

Independent assessment report of Reckitt Benckiser Plc's marketing practices in Thailand 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 Thailand, operating as Mead Johnson Nutrition (Thailand) Ltd. in Thailand, 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 Thailand (the 'Local Code').

Products covered by the Policy and Local Code are BMS intended for infants aged between 0-12 months including both Routine and Speciality formulas ('Covered Products').

Scope of Work and Methodology

The assessment activities were conducted during the period 28th June and 8th July 2021 with one auditor from Bureau Veritas UK undertaking activities remotely and one auditor from Bureau Veritas Thailand undertaking activities in-country (the assessment team).

During the audit, Bureau Veritas undertook the following activities:

- Interviews using video conferencing applications with 11 Thailand personnel responsible for BMS sales, marketing, or compliance;
- Reviewed requested documentation and records relating to BMS 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 Thailand, local e-commerce sites selling Covered Products, and social media webpages managed by the Reckitt Thailand;
- Visual assessment of 45 retail locations selling Covered Products in Bangkok, including pharmacies, supermarkets, hypermarkets and baby centres;
- A Health Care Professionals (HCP) survey with 12 respondents, including Paediatricians and Obstetricians. Due to restrictions on personal data sharing in Thailand, Reckitt Thailand provided a list of HCPs who had agreed to be contacted as part of this audit; and
- One anonymous call to the Thailand Careline and one anonymous Facebook chat with the Reckitt Thailand customer relations team.

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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 achieve local legal or statutory requirements as per our interpretation
- A purposeful failure of the company to correct non-conformances

Opportunity for improvement:

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

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

Non-conformances:

1. Statements on Informational Material for HCPs:

Bureau Veritas identified several medical detailing materials that did not meet the requirements of Article 7.2 of the BMS Policy as not all of the mandatory statements set out in Article 4.2 of the WHO Code were included.

2. Educational Material for HCPs

The full copies of scientific papers, referenced in detailing aids provided to HCPs, are not routinely sent to HCPs as required by the Local Code. The local BMS Manufacturers Trade Association guideline have a provision for this, which states that scientific evidence must be presented on request, but this position does not appear to have been clarified with the Regulator.

3. Distribution of Specialised Nutrition Product Samples

Reckitt Thailand engages in frequent distribution of varying quantities of specialist nutrition products to HCOs which are classified as Covered Products under the Local Code. These have been described as donations but are recorded differently in the internal systems and amount to sampling which is not permitted under the Local Code.

4. Communication of the BMS Policy to Third Parties

A number of instances were identified where the BMS Policy requirements for communication with third parties were not met:

- The BMS Policy Procedures Section 1 requires that written agreements include clauses in that address compliance with the Local Code, WHO Code and the BMS Policy. However, there was no reference to the WHO Code or BMS Policy in the sample of contracts reviewed for third-party medical marketing agencies.
- There was no evidence that training on the BMS Policy, the WHO Code or the Local Code has been provided to the third-party agencies who provide support with medical marketing as required by the BMS Policy Article 11.5.
- There was no evidence of a contract obligation for the Distributor to certify compliance with the BMS Policy, as required by BMS Policy Procedures Section 4.

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5. Contact Centre Promotion to the General Public

Two anonymous contacts were made with the Reckitt Thailand customer relations team via the dedicated Careline and social media channel. During both interactions the Reckitt Thailand representative recommended using specific Reckitt Covered Products. This is considered promotion of Covered Products and is not permitted according to BMS Policy Article 5.1.

6. Website Promotion to the General Public

The Reckitt Thailand website for contact with the general public does not include all of the required information from Article 4.2 of the BMS Policy and contains images of infants (less than 12 months) using bottles and potentially misleading information. The website also contains an article about nutrition for two-month-old infants and mentions a brand name in the title. This is considered promotion of Covered Products and not permitted according to Reckitt Policy Article 5.1.

7. Ecommerce Promotion to the General Public

Promotions, including price reductions and cashback offers were identified on four ecommerce platforms in the main retail and marketplace sections of the websites. For three of these cases, Reckitt Thailand or the authorised distributor for Reckitt Thailand has a direct service and/ or contractual relationship with the ecommerce retailer. This is considered promotion of Covered Products and not permitted according to Reckitt Policy Article 5.1.

Opportunities for improvement:

1. Educational and Informational Material for HCPs

One of the HCP materials reviewed contained links to an external application and website which are more intended for the general public than HCPs. Although the statement 'For medical personnel only' was included on the front page, the content of the material should be reviewed to ensure it cannot be interpreted as being directed at the general public.

2. Internal Reporting of Non-Compliance

The ecommerce team does not formally report on identified violations with the BMS Policy. Any non-compliance identified should be formally logged in the Reckitt system so that it can be properly investigated and closed out and so that the information is then transmitted to Corporate Level. This would also support in improved risk management.

3. Guidelines for Third-Parties

No detailed merchandising guidelines are currently issued by Reckitt Thailand for either Covered or non-Covered Products so it may not be clear to retailers that they cannot engage in promotion linked to Covered Products. For example, one instance was identified where a discount for non-Covered Products was displayed on the Covered Product shelf, which could be interpreted as promotion of Covered Products. This is of particular importance as it is the merchandisers who place the point of sale materials, and such practical instructions can help reduce BMS Policy violations at the retail level.

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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 Thailand.

Limitations and exclusions

2020/21 – Amended Assessment Approach

Due to the COVID-19 pandemic outbreak and associated travel restrictions, the delivery approach in 2020 and 2021 was amended as the Bureau Veritas UK team leading this assessment was unable to travel to Thailand and the Reckitt offices are closed making face-to-face contact with management/employees not feasible.

Bureau Veritas Thailand coordinated and conducted visits to retail outlets to visually assess alignment with the Policy. Interviews with the Thailand personnel and review of relevant documentation were conducted remotely via video conferencing and electronic file-sharing. Face-to-face interviews with HCPs could not be conducted due to the health risks associated with visiting Health Care Organisations (HCOs) during the pandemic. Instead, a remote survey of HCPs was conducted via telephone. 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 in 2020 and 2021 has a number of limitations, such as:

- It is not possible to conduct 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 the city of Bangkok. 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. The results of the telephone HCP survey conducted were therefore not used to draw upon findings of this report.

This statement is not intended to provide a definitive opinion as to whether or not Reckitt Thailand 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.

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Bureau Veritas has implemented a Code of Ethics across its business which ensures that all our staff maintains high 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, 4th October 2021