

Danone

Headquarters
France

Type of ownership
Public

Estimated percentage of Danone's global F&B sales from BMS ⓘ¹
19%

Estimated percentage of Danone's global baby food sales from BMS ⓘ²
85%

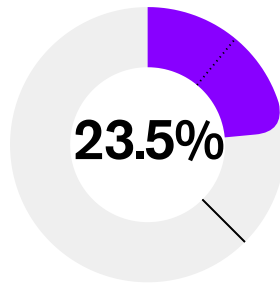
Countries covered in country studies
China/Germany/Indonesia/US

Company also assessed in:



CF Index 2024

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BMS Marketing Score 2024 ⓘ³

— Average score
| Highest score



Country Studies Score ⓘ⁴

8.3% 4 countries



Corporate Profile Score

38.8%

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 Studies
Score

8.3% 4 countries

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. Danone sells BMS products in four (China, Germany, Indonesia, and the US) of the five countries selected for the assessment, which together represent around 56% of Danone's estimated global BMS sales. A total of 71 BMS product labels were assessed from various Danone brands. The Country Studies results for Danone are summarized below for each country and across each marketing channel.

<https://new-140rlzsq.accesstonutrition.org/app/uploads/2024/03/Assessment-methods-and-scoring.pdf>

Country Studies overview

Danone	Country assessments			BMS market ⁵	
	Total incidences of non-compliance across online, traditional media, and product labels ⁶	Number of product labels assessed ⁷	Company brands found	BMS market share	Proportion of Danone's global BMS sales
CHINA	51	12	Aptamil, Neocate	11%	42%
GERMANY	80	35	Alpro, Aptamil, Milumil	25%	1.5%
INDONESIA	148	20	Bebelac, Bebelove, Nutrilon Royal, SGM	35%	11%
US	11	4	Aptamil, Nutricia	1%	1%
VIET NAM	N/A	N/A	N/A	N/A	N/A

Code compliance level

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

▪ A total of 290 incidences of non-compliant marketing practices for BMS products were found for Danone. Non-compliant marketing practices were found across online and traditional media channels assessed in the four countries. A total of 71 BMS product labels were assessed from various Danone brands.

▪ In China, where Danone's BMS sales account for approximately 11% of the total Chinese BMS market and approximately 42% of the company's global BMS sales, 51 incidences of non-compliance were found, of which 39 were within online media channels. All 12 product labels assessed contained one or more instances of non-compliance.

▪ The highest number of incidences of non-compliance were found (148) in Indonesia, where Danone has a relatively high share of the Indonesian BMS market (~35%) and which represents approximately 11% of the company's total global BMS sales. Of these observations, a total of 75 advertisements and promotions related to BMS

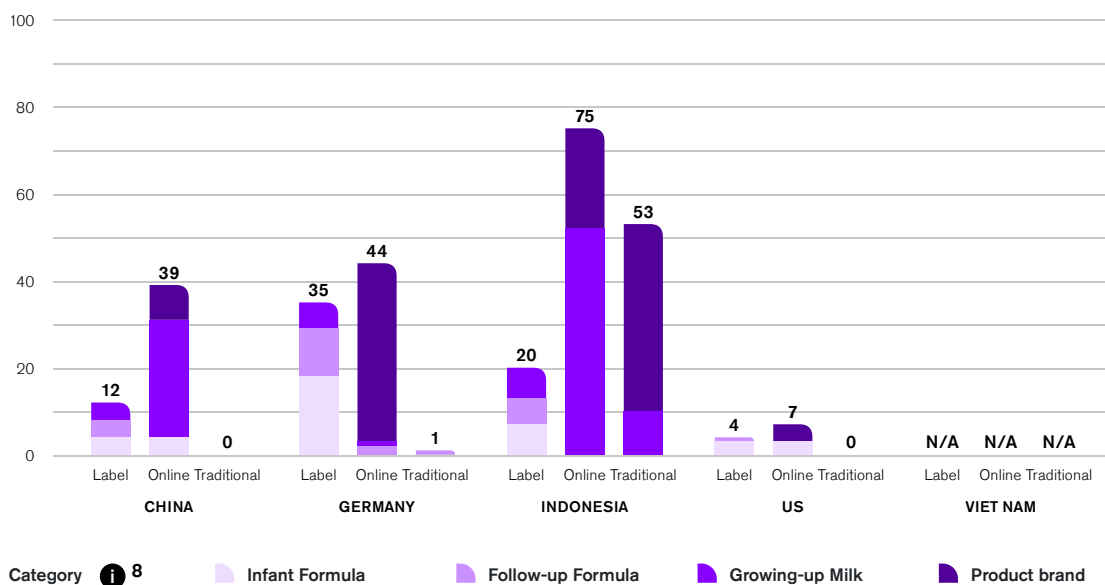
brands were found online during the research period, and 53 advertisements were found on traditional media channels in Indonesia. All 20 product labels assessed contained one or more instances of non-compliance.

▪ A relatively large number of non-compliances were found in Germany (80), for which Danone's BMS sales account for a quarter of the total BMS market but represents only 1.5% of the company's global BMS sales. Forty-four advertisements and promotions related to BMS brands were found online during the research period; all 35 product labels assessed contained one or more instances of non-compliance.

▪ A significantly lower number of incidences of non-compliance (11) were found for Danone in the US, which is not a major market for the company nor is it a major player: seven advertisements and promotions related to BMS brands were found online during the research period, and all four product labels assessed contained one or more instances of non-compliance.

Observed incidences of non-compliance with the Code per country

Absolute number of incidences of non-compliance



Main in-country findings

Across all country assessments, the majority of incidences of non-compliant marketing practices (165 out of 290) for Danone were identified through the social listening of online platforms. The lowest number of incidences were found in traditional media (54). Each of the 71 BMS product labels assessed from various Danone brands contained one or more instances of non-compliance. The incidences of non-compliance found online and on traditional media were largely concerning growing-up milks or brand promotions, whereas non-compliant labels were most commonly found across infant formula and follow-up milk products.

Online findings

- Most advertisements and promotions related to BMS Danone brands online were found in Indonesia (75), followed by Germany (44) and China (39) with some observations in the US (7).
- Among the total incidences of non-compliance found online (165), only eleven were point-of-sale promotions found on online retail platforms (nine in Indonesia and two in Germany), nine of which were for growing-up milks. Although promotions of Danone BMS products were found on the online retailer websites monitored in China, the company informed ATNI it had no contractual relationship with these retailers, thus the findings were excluded from the analysis.
- The remaining 154 online media observations were found on the company's in-country websites and social media platforms. Across all four countries, an average of two incidences of non-compliance were identified per observation. Apart from advertising BMS – a non-compliance with the Code in itself – other common incidences found with those advertisements included health sponsorships (such as sponsoring events, workshops, and seminars) and incentivizing the purchase

of those products by offering giveaways, gifts, and prizes (especially observed in China and Indonesia), as well as providing education and information about infant and young child nutrition and feeding (as found primarily in Germany). The majority of advertisements also included claims, ranging from 33% of the identified advertisements in Germany containing at least one type of claim to 71% in the US.

Traditional media findings

- In total, 54 BMS advertisements by Danone were identified on traditional media platforms (T.V., radio, and print) in the six-month period these channels were monitored. Of these, all but one advertisements were found on television channels in Indonesia, and one was found in a printed magazine in Germany. Most advertisements found in Indonesia were for brands associated with BMS products (43) and growing-up milk (10). The advertisement found in Germany was for a follow-up milk. Most ads contained at least one claim, except two ads from Indonesia. No advertisements were found for Danone BMS brands on traditional media channels in China or the US.

BMS product label



- A total of 71 of Danone's BMS product labels were assessed across the four markets, 35 of which were in Germany. On average, five incidences of non-compliance were found per product label across all markets (in Germany, the average number was seven per product), while no product labels were found to be fully Code-compliant.
- Around 79% of all the labels were missing a statement on the importance of exclusive breastfeeding in the first six months and continued breastfeeding for up to two years or beyond, which is stipulated in the Code. In addition, all product labels assessed contained at least one claim, with the exception of Germany, where 11 out of the 35 products assessed did not have claims. Other types of non-compliance with the Code include the 'idealization' of the BMS product as well as marketing claims, both of which were observed in Germany and Indonesia. In addition, across all markets, 31 products were missing a statement that the product should be used only on the advice of a

health worker. Most products found in Germany (24 out of 35) and all products in the US were found to have texts or images that may discourage or undermine breastfeeding.

- It is worth noting that ATNI's research was based on product label images from an external data provider. For some products, images were not clear enough or did not show all parts of the package, thus ATNI asked the respective companies to provide images of the labels. Danone provided images of product labels (as requested by ATNI) to help complete the assessments. The company indicated that three of the products with missing images were delisted. However, the product was found and promoted in China, therefore the products were kept for assessment. Since at least one incidence of non-compliance was identified from the existing images, it was assumed that these products would also be non-compliant, and as such these labels were counted as non-compliant observations.

Recommendations

- Given the substantial number of incidences of non-compliant marketing practices observed across the four markets assessed, Danone is strongly encouraged to strengthen its responsible BMS marketing policies and ensure their full alignment with the recommendations of the Code and all subsequent relevant resolutions, including the guidance supported by WHA resolution 69.9. ATNI has developed a model company policy on the responsible marketing of BMS which can guide the company on how to incorporate Code provisions and align with the latest public health requirements in practice.
- Danone is urged to restrict the advertising and promotion of all types of BMS products and brands on all forms of media platforms globally. The company should also refrain from including health sponsorships (such as sponsoring events, workshops, and seminars) and incentivizing the purchase of those products by offering giveaways, gifts, and prizes.
- Danone 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.
- Danone is encouraged to engage with its industry associations, retailers and/or regulators to ensure that there are no promotions of BMS products in the retail environment, and see that products are appropriately

marketed in line with the Code.

- Given that each of the labels that assessed across all four countries were found to be non-compliant with the Code requirements in at least one aspect, Danone is encouraged to focus on improving labeling practices across all markets to ensure full compliance with the Code and all subsequent relevant resolutions, including the guidance supported by WHA resolution 69.9. This includes ensuring that product labels clearly indicate the appropriate age range for consumption, instructions for powder formula preparation, and statements promoting the importance of exclusive breastfeeding for the first six months and continued breastfeeding up to two years or beyond, and that labels do not include health or nutrition claims, except if specifically provided for in national legislation.
- Clear evidence was found of Danone applying point-of-sale promotions for growing-up milks and promoting these on online platforms, which is contrary to the requirements of the Code, specifically the guidance supported by WHA resolution 69.9 that extended the scope of the Code to growing-up milks. Therefore, ATNI urges Danone to ensure its commitments are extended to include growing-up milks in all markets.
- ATNI calls on Danone to review all incidences of non-compliance identified across all marketing channels, which have been shared in detail with the company, and to take corrective action in each of the markets.

BMS Corporate Profile



Corporate Profile
Score

38.8%

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 and whether it has related management systems in place to ensure its implementation, as well as the company's level of disclosure on commitments relating to BMS marketing. Danone's BMS marketing commitments were assessed across eleven topics covering different aspects of the Code, for which the company scored an average of 56%. 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 to the different BMS product types sold by the company, and across different markets. As Danone 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 Danone 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 ^{i 9}	Product type	Percentage of Danone's global sales from markets where BMS commitments are upheld ^{i 10}	Geographic penalty applied	Final Corporate Profile score
56.3%	Infant formula ^{i 11}	92%	7.2%	38.8%
	Follow-up formula ^{i 12}	69%	27.9%	
	Growing-up milk ^{i 13}	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

ATNI referred to Danone's 'Danone Policy for the Marketing of Breast-Milk Substitutes' (2018) to assess how the company's BMS marketing commitments are upheld for each product type and in which markets. Euromonitor retail sales estimates were used to calculate the proportion of Danone's global product sales covered per BMS product type.

Infant formula

The company upholds its commitments for infant formula globally, even where local Code regulations are absent or weaker than the company policy.

Danone continues, however, to exclude these commitments from infant formulas for special medical purposes. Thus, commitments for infant formula products are upheld globally, but this only represents 92% of the company's global infant formula sales due to the exclusion of some types of infant formula which are for special medical purposes. The corresponding geographic penalty for this product type is 7%.

The Code does not distinguish between the different types of infant formula, therefore its provisions apply to all product types. To further improve the scope of the company's policy, ATNI encourages Danone to cover all infant formula, without exception, including formulas for special medical purposes.

Follow-up formula

The company only upholds its commitments for this product type in 'higher-risk countries', even if local Code regulations are absent or weaker than the company policy

in those countries.

Danone also excludes these commitments from follow-up formulas for special medical purposes. Thus, commitments for follow-up formula products are only upheld in 'higher-risk markets', and for products that are not for special medical purposes, which together represent 69% of the company's global follow-up formula sales. The corresponding geographic penalty for this product type is 28%.

To further improve the scope of the company's policy, ATNI encourages Danone to extend its marketing policy to cover all follow-up formula, without exception, including formulas for special medical purposes, and in all markets.

Growing-up milk

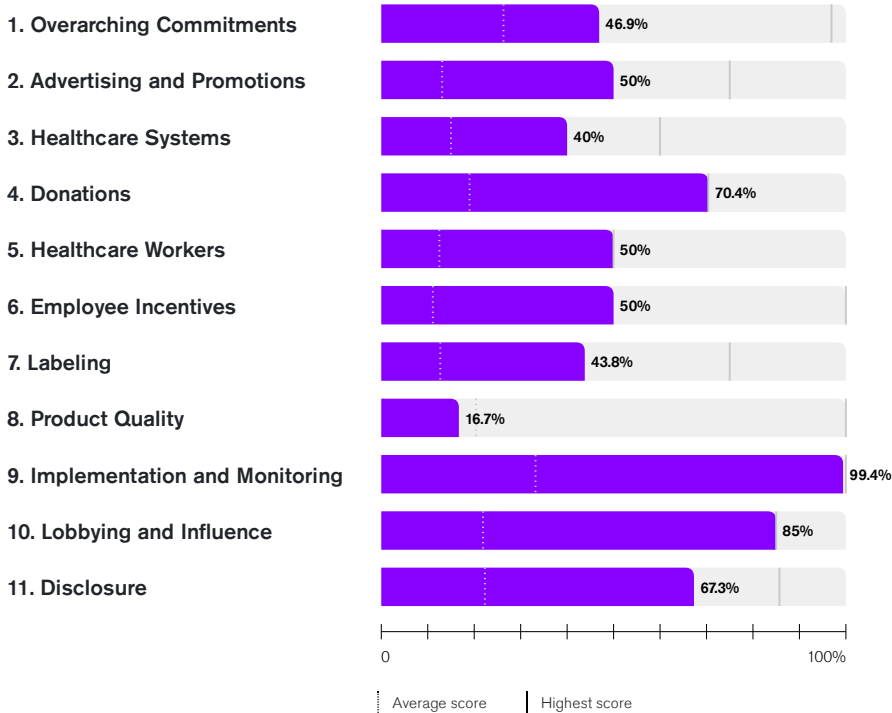
The company does not apply its BMS marketing commitments to growing-up milks. Consequently, the majority of the observed incidences of non-compliance the country assessments were attributed to growing-up milk products.

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

To further improve the scope of the company's policy, ATNI encourages Danone to uphold its BMS commitments to the marketing all growing-up milks, including formulas for special medical purposes, in all markets, irrespective of the product scope of local Code legislation.

Based on the company's application of its BMS commitments to the different BMS product categories across its global markets, the final Corporate Profile score is 39%.

Topics Overview



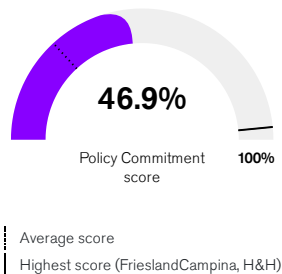
These represent the initial overall scores before applying the penalty.

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.

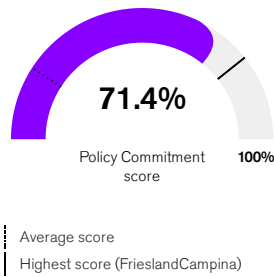


Policy Commitment

- Danone's overarching commitments to the Code had not changed since the 2021 assessment. The company continues to clearly state its support for exclusive breastfeeding in the first six months and continued breastfeeding to two years and beyond, as well as for the introduction of appropriate complementary foods from the age of six months.
- Although compared to the other companies assessed Danone's overarching commitments are relatively well-aligned with the principles of the Code, the company still does not fully acknowledge the specifications to the Code provided by the World Health Assembly (WHA) in resolution 69.9 and the accompanying guidance on ending the inappropriate promotion of foods for infants and young children. WHA resolution 71.9, which calls for continued implementation of the recommendations of this guidance has not been acknowledged by the company either.
- Danone did not receive a full score on the new indicator that assesses whether companies apply their BMS marketing commitments to all types of formula, including formulas for special medical purposes.

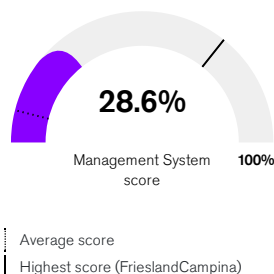
2. Advertising and Promotions

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

- Danone's policy commitments relating to advertising and the promotion of BMS, which are relatively well-aligned with the requirements of the Code, are the same as the 2021 assessment.
- Compared to the last assessment in 2021, several of the indicators in this topic have been adapted to capture companies' explicit commitments in digital environments too, such as advertising on social media and point-of-sale promotions on online retail stores, as well as establishing contact with caregivers through baby clubs and social media groups – all actions that are not compliant with the Code.
- Danone is one of only four companies found to make the explicit commitments extending its Code-aligned commitments to digital environments, such as advertising on social media and point-of-sale promotions on online retail stores. The only exception is regarding establishing contact with caregivers through service platforms the company confirmed that, if caregivers were to request the company to provide education and information, it would engage with them, and therefore the commitment is not met in full.
- Indicators were also revised to ensure accurate and complete inclusion of all recommendations of the guidance on ending the inappropriate promotion of foods for infants and young children supported by WHA resolution 69.9, for example by adding indicators to address cross-promotion of BMS products and educating caregivers on infant and young child feeding, both of which BMS companies should not do according to the Code. Danone's policy was found not to fully reflect the latest WHA resolution 69.9 recommendations, such as prohibiting the cross-promotion of BMS products and educating caregivers on infant and young child feeding. However, regarding cross-promotion, ATNI learned that, in 2022, the company developed an internal framework for product packaging differentiation between BMS products, non-BMS products, and other categories. According to Danone, its internal guidelines would be finalized by the end of 2023, but this was not captured within the timeframe of this assessment.
- Danone is encouraged to consider the gaps identified to revise its policy to better align with the requirements of the Code.

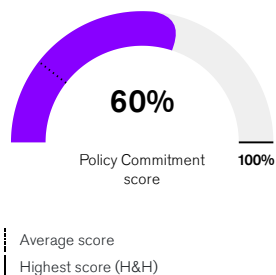


Management System

- Danone shared – under NDA – global staff training materials and some local procedure manuals developed by the company to guide its employees on the responsible marketing of BMS as outlined in the company's related policy(ies). The company does not fully score on management systems as it does not have all Code provisions in place. However, in regard to the commitments found for the company on public advertising and promotion of BMS that are in line with the Code, the guidance provided by the company to follow and apply these commitments is clear, complete and consistent across different markets, thus Danone scores on those elements.

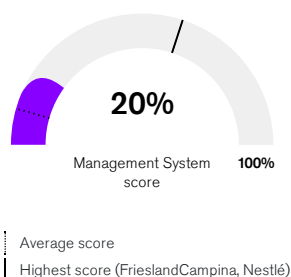
3. Healthcare Systems

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

- Danone’s policy commitments relating to marketing BMS throughout the healthcare system, which are relatively well-aligned with the requirements of the Code, have not changed since the 2021 assessment.
- Compared to the last assessment in 2021, indicators were slightly revised to ensure an accurate assessment of recommendation 6 of the guidance supported by WHA resolution 69.9 to evaluate whether companies have explicit commitments in place not to use health facilities to host events of any kind to avoid conflicts of interest. Similar to the 2021 assessment, and like most of the BMS companies assessed in this Index, Danone did not score on this indicator that capture these Code commitments that specifically relate to WHA resolution 69.9.
- The company also was found not to show commitments indicating that it will not provide or pay for ‘professional service representatives’, ‘mothercraft nurses’ or similar personnel to work in the health care system. The reason is that the company indicated in its BMS marketing policy that it may contract health care professionals for speakers, professional advisors, edits and /or review among others. Therefore, the company does not meet this requirement.
- Another indicator that was revised to ensure accurate assessment is to not give out gifts or any other offering to caregivers of infants and young children. Danone was one of the two companies that scored on this.
- Danone is encouraged to consider the gaps identified to revise its policy to better align with the requirements of the Code.

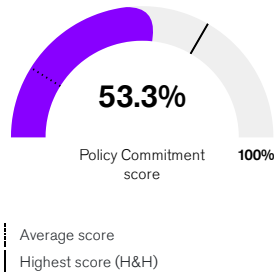


Management System

- Danone shared – under NDA – global staff training materials and some local procedure manuals developed by the company to guide its employees on the responsible marketing of BMS as outlined in the company’s related policy(ies). The company does not fully score on management systems as the documents provided do not mention specifically healthcare facilities except for the provision relating to gift/coupons.
- Danone’s management systems can be improved by providing more concrete examples of what company personnel should or should not do specifically in healthcare facilities.

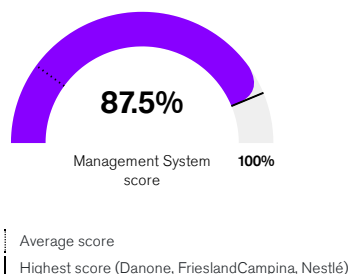
4. Donations

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

- Danone's policy commitments relating to BMS donations within the healthcare system, in humanitarian settings and emergencies, and in social welfare institutions are partially aligned with the requirements of the Code.
- Compared to the last assessment in 2021, commitments on donations of BMS are now assessed in a separate topic and across several indicators, to ensure a more accurate assessment of the specific requirements relating to BMS donations.
- Danone also falls short of meeting the Code requirements on donations by allowing the provision of educational materials and/or practice-related items to healthcare professionals, or providing free or low-cost supplies which is specifically addressed in recommendation 6 of the guidance supported by WHA resolution 69.9 due to the risk of creating a conflict of interest.
- In situations whereby an authority makes an official request for BMS donations, Danone commits that it will not donate products that are expired or close to expiry. However, it does not include an explicit statement that all donated supplies will have a six-month shelf life from the point they are delivered. The company also did not commit to ensure that donated BMS products will not display company branding.
- The company also explicitly commits to not distribute BMS product donations or low-cost supplies for use outside of the social welfare institutions (e.g. food banks and orphanages) where infants and young children require them.
- Danone is encouraged to consider the gaps identified to revise its policy to better align with the requirements of the Code.

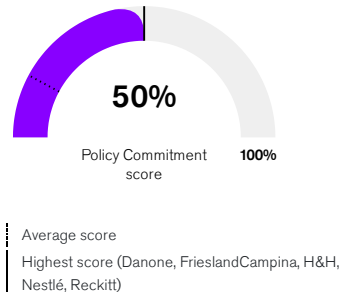


Management System

- The company shared – under NDA – global staff training materials and some local procedure manuals developed by the company to guide its employees on the responsible marketing of BMS, as outlined in the company's related policy(ies). The company does not fully score on management systems since it does not have all Code provisions in place. However, in regard to the commitments met by the company on donations that are in line with the Code, the guidance provided by the company to follow and apply these commitments is clear, complete and consistent across different markets, thus Danone scores on those elements.

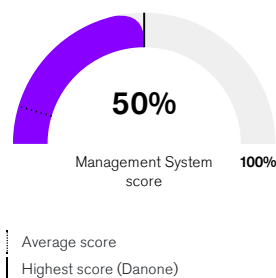
5. Healthcare Workers

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

- Danone's policy commitments relating to marketing BMS to healthcare workers are partially aligned with the requirements of the Code.
- Compared to the last assessment in 2021, a new indicator was introduced for this topic to specifically assess the instructions provided to healthcare workers on the appropriate preparation of powdered formulas and if these are based on WHO/FAO guidelines and Codex Standards as referenced by WHA resolutions 58.32 and 61.20. Danone did not score on this indicator and none of the 18 companies assessed met this requirement.
- Danone, however, is one of only four companies out of the 18 assessed to explicitly state that any material that contains information about formula use that is provided to health workers will include information on the social and financial implications of formula use and the health hazards of inappropriate feeding methods, unnecessary or improper use of BMS, and their inappropriate preparation, as per the requirements of the Code.
- Two other indicators were slightly revised to ensure an accurate assessment of recommendation 6 of the guidance supported by WHA resolution 69.9 to evaluate whether companies have explicit commitments in place not to offer any financial or material inducements (no gifts or incentives of any form or value) to healthcare workers or their families, and not to sponsor any scientific meetings, fellowships, study tours, and research grants for health professionals, to avoid conflicts of interest. Compared to the 2021 assessment, Danone scored lower on these indicators in this assessment. These indicators capture the Code commitments that specifically relate to WHA resolution 69.9.
- Danone is encouraged to consider the gaps identified to revise its policy to better align with the requirements of the Code.

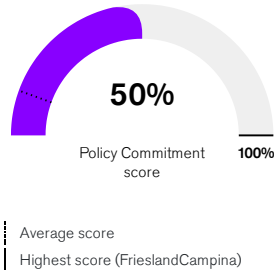


Management System

- Danone shared – under NDA – global staff training materials and some local procedure manuals developed by the company to guide its employees on the responsible marketing of BMS as outlined in the company's related policy(ies). The company does not fully score on management systems as it does not have all Code provisions in place. However, in regard to the commitments met by the company on marketing BMS to healthcare workers that are in line with the Code, the guidance provided by the company to follow and apply these commitments is clear, complete and consistent across different markets, thus Danone scores on those elements.

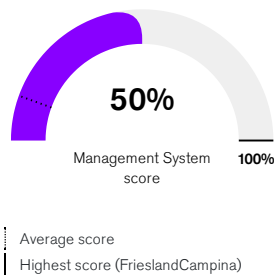
6. Employee Incentives

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

- Danone's policy commitments that address the incentives of company employees involved in BMS marketing, which are relatively well aligned with the requirements of the Code, have not changed since the 2021 assessment.
- Danone continues not to commit to exclude the volume and/or value of sales of products covered by the company's BMS marketing policy from bonus calculations for sales representatives. Therefore, the company is not aligned with the requirements of the Code, which explicitly states that incentive measures should not include the volume or sales values of BMS products, regardless of whether they are considered individually or alongside other product sales.

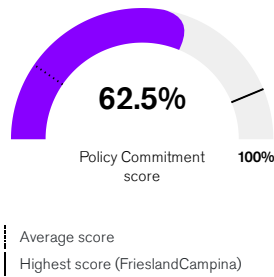


Management System

- Danone shared – under NDA – global staff training materials and some local procedure manuals developed by the company to guide personnel on the basis of determining employee incentives as outlined in the company's related policy(ies). The company does not fully score on management systems as it does not have all Code provisions in place. However, in regard to the commitments met by the company on employee incentives that are in line with the Code, the guidance provided by the company to follow and apply these commitments is clear, complete and consistent across different markets, thus Danone scores on those elements.
- Danone is one of three companies out of the 18 assessed that provides clear instructions to staff on how to interpret and apply relevant commitments related to incentives of employees involved in BMS marketing.
- Related procedures, however, can be improved by ensuring they are as complete and consistent across all markets.

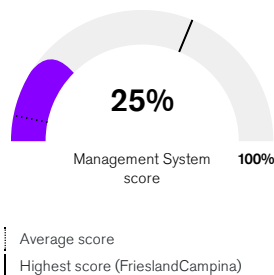
7. Labeling

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

- Danone's policy commitments relating to the labeling of BMS products, which are relatively well-aligned with the requirements of the Code, have not changed since the 2021 assessment.
- Compared to the last assessment in 2021, the information required by the Code on labels of powdered formula is assessed in more detail to evaluate whether companies have specific commitments covering each requirement as per WHA resolutions 58.32 and 61.20. Danone was found to commit to including a message that powdered formula may cause illness if not prepared properly. Moreover, it confidentially shared with ATNI a checklist for its designers for artwork and a video with instructions to prepare formula feed appropriately. However, the company did not provide evidence of a policy or official company document that explicitly states that labels/inserts of powdered infant formula must include the specific requirements according to the WHA resolutions 58.32 and 61.20.
- Although the company was found to have explicit commitments in place pertaining to the requirements described in Article 9.4 of the Code, no commitments were found to ensure the appropriate age range is stated on growing up milk labels. Commitments were also not found that cover the Code labeling requirements strengthened by the guidance on ending the inappropriate promotion of foods for infants and young children according to WHA resolution 69.9.
- Danone continues explicitly to commit that it will not place any health or nutrition claims on its BMS products, unless specifically provided by local legislation, as per WHA resolutions 58.32, 63.23, and 69.9.
- Danone is encouraged to consider the gaps identified to revise its policy to better align with the requirements of the Code.

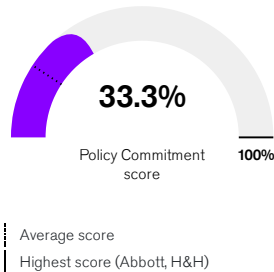


Management System

- Danone shared – under NDA – global staff training materials developed by the company to guide its employees on the responsible marketing of BMS as outlined in the company's related policy(ies). However, the document does not contain clear instructions to staff on how to interpret and apply relevant commitments related to health and nutrition claims and/or on how to interpret and apply relevant commitments related to labeling.
- In regard to the commitments met by the company on labeling BMS products that are in line with the Code, the guidance provided by the company to follow and apply these commitments is clear, complete, and consistent across different markets, thus Danone scores on those elements.
- Related procedures, however, can be improved by outlining clear standards of practice, including a section on roles and responsibilities or on the label's development following specific requirements for BMS products.

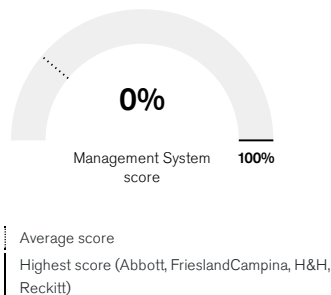
8. Product Quality

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

- Compared to the BMS/CF Marketing Index 2021, companies' commitments on this topic are evaluated in more detail to ensure their commitments relating to Article 10 of the Code are accurately assessed.
- Danone did not score fully on this topic since its policy commitments relating to the quality of BMS products were not comprehensive. This is because other than the Code of Hygienic Practice for Powdered Formulae for Infants and Young Children (CAC/RCP 66-2008), the company does not specify which other Codex standards relating to BMS products it applies.
- Danone is encouraged to explicitly state which specific Codex standards it follows at a minimum for clear reference, and to ensure that the listed standards are regularly revised so that the most updated versions are adhered to.

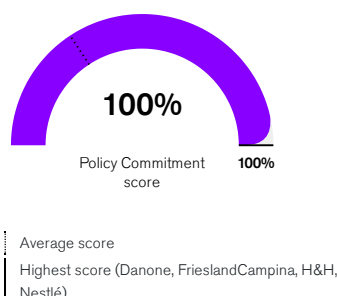


Management System

- Danone shared – under NDA - global staff training materials and some local procedure manuals developed by the company to guide its employees on the responsible marketing of BMS as outlined in the company's related policy(ies). The company did not score on management systems as it did not meet the policy commitments in full.

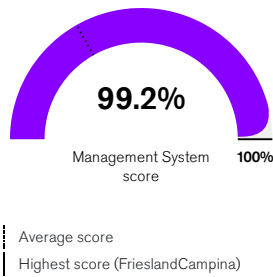
9. Implementation and Monitoring

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

- Danone's policy commitments relating to monitoring compliance of its marketing practices to the principles of its BMS marketing policy have not changed since the 2021 assessment. The company was found to have all commitments assessed in place. These commitments, which specifically pertain to Article 11 of the Code, remain publicly disclosed.

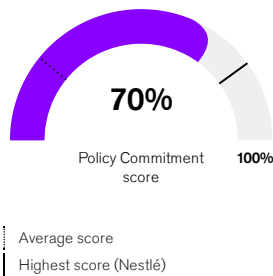


Management System

- Compared to the 2021 assessment, Danone has a similar score in the current assessment. The company shared – under NDA - global staff training materials and some local procedure manuals developed by the company to guide its employees on the responsible marketing of BMS as outlined in the company's related policy(ies), as well as effective monitoring and management of incidences of non-compliance with the company policy(ies). The company also clearly assigns executive responsibilities and oversight to ensure the effective implementation of its BMS marketing policy. However, the company does not show guidelines for all relevant third parties on potential corrective actions that can be taken against them for non-compliance incidents. Consequently, the company does not have a full score on management systems.

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.

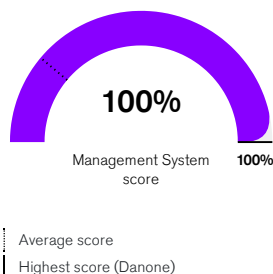


Policy Commitment

- Danone commitments are relatively aligned with the Code on this topic showing responsible lobbying which is also applied when engaging on issues relating to BMS and the Code. Based on its Policy Advocacy policy (2023), Danone covers most commitments assessed in this topic.
- Similar to other companies, Danone did not show commitments not to undermine or support existing public policy frameworks, the work of WHO or similar agencies, and Government efforts to develop regulations to implement the Code nor commitments on controls over trade associations and industry policy groups.
- Danone 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.

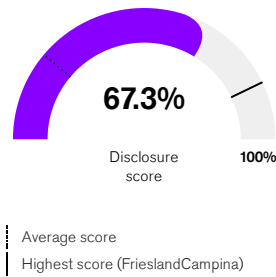
Management System

- Based on Danone's Policy on Advocacy (2023) the company had a full score and was found to have extensive evidence that the board has oversight of its lobbying policy and lobbying positions and activities. Further, the company names an executive/ function with the responsibility of implementing this policy. The company also provides clarity on control mechanisms (e.g. reporting to the Board, internal audits). Danone was the only company that had an extensive management system in place.



11. Disclosure

This topic consists of disclosure indicators only.



Disclosure

- In regard to commitments that were found for Danone that are in line with the Code, the level of disclosure on these commitments and on the company's compliance with its BMS marketing policy is relatively high and has not changed since the 2021 assessment.
- Danone can improve on this topic by disclosing the company's acknowledgement of the importance of The Code, which was not considered because commitments were only disclosed in the BMS Call to Action, commitments must be disclosed on the company's official website/reports.
- Other areas, where Danone can improve on this topic, include disclosing its commitments related to quality of BMS products, on how it internally assessed compliance with commitments related to donations, manufactures and distribution, quality and implementation and monitoring. The company should also publish the full auditor reports, and not just summaries of them as well as disclosing a response to any third-party reports on alleged cases of non-compliance the company publicly acknowledges third-party reports on alleged cases of non-compliance with the Code, its responses to these allegations have not been found in the public domain. However, the company does disclose complaints made by other stakeholders and explains how it has responded to them.
- Since the last BMS/CF Marketing Index 2021, a few indicators have been added to further assess companies' level of disclosure in lobbying on BMS marketing issues and the Code. Danone publishes extensive information regarding its BMS-related lobbying, and has improved since the 2021 assessment by publishing some information on its lobbying activities such as the company's relevant documents (e.g. consultation submissions related to the Code and BMS). Although Danone publicly discloses following the OECD principles for transparency and integrity in lobbying, Industry initiatives, such as the IFBA Guiding Principles for Stakeholder Engagement and the Responsible Lobbying Framework, ATNI advises the company to also follow other key public policy frameworks in private sector engagement and lobbying such as the WHO framework of engagement with non-state actors, the Code and subsequent WHA resolutions, among others.
- Danone is encouraged to consider the gaps identified in its level of disclosure and have this information 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. 15% of Danone's global baby food sales are derived from complementary foods.
3. The Country Study score and Corporate Profile score each contribute to 50% of Danone's BMS Marketing Index score.
4. This represents the average score of four country assessments: China, Germany, Indonesia, and US.
5. Based on 2021 Euromonitor retail sales estimates.
6. Incidences of non-compliance include non-compliant labels and observations from online and traditional media.
7. Where companies engaged, these numbers should represent the number of products confirmed to be marketed in these countries as communicated by the companies to ATNI. It is possible however that the number of products and brands assessed are not representative of each of the assessed markets, due to limitations in data collection and limited company engagement.
8. - Infant formula is a BMS product intended for infants younger than six months of age. - Follow-up formula is a BMS product intended for older infants between six months up to one year of age. - Growing-up milks or toddler milks are BMS products intended for young children between one to three years of age. - Product brand relates to observations where no age is specified on a product or no specific product is promoted, but the observation is associated with a BMS brand.
9. This is the company's average score on the 11 topics.
10. 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.
11. Product weighting: 45%
12. Product weighting: 35%
13. Product weighting: 20%