

Independent assessment report of Reckitt Benckiser Plc's marketing practices in Vietnam against RB's Policy and Procedures on the Marketing of Breast-Milk Substitutes



Introduction

Bureau Veritas UK Limited ('Bureau Veritas UK') has been engaged by Reckitt Benckiser Plc. ('Reckitt') to provide an independent assessment of alignment of its business in Vietnam, operating as Mead Johnson Nutrition (Vietnam) Co. Ltd. ('Reckitt Vietnam'), with the RB Policy and Procedures on the Marketing of Breast-milk Substitutes (BMS) – April 2018, updated November 2020 (the 'BMS Policy') and the applicable local regulations implementing the WHO Code in Vietnam (the 'Local Code').

Products covered by the BMS Policy and the Local Code are BMS and other formula products intended for infants and children aged between 0-24 months ('Covered Products').

Scope of Work and Methodology

The assessment activities were conducted during the period 13th to 28th June 2022 with one auditor from Bureau Veritas UK undertaking activities remotely and one auditor from Bureau Veritas Vietnam undertaking activities in-country (the assessment team).

During the audit, Bureau Veritas undertook the following activities:

- Interviews using video conferencing applications with 17 Reckitt Vietnam personnel responsible for Covered Product sales, marketing, or compliance;
- Reviewed requested documentation and records relating to Covered Product marketing practices on a sample basis via file-sharing and screen-sharing applications. Topics covered included:
 - local procedures and alignment with the BMS Policy and other reference documents;
 - compliance monitoring, consumer and medical marketing materials and events, labels, internal and regulatory approvals, etc.;
- Review of online media in Vietnam, local e-commerce sites selling Covered Products, and social media webpages managed by or on behalf of Reckitt Vietnam;
- Visual assessment of 32 retail locations selling Covered Products in Ho Chi Minh City;
- Visual assessment of public areas of 8 healthcare facilities;
- Attempted a Health Care Professionals (HCP) survey, but no respondents agreed to participate;
- Placed two anonymous calls to the Reckitt Vietnam Careline.

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Any findings identified during the verification have been categorised as per the following:

Non-conformance:

- Any failure to follow a written requirement specified within the BMS Policy
- A failure to satisfy local legal or statutory requirements as per our interpretation

Opportunity for improvement:

- A process/activity/document that, while currently conforming to the BMS Policy and local directives, could be improved to further strengthen Reckitt Vietnam's practices.

The following is a summary of key findings which includes non-conformances and opportunities for improvement.

Non-conformances:

1. *The General Public and Mothers*

Bureau Veritas identified three separate channels where contact with the general public did not align with the requirements of the BMS Policy Article 5 or Local Code Article 11.2 (d), (đ) and (e) and are considered as engaging in promotion of Covered Products or soliciting direct contact with mothers of infants in order to market Covered Products.

2. *Information and Education*

A selection of information and communication materials with the general public were reviewed as part of the audit. An email sent to mothers of six-month-old infants with general information on infant feeding, maternal care and non-covered products did not contain any of the required statements regarding breast feeding from BMS Policy Article 4.2 and Local Code Article 4.

3. *Promotion to the General Public*

Price reduction promotions were identified on three separate ecommerce platforms in the marketplace retail sections, each with multiple separate listings for Covered Products by independent re-sellers. In addition, a social media post was identified to contain specific imagery pertaining to Reckitt Vietnam Covered Products. These are both considered promotion of Covered Products and not permitted according to BMS Policy Article 5.1 and Local Code Article 11.2 (d).

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Opportunities for improvement

1. *Third-Party Contracts and Compliance Provision*

Contracts with the sole distributor and other selected third-party agents were reviewed as part of the audit. While all contracts reviewed made reference to Reckitt (or Mead Johnson) policies and local legislation, not all had mention of the BMS Policy and none mentioned the Local Code. To strengthen local practices, Reckitt Vietnam could consider:

- Fully referencing the BMS Policy and the Local Code in all new contracts with all third-parties involved in the marketing of Covered Products and sending out periodic reminders of compliance requirements where the contract delivery is linked to Covered Products;
- Making clear in the distributor contract that annual certification of compliance applies to the BMS Policy and the Local Code as required by BMS Policy Procedures 4.a. It should be noted that in practice there is evidence of regular certification of compliance by the distributor taking place.

2. *The General Public and Mothers*

A selection of information and communication materials with the general public were reviewed as part of the audit. One instance was identified where an email intended for mothers of infants of less than 12 months included a packshot of a non-Covered Product with an embedded ecommerce link to a page containing both Covered and non-Covered Products. Reckitt Vietnam should consider removing ecommerce links from such communication materials to prevent perception of promotion of Covered Products.

3. *Interaction with Health Care Facilities*

At the request of Medical Facilities, medical representatives from Reckitt Vietnam attend pre-natal classes with pregnant women and run sampling sessions for non-Covered Products at events held in medical facilities. The Local Code Article 12.3(c) states that Medical Facilities must not allow BMS manufacturers or traders to approach pregnant women in any way. Local practices could be strengthened by Reckitt employees not attending these pre-natal classes and by ceasing the sampling sessions at Medical Facilities.

There were a number of areas identified where the compliance practices are well managed, and these instances have been summarised in an internal report to Reckitt Vietnam.

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Limitations and exclusions

2020-22 – Amended Assessment Approach

Due to the COVID-19 pandemic outbreak and associated travel restrictions, the delivery approach from 2020 has been amended as the Bureau Veritas UK team leading this assessment was unable to travel to Vietnam to conduct the visual assessments.

Bureau Veritas Vietnam coordinated and conducted visits to retail outlets to visually assess alignment with the Policy. Interviews with the Reckitt Vietnam personnel and review of relevant documentation were conducted remotely via video conferencing and electronic file-sharing. Face-to-face interviews with Health Care Professionals (HCPs) could not be conducted due to the health risks associated with visiting Health Care Organisations (HCOs) during the pandemic. A detailed methodology of the assessment conducted is provided below in the Scope of Work and Methodology section of this statement.

The amended delivery approach from 2020 has a number of limitations, such as:

- It is not possible to conduct full visual assessments of HCFs without visiting and inspecting the practitioner areas of those facilities; and
- Document review and interviews with stakeholders may not provide the same level of detail or information when conducted remotely.

These are in addition to the limitations of conducting this type of engagement where travel to the country of assessment is possible.

Additionally, visual inspections of retail outlets were limited to Ho Chi Minh City. Whilst our methodology is designed to provide an objective independent assessment, it remains that some of the statements made by stakeholders are anecdotal and evidence may not be available to support their claims.

This statement is not intended to provide a definitive opinion as to whether or not Reckitt Vietnam complies with the BMS Policy. Neither the assessment conducted by Bureau Veritas nor this statement constitutes a guarantee or assurance by Bureau Veritas that infringements of the BMS Policy and local legislation have not taken place.

It is also not within Bureau Veritas' scope of work to provide an opinion or assessment over the appropriateness of the BMS Policy.

Statement of independence, impartiality and competence

Bureau Veritas is an independent professional services company that specialises in quality, environmental, health, safety and social accountability with over 190 years history in providing independent assurance services.

Bureau Veritas has implemented a Code of Ethics across its business which ensures that all our staff maintains high

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standards in their day-to-day business activities. We are particularly vigilant in the prevention of conflicts of interest.

Our verification team members do not have any involvement in any other projects with Reckitt outside those of an independent assessment scope and we do not consider there to be a conflict between the other services provided by Bureau Veritas and that of our assurance team.

The core team of Bureau Veritas UK has extensive experience of undertaking WHO Code assessment related work. Our team completing the work for Reckitt has extensive knowledge of conducting assurance over environmental, social, health, safety and ethical information and systems, and through its combined experience in this field, an excellent understanding of good practice in corporate responsibility, assurance and the WHO Code.



Bureau Veritas UK Ltd

London, 31st August 2022