim of the Code and subsequent relevant resolutions, and to take steps to ensure this includes online media channels. The company should also refrain from including information and educational material as well as gifts to caregivers.

• ATNI is calling on Vinamilk to review all incidences of non-compliance identified across all marketing channels, which were shared in detail with the company, and to take corrective action in each of the markets.



CF CORPORATE PROFILE

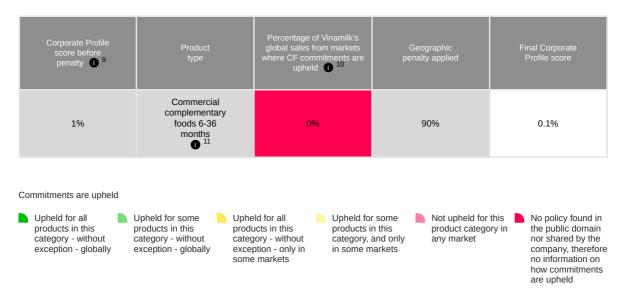


The Corporate Profile component of the BMS and CF Marketing Indexes 2024 evaluates the extent to which a company's policies align with various provisions of the Code, the effectiveness of its related management systems as well as the company's level of disclosure on commitments relating to CF marketing. Vinamilk's CF marketing commitments were assessed across nine topics that cover different aspects of the Code yielding an average score that is equivalent to the company's initial overall Corporate Profile score before a geographic penalty (if applicable) is applied. However, the assessment on one of the indicators in the first topic on "Guiding Principles of Infant and Young Child Feeding" determines whether a company receives the full initial overall Corporate Profile score or only half of it. A company that is found to market CF for infants under six months of age only gets half of the initial overall Corporate Profile score. As described in the findings on the topic "Guiding Principles of Infant and Young Child Feeding" below, Vinamilk was found to market CF products for infants under six months of age, therefore its initial overall Corporate Profile score was halved from 2% to 1%. The final Corporate Profile score considers how the company's marketing commitments are applied across different markets for CF products intended for older infants and young children between six months and up to three years of age (CF 6-36 months). The next section 'Geographic application of CF commitments by product type' shows how the company's application of commitments for CF 6-36 months was evaluated. The scores and findings on each topic are described in further detail in the section below on 'CF Commitments by Topic'.

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Geographic application by Vinamilk of CF commitments by product type

The percentage of product sales where commitments are upheld, and the geographic penalty applied to CF products intended for older infants and young children aged six months up to three years. The penalty ranges from 0% up to 90% depending on whether a company fully upholds its CF 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.



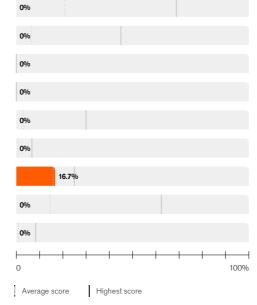
Commercial Complementary Foods

• No information was found in the public domain nor shared by the company describing if and where (in what markets) marketing commitments are upheld for CF 6-36 products. Therefore, the corresponding geographic penalty is the maximum of 90% and the final Corporate Profile score is 0,09%. • ATNI calls on Vinamilk to consider the expanded definition of the Code, following the World Health Assembly resolution 69.9 recommendations that cover and address the responsible marketing of commercially produced complementary foods intended for older infants and young children aged 6–36 months.



Topics Overview

- 1. Guiding Principles
- 2. Product Formulation
- 3. Marketing Messages
- 4. Avoidance of cross-promotion
- 5. Conflict of Interest
- 6. Donations
- 7. Implementation and Monitoring
- 8. Lobbying and Influence
- 9. Disclosure



These represent the initial overall scores before applying the penalty.

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CF commitments by topic

Most topics include both policy commitments and management systems except for 'Guiding principles of infant and young child feeding' which only considers policy commitments, 'Implementation and Monitoring' which only considers management systems, and 'Disclosure' which only considers the level of disclosure of identified commitments. 'Lobbying and Policy Influence' is the only topic that includes policy commitments, management systems and disclosure.

1. Guiding Principles

This topic consists of policy commitment indicators only.



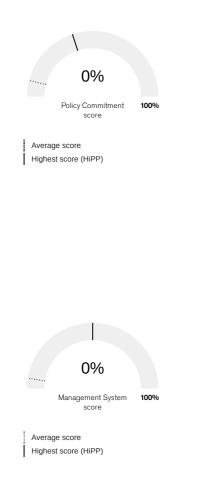
Policy Commitment

- ATNI did not find a policy, nor any other documents published by Vinamilk that cover the marketing of complementary foods and drinks for older infants and young children between six months and three years of age. In addition, the company was not found to commit to refrain from marketing CF products for infants under six months of age, therefore it only gets half of the initial overall Corporate Profile score, as described in the section above.
- 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, or 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. Vinamilk is urged to adopt WHO guidance relating to complementary feeding and uphold globally recognized public health guidelines, with a key requirement being to no longer produce and sell commercial complementary foods for infants aged under six months.

2. Product Formulation

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.





• Vinamilk did not score on this topic since no explicit commitments were found nor shared by the company on the formulation of complementary foods for older infants and young children aged 6-36 months. No information was found indicating if the company adheres to any relevant Codex standards and guidelines at a minimum, nor if it follows any national, regional, and global standards for composition, safety, quality, and nutrient levels.

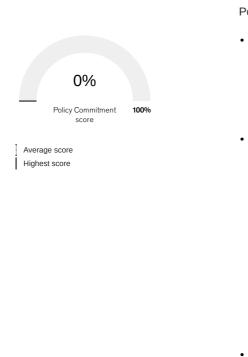
 Vinamilk is encouraged to explicitly state which specific Codex standards and guidelines and other national, regional, and global standards it follows at a minimum for clear reference, and to ensure that the listed standards and guidelines are regularly revised so that the most updated versions are adhered to.

Management System

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

3. Marketing Messages

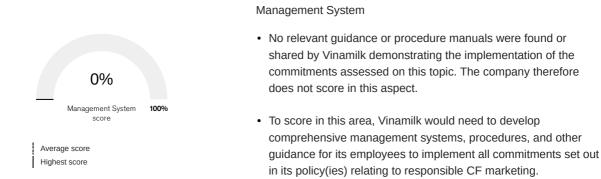
This topic consists of policy commitment indicators and management system indicators. Each set of indicators contributes an equal weight of 50% each to the topic score.



Policy Commitment

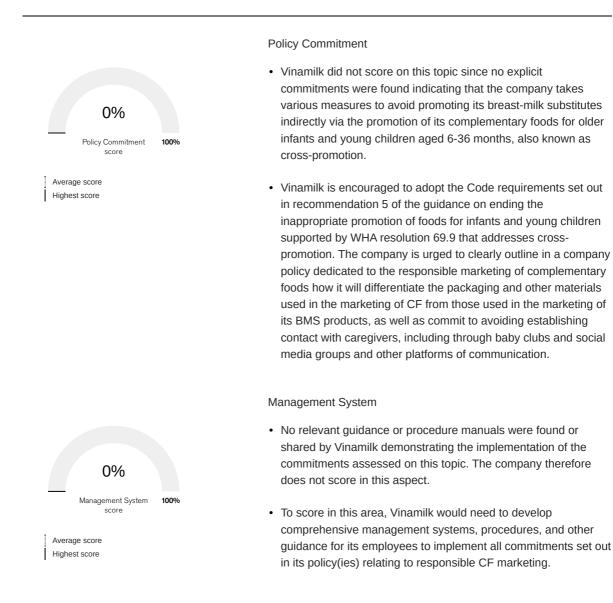
- ATNI found in Vinamilk's Sustainability report 2022, a section on labelling and responsible marketing where the company stated general labeling guidelines followed on packaging. Since this report does not address any of the points of this indicator, Vinamilk did not score on this topic.
- Vinamlik did not score on this topic since no explicit commitments were found to ensure that messages on all packaging and marketing/promotional materials of its complementary foods for older infants and young children aged 6-36 months align with the Code requirements of what should and should not be stated as per recommendation 4 of the guidance on ending the inappropriate promotion of foods for infants and young children supported by WHA resolution 69.9. The findings from the country assessments show that Vinamilk's messages across all forms of marketing assessed did not fully align with the requirements of recommendation 4 of the WHA 69.9 guidance.
- Vinamilk is encouraged to adopt these Code requirements in full for all CF marketing materials and clearly outline them in a company policy dedicated to the responsible marketing of complementary foods.

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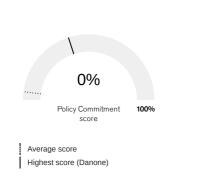
4. Avoidance of cross-promotion

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.



5. Conflict of Interest

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 found in Vinamilk's Sustainability report 2022, that the company mentioned giving gifts for children and nutritional products to patients through the healthcare system. This is directly against the health facilities commitments in the Code and relevant guidance. Therefore, Vinamilk did not score on this topic and since no explicit commitments were found to avoid conflicts of interest throughout the healthcare system in line with the Code, specifically recommendation 6 of the guidance on ending the inappropriate promotion of foods for infants and young children supported by WHA resolution 69.9.
- To comply with the Code, Vinamilk would need to commit to not using health facilities to host events of any kind nor to give out gifts or any other offering to caregivers of infants and young children, and to not educating caregivers on infant and young child feeding. Although the company commits to only providing scientific and factual information to health workers on breast-milk substitutes, no similar commitment was found regarding complementary foods for older infants and young children aged 6-36 months. In addition, based on Vinamilk's 2019 Code of Interaction with Healthcare Professionals the company was found to provide contributions to health workers and sponsor meetings of health professionals and scientific meetings, which it should not do according to the Code.
- Vinamilk is encouraged to adopt recommendation 6 of the guidance supported by WHA resolution 69.9, and clearly outline in a company policy dedicated to the responsible marketing of complementary foods how it will avoid conflicts of interest with healthcare workers and in healthcare facilities in line with these Code requirements.

Management System

- No relevant guidance or procedure manuals were found or shared by Vinamilk demonstrating the implementation of the commitments assessed on this topic. The company therefore does not score in this aspect.
- To score in this area, Vinamilk 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 CF marketing.

6. Donations

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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



Average score Highest score (Danone)

- Compared to the last assessment in 2021, commitments on donations of CF are now assessed in a separate topic and across several indicators, to ensure a more accurate assessment of the specific requirements relating to CF donations.
- ATNI found on Vinamilk's Sustainability report 2022 and Vinamilk's annual report 2021, different examples regarding the company's donations to healthcare facilities, workers, and patients, including donations of nutritional products including formula. This is directly against donations commitments in the Code and relevant guidance.
- Therefore, Vinamilk did not score on this topic since no explicit commitments were found to indicate that:

 the company does not donate nor provide samples of complementary foods for older infants and young children aged 6-36 months to caregivers and children through health workers or health facilities

- the company does not donate or distribute any equipment, materials (including educational materials), or services to any part of the health care system

- the company does not donate CF 6-36 products in humanitarian settings, unless officially requested by a competent government authority of the country affected by the emergency or by the designated emergency response coordinating body acting on behalf of the government

- the company does not use donations of CF 6-36 products to children who require them in social welfare institutions as a sales inducement, nor distributes them for use outside these institutions

 Vinamilk is encouraged to clearly outline in a company policy dedicated to the responsible marketing of complementary foods how it will donate complementary foods for older infants and young children aged 6-36 months in various settings, and ensure that it follows recommendation 6 of the guidance supported by WHA resolution 69.9, as well as the requirements outlined in WHA resolutions 47.5 and 63.23 pertaining to donations, and the Operational Guidance for Infant and Young Child Feeding in Emergencies.

Management System

- No relevant guidance or procedure manuals were found or shared by Vinamilk demonstrating the implementation of the commitments assessed on this topic. The company therefore does not score in this aspect.
- To score in this area, Vinamilk 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 CF marketing.



7. Implementation and Monitoring

This topic consists of management system indicators only.



Management System

- In Vinamilk's Sustainability report 2022, the company states that its company's quality system is established and managed by relevant food safety and quality management systems such as FSSC 22000, ISO 14001, ISO 17025, ISO 45001, ISO 50001, ISO 27001, among others. Therefore, the company scored on this topic indicator.
- Vinamilk, however, did not fully score on this topic since the remaining indicators were not found to be fully aligned with the Code. For Vinamilk to fully score on this area, the company would need to develop clear guidance for its employees and contractual third-parties on the responsible marketing of CF as outlined in the company's related policy(ies). The company should also have effective systems in place to monitor responsible CF marketing practices. The company should also clearly assign executive responsibilities and oversight to ensure the effective implementation of its CF marketing policy.

8. Lobbying and Influence

This topic consists of policy commitment indicators, management system indicators, and disclosure indicators. Each set of indicators contributes an equal weight of 33.3% each to the topic score.



Policy Commitment

- ATNI found in Vinamilk's 2021 Sustainable Development Report where it is stated that the company engages in lobbying with local governments, however, it is unclear if this engagement includes CF issues. Therefore, the company did not score on this topic since no public policy regarding lobbying and policy influence was found.
- Similar to other companies, Vinamilk did not show commitments to support and not undermine existing public policy frameworks, the work of WHO or similar agencies, and Government efforts to develop regulations to implement the Code in full. No commitments were found, neither showing that the company commits to periodically review the positions of trade association groups to which it belongs nor the extent to which their positions align with the company's own. Vinamilk also did not show commitments that it will put in place controls over all lobbyists (in-house and intermediary, paid or unpaid) to ensure that they understand and adhere to organizational policies.
- In addition, 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 CF marketing and the Code. The company therefore did not score on this topic.



Management System



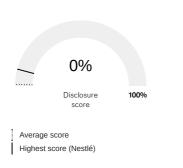
ATNI was unable to identify documentation about any management systems the company has in place to implement any policy it may have in relation to engaging with stakeholders on CF marketing and the Code.

Disclosure

 To score in this area, Vinamilk 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 CF 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. It would need to clearly assign executive responsibilities and oversight to ensure the effective implementation of its policy on engaging with stakeholders on CF marketing and the Code, as well as develop clear systems and control mechanisms such as reporting and internal audits.

9. Disclosure

This topic consists of disclosure indicators only.



Disclosure

- Vinamilk did not score on this topic mainly due to the company's lack of commitments, specifically in relation to the marketing of complementary foods for older infants and young children aged 6-36 months.
- In addition to developing and having a comprehensive company policy dedicated to the responsible marketing of complementary foods, Vinamilk is encouraged to have its commitments available and easily accessible in the public domain.



Footnotes

- 1. CF refers to commercial complementary foods. These include baby porridge and cereals, dairy/fruit/vegetable-based baby purées, savory meals, and snack foods, as well as baby teas, juices, and water for infants and you ng children aged 6-36 months. CF products marketed to infants aged under six months are considered unwant ed breast-milk substitutes, as these products interfere with exclusive breastfeeding in the first six months. How ever, ATNI assesses these products in the CF Marketing Index rather than the BMS Marketing Index, to empha size that CF products are intended for older infants and young children aged 6-36 months and should not be int roduced to infants aged under six months who should be exclusively breastfed.
- 2. 67% of Vinamilk's global baby food sales are derived from breast-milk substitutes.
- 3. The Country Study score and Corporate Profile score each contribute to 50% of Vinamilk's BMS Marketing Ind ex score.
- 4. This represents the score of one country assessment: Viet Nam.
- 5. Based on 2021 Euromonitor retail sales estimates.
- 6. Incidences of non-compliance include non-compliant labels and non-compliant observations from online and tr aditional media.
- 7. Where companies engaged, these numbers should represent the number of products confirmed to be markete d in these countries as communicated by the companies to ATNI. It is possible however that the number of pro ducts and brands assessed are not representative of each of the assessed markets, due to limitations in data c ollection and limited company engagement.
- Commercial complementary food intended for infants under six months of age (CF < 6). Commercial comple mentary food intended for older infants and young children between six months and three years of age (CF 6-3 6 months). - Product brand relates to observations where no age is specified on a product or no specific produc t is promoted, but the observation is associated with a CF brand.
- 9. This is the company's average score on the 9 topics.
- 10. Euromonitor retail sales estimates (2021 data) were used to calculate the proportion of companies' global prod uct sales covered per product type. It is important to note however that the underlying data used for the calcula tions may not be fully representative of the company's markets. Euromonitor International intelligence is used u nder license. Although Euromonitor aims to correct inaccuracies of which it is aware, it does not warrant that th e data will be accurate, up-to-date or complete as the accuracy and completeness of the data and other conten t available in respect of different parts of the content will vary depending on the availability and quality of sourc es on which each part is based.
- 11. The Code recommends the introduction of CF products no earlier than six months of age to protect exclusive b reastfeeding in this period. Since CF < 6 products should not be available on the market, they were counted as observations of non-compliance and not assessed on any further indicators that evaluate appropriate marketin g practices. Therefore, the assessment across the 9 topics solely concerns the responsible marketing of CF 6-36 products.

