

Health & Happiness Group (H&H Group) - Marketing of Breastmilk Substitutes Disclosure

Health & Happiness (H&H) Group is a global health and nutritional company with headquarters based in Hong Kong that sells and markets several products considered breastmilk substitutes that include infant formulas for 0-6 months, follow-on milks for 6-12 months and Food For Special Medical Purposes- FSMP (Anti-Regurgitation). These products are sold under the brands Biostime, Inostime¹ and Good Goût with distribution and sales in Mainland China, Australia & NZ, France and Hong Kong SAR. In 2023, these products account for 32% of the group's overall revenue. The BMS range has been discontinued from the Hong Kong market since the end of 2023.

1. B Lab Standards Advisory Council criteria for companies involved in the Marketing of Breastmilk Substitutes and Complementary Foods

H&H Group Policy on the [Responsible Marketing of Breastmilk Substitutes](#) is applicable to all Health and Happiness group's subsidiaries including the subsidiaries located in Mainland China, ANZ, France and Hong Kong that achieved independent B Corp certification in December 2023.

As determined by B Lab's independent Standards Advisory Council, companies involved in the marketing of breastmilk substitutes are eligible for B Corp Certification if they meet specific requirements for the industry, including disclosure of their practices. These requirements vary by type of company, including whether the company's practices related to the marketing of breastmilk substitutes is listed in the Access to Nutrition Index (ATNI).

Accordingly, ATNI listed companies are able to certify if:

- The company remains in the top 20% of companies on the most recent ATNI Indexes (2024).

As a parent company listed on the most recent Access to Nutrition Index (ATNI)- [BMS Index 2024](#)², H&H Group is eligible to be assessed against the above B Lab Standards Advisory Council criteria for companies involved in the Marketing of Breastmilk Substitutes (BMS) and Complementary Foods (CF).

All manufacturers of BMS/CF that meet the above eligibility requirements, are required to disclose their marketing practices and areas of non-compliance with the Code. Manufacturers of

¹ Inostime was launched at the end of 2023 as a sub-brand of Biostime in France.

² The product scope for this research includes Infant Formula (IF), Follow-up Formula (FUP), Growing-up Milk (GUM). ATNI has updated its methodology in 2024 and separated the assessments/Index for BMS and CF practices.



BMS/CF should additionally disclose their lobbying policies and practices in reference to the RLF, including industry association affiliations, in the specific context of BMS/CF

For more information on B Lab's position on the marketing of breastmilk substitutes, please refer to B Lab's statement on the breast milk substitute industry and B Corp Certification [here](#).

Company Comments:

As a Group we are seeking to address and enact the WHO Code and subsequent WHA resolutions internally as it supports the Group's sustainability plan and goals around the Story of Good Health and Human Rights and Fairness. The Group fully acknowledges and supports the recommendations of the WHO International Code of Marketing of Breast-Milk Substitutes, and subsequent World Health Assembly (WHA) resolutions, on optimal infant and young children feeding: exclusive breastfeeding for the first six months of life with continued breastfeeding for up to two years and beyond.

The Group commits to fully complying with all applicable laws, regulations and our BMS Policy, whichever is the stricter, in relation to the promotion and marketing of all our BMS and positively advocates for adequate adoption of the WHO Code principles and subsequent WHA resolutions in the countries where it operates. The Group is committed to be monitored by ATNI, as an independent body responsible for monitoring companies' progress towards their plans for achieving Code compliance.

Health and Happiness Group and B Corp Certification Eligibility

Health and Happiness Group oversees and manages H&H Group's Policy which makes a commitment to the WHO Code:

The Group acknowledges the importance of, and supports the WHO International Code of Marketing of Breast-Milk Substitutes (WHO Code and subsequent World Health Assembly (WHA) resolutions) and is committed to be monitored by ATNI, as an independent actor responsible for monitoring companies' progress towards their plans for achieving Code compliance

To date, H&H Group, as a company listed on the [BMS Index 2024](#) (H&H), is ranked in the 5th position (out of 18 companies). Despite not being placed among the top 20% companies, the company is yet eligible for B Corp Certification*.

***Disclaimer:** The decision about H&H Group and related subsidiaries' eligibility for B Corp Certification, regarding the application of B Lab's risk standard on the [Marketing of Breastmilk Substitutes](#) was taken and communicated by the Risk Review Committee in May 2023. The decision occurred through the following processes:

1. In 2021, B Lab shared with the company a memo on behalf of the Members of the Standards Advisory Council with the eligibility requirements for companies involved in

the Marketing of Breastmilk Substitutes and Complementary Foods prior to the beginning of H&H Group's certification journey.

2. When starting the verification process, in November of 2022, the company was asked to provide documents to verify that it met the requirements as indicated by B Lab.
3. In January 2023, B Lab's and H&H's representative held a meeting to discuss the eligibility requirements for companies involved in the Marketing of Breastmilk Substitutes and Complementary Foods.
4. In March 2023, H&H shared its updated BMS Policy with B Lab and indicated that it had initiated the process to join the ATNI index, which was expected to be finished by the end of 2023³.
5. B Lab's member of the Risk Committee reviewed the information and presented the case to the Risk Review Committee. The Committee reviewed the case and provided the final decision on the company's eligibility in April of 2023.

The final decision indicated the following:

- In order to certify its subsidiaries, the company would provide a confirmation from the BMS Call to Action (CTA) that H&H Group was conforming with the immediate asks of the BMS CTA, as per B Lab standards.
- The company would be expected to complete the ATNI ranking and meet the requirements, as indicated by B Lab's BMS risk standard, by the time H&H would achieve certification at the group level. **If H&H Group would not meet the ATNI listed company requirements at the initial certification, then H&H Group is expected to meet them during recertification.**

The following products are covered within the scope of the Policy:

- Infant Formula developed to meet the nutritional needs of infants up to the age of six months as well as information concerning its use;
- and Follow-on Formula intended for infants from six to twelve months of age as well as information concerning its use;
- and Food for Special Medical Purposes

The Policy is applied globally in all markets where the company operates with their BMS brands and applies to all employees of entities partially or fully owned by the H&H Group and partners involved in the marketing, distribution, selling, education and/or governance of their above products. H&H will apply its BMS Policy in countries that have either no laws/national regulations on BMS or that have laws/regulations less stringent than the BMS Policy and adheres to all national laws when those laws are more stringent than the policy, in relation to the

³ Only on March 26th, 2024, the results from H&H' BMS Policy were publicly released by ATNI.

promotion and marketing of their BMS products. Lastly, the company does not make any distinction between countries (such as high risk/low risk).

To ensure compliance with this Policy, H&H Group has the following actions in place:

- Regulatory and Legal team advertising reviews – this is conducted prior to submission of all marketing and communications on the BMS products, to meet both local regulation and compliance with the Policy.
- All H&H team members involved in the marketing, communication, distribution, selling, education and governance of covered products receive annual training either online or in-person. Training includes detailing the BMS Policy itself, how to comply with the Policy, responsibilities of team members and leaders, as well as channels for raising concerns or breaches.
- Team members who become aware of misconduct or incorrect promotion of BMS, as laid out in the BMS Policy, can access the "[HH Speak Up](#)" Channel to report or correct the potential or confirmed non-compliance.
- H&H assesses 100% of its external stakeholder feedback – positive and negative, including complaints – which supports a continuous improvement approach to quality.

Company Comments:

H&H Group commits to fully complying with all applicable laws, regulations and its Group BMS Policy, whichever is the stricter, in relation to the promotion and marketing of BMS. H&H Group also complies with local regulations, agreements and codes surrounding the marketing of Breast-Milk Substitutes in countries where the company operates such as:

- *Australia: The Marketing in Australia of Infant Formulas (MAIF) Agreement*
- *China: The Advertising Law of the People's Republic of China*
- *HK SAR: The Hong Kong Code of Marketing of Formula Milk and Related Products, and Food Products for Infants & Young Children*
- *France: French Ministry of Health providing the national recommendation of weaning, ANSES (French agency for food, environmental and occupational health & safety), EFSA (European Food Safety Authority)*

2. Areas of Non-Alignment with the WHO Code

H&H Group has identified and acknowledges the following areas where the company policy may not align with the WHO Code, or where there may be differing interpretations in how the WHO Code and WHA Resolutions should apply:

Definition/Scope of Products Included in WHO Code and H&H Group's BMS Policy



H&H Group's Policy regarding the marketing of breastmilk substitutes applies to a scope of products that differ from the complete scope of the WHO Code.

Article 2 of the WHO Code states "The Code applies to the marketing, and practices related thereto, of the following products: breastmilk substitutes, including infant formula; other milk products, food and beverages, including bottle fed complementary foods, when marketed or otherwise represented to be suitable, with or without modification, for use as a partial or total replacement of breast milk; feeding bottles and teats. It also applies to their quality and availability, and to information concerning their use." Breastmilk substitutes are defined as "Any food being marketed or otherwise presented as a partial or total replacement for breast milk, whether or not suitable for that purpose."

In H&H Group's Policy, products not included within the scope of the Policy, but that are produced or sold by H&H Group, include:

- probiotic supplements segment including probiotic supplements for infants and young children,
- other pediatric products segment

WHA Resolutions Subsequent to the WHO Code:

Since the adoption of the WHO Code, a number of World Health Assembly resolutions have either added to, revised, or clarified the content of the original WHO Code. H&H Group's BMS Policy supports recommendations made in the guidance associated with subsequent WHA Resolutions to the WHO Code ([WHA 39.28](#) (1986), [WHA 45.34](#) (1992), [WHA58.32](#) (2005) and [WHA69.9](#) (2016)).

Other Areas of Potential Misalignment:

In addition to the above categories regarding the Scope of Product Definitions and WHA Resolutions, there are other components of H&H Group's BMS Policy that stakeholders may or may not interpret as aligning (materially or immaterially) with the letter or intent of the WHO Code, including potential variances in language, level of detail, or exceptions.

Management Practices of the Company

In accordance with H&H Group's Policy on the marketing of Breast Milk Substitutes, H&H Group has the following management practices in place to manage compliance to their Policy globally:

- Cases of deliberate non-compliance are brought to the attention of the relevant Regional Executive and collective Baby Nutrition Council who would decide upon action to take and assign responsibility to either local Legal or People & Culture teams and report the incident directly to the Board of Directors. Disciplinary action will be in accordance with

the relevant region's disciplinary procedure through the H&H Responsible Marketing Non-Compliance form, and respond accordingly.

- H&H whistleblower reporting platform, '[HH Speak Up](#)', has been functioning well since its introduction in 2019. This platform is managed by external provider Deloitte to guarantee the confidentiality of anonymous reports and prevent any communication distortion. The platform is available to all team members, suppliers and retailers across regions on a 24/7 basis, through multiple reporting channels – such as an official website, telephone and email contacts. Upon receipt of a report, the report is put on file and investigations begin immediately.
- H&H Responsible Marketing Non-Compliance Form available at [hh.global](#) online portal
- Regulatory and Legal team advertising reviews – this is conducted prior to submission of all marketing and communications on the BMS products, to meet both local regulation and compliance with the Policy.
- Biannual reviews submitted to the H&H Group Board report on progress of BMS Policy changes, alignment and identification, and instances of non-compliance.
- All H&H team members involved in the marketing, communication, distribution, selling, education and governance of covered products receive annual training either online or in-person. Training includes detailing the Policy itself, how to comply with the Policy, responsibilities of team members and leaders, as well as channels for raising concerns or breaches.

Lobbying:

H&H Group is planning to release a lobbying statement related to lobbying practices in the area of BMS marketing in 2025. In May 2023, H&H Group published the Group Trade Compliance Policy which stipulates that employees are not permitted to offer personal support for lobbying events on behalf of the Group without obtaining appropriate approvals. In terms of local lobbying practices, the Group is currently in the process of revising its regional Anti-bribery Policies to align with these changes. These policies will be applicable to all H&H Group employees.

To date, H&H Group has not been assessed by the [Responsible Lobbying Framework](#) but is considering the possibility of conducting this assessment in the future. Accordingly, the ATNI's Index methodology includes aspects related to the aforementioned framework.

Company Comments

H&H actively participates in several key industry associations globally:

- *In China, H&H is a member of The Working Group on Infant and Child Nutrition of the European Union Chamber of Commerce in China, which includes leading companies such as Nestle, Abbott, and Nutricia*
- *In Australia, H&H is an active member of the Infant Nutrition Council of Australia (INC), holding a board director seat, which enforces the MAIF agreement and serves as a trusted governance voice for the Australian Government*



- *In France, H&H is a member of Alliance 7, specifically the French Baby Nutrition Sector (SFAE), a union that addresses major issues in the Baby Food industry and promotes best professional practices. Alliance 7 is also represented in Specialised Nutrition Europe (SNE), which advocates for the specialised nutrition industry across Europe.*

B Lab's Public Complaints Process

Any party may submit a complaint about a current B Corp through [B Lab's Public Complaint Process](#). Grounds for complaint include:

1. Intentional misrepresentation of practices, policies, and/or claimed outcomes during the [certification process](#), or
2. Breach of the core values articulated in our [Declaration of Interdependence](#) within the B Corp Community.

Annex 1 (BMS Industry Disclosure Template)

- Scope of Certification – H&H China (independent certification)
- Certification date – November 2023

Health & Happiness China Marketing of Breastmilk Substitutes Disclosure

Health & Happiness China is a distributor and owner of breastmilk substitute brands in China that sells and markets eight series of products considered breastmilk substitutes that include infant formulas for 0 - 6 months and follow-on milks for 6 - 12 months. These products are sold under the brand (Biostime) with distribution and sales in China. In 2022, these products account for about 52% of Chinese operations' revenue.

1. B Lab Standards Advisory Council criteria for companies involved in the Marketing of Breastmilk Substitutes and Complementary Foods

As a subsidiary of Health & Happiness (H&H) Group, H&H Group Policy on the [Responsible Marketing of Breastmilk Substitutes](#) is applicable to Health & Happiness China. As determined by B Lab's independent Standards Advisory Council, companies involved in the Marketing of breastmilk substitutes are eligible for B Corp Certification if they meet specific requirements for the industry, including disclosure of their practices. These requirements vary by type of company, including whether the company's practices related to the marketing of breastmilk substitutes are assessed in the Access to Nutrition Index (ATNI).

Subsidiaries of non-ATNI listed companies are required to meet the immediate expectations of the BMS Call to Action (listed below), at a minimum, at the time of certification, to be eligible to certify, and achieve full Code compliance by 2030 in order to maintain the certification.

The immediate expectations of the BMS Call to Action are as follows:

- Have a policy in place that at minimum meets the following criteria:
 - i. Covers products designed for use 0-12 months after birth
 - ii. Is applied globally
 - iii. Is upheld in jurisdictions with less stringent or no regulations and adheres to national law when those laws are more stringent than the policy.

As a subsidiary of H&H Group, H&H China is eligible to be assessed against the above B Lab Standards Advisory Council criteria for companies involved in the marketing of Breastmilk Substitutes and Complementary Foods.



All manufacturers of BMS/CF that meet the above eligibility requirements, are required to disclose their marketing practices and areas of non-compliance with the Code. Manufacturers of BMS/CF should additionally disclose their lobbying policies and practices in reference to the RLF, including industry association affiliations, in the specific context of BMS/CF

For more information on B Lab's position on the marketing of breastmilk substitutes, please refer to B Lab's statement on the breast milk substitute industry and B Corp Certification [here](#).

Company comments.

As a Group we are seeking to address and enact the WHO Code and subsequent WHA resolutions internally as it supports the Group's sustainability plan and goals around the Story of Good Health and Human Rights and Fairness. The Group fully acknowledges and supports the recommendations of the WHO International Code of Marketing of Breast-Milk Substitutes, and subsequent World Health Assembly (WHA) resolutions, on optimal infant and young children feeding: exclusive breastfeeding for the first six months of life with continued breastfeeding for up to two years and beyond.

The Group commits to fully complying with all applicable laws, regulations and our BMS policy, whichever is the stricter, in relation to the promotion and marketing of all our BMS and positively advocates for adequate adoption of the WHO Code principles and subsequent WHA resolutions in the countries where it operates. The Group is committed to being monitored by ATNI, as an independent actor responsible for monitoring companies' progress towards their plans for achieving Code compliance.

Health & Happiness China and B Corp Certification Eligibility

Health and Happiness China applies H&H Group's policy which makes a commitment to the WHO Code:

The Group acknowledges the importance of, and supports the WHO International Code of Marketing of Breast-Milk Substitutes (WHO Code and subsequent World Health Assembly (WHA) resolutions) and is committed to be monitored by ATNI, as an independent actor responsible for monitoring companies' progress towards their plans for achieving Code compliance.

To date, H&H China, as a subsidiary of a non-ATNI listed company (H&H Group) meets the expectation of the BMS Call to Action (listed below). Therefore, H&H China is eligible for B Corp Certification.

The following products are covered within the scope of the policy:

- Infant Formula developed to meet the nutritional needs of infants up to the age of six months as well as information concerning its use;
- and Follow-on Formula intended for infants from six to twelve months of age as well as information concerning its use;
- and Food for Special Medical Purposes

The policy is applied globally in all markets where the company operates with their BMS brands and applies to all employees of entities partially or fully owned by the H&H Group and partners involved in the marketing, distribution, selling, education and/or governance of their above products. H&H will apply its BMS policy in countries that have either no laws/national regulations on BMS or that have laws/regulations less stringent than the BMS Policy and adheres to all national laws when those laws are more stringent than the policy, in relation to the promotion and marketing of their BMS products. Lastly, the company does not make any distinction between countries (such as high risk/low risk).

To ensure compliance with this policy, [Health and Happiness China](#) has the following actions in place:

- Regulatory and Legal team advertising reviews – this is conducted prior to submission of all marketing and communications on the BMS products, to meet both local regulation and compliance with the Policy.
- All H&H team members involved in the marketing, communication, distribution, selling, education and governance of covered products receive annual training either online or in-person. Training includes detailing the BMS Policy itself, how to comply with the Policy, responsibilities of team members and leaders, as well as channels for raising concerns or breaches.
- Team members who become aware of misconduct or incorrect promotion of BMS, as laid out in the BMS Policy, can access the HH Speak Up Channel to report or correct the potential or confirmed non-compliance.
- H&H assesses 100% of its external stakeholder feedback – positive and negative, including complaints – which supports a continuous improvement approach to quality.

Company Comments:

All infant Formula products manufacturers and seller in China shall comply with the “Law of the People's Republic of China on Maternal and Child Health Care”, “Notice on Further Regulating the Promotion and Sales Behaviour of Breast Milk Substitute”, “Infant Feeding Bottles and Teats Standard” and “Advertising Law of the People's Republic of China”. In China, infant formula food are defined as per the “National Food Safety Standards-Infant Formula Food”, under which

any food described or sold as an alternative to human breastmilk for the feeding of infants up to the age of 12 months and formulated in accordance with all relevant clauses of that national level standard.

H&H is a member of The Working Group on Infant and Child Nutrition of the European Union Chamber of Commerce in China which is composed of several leading companies in the industry, such as Nestle, Abbott, Nutricia.

2. H&H Group's Policies and Practices on Marketing of Breastmilk Substitutes

BMS Call to Action

In September 2020, **H&H Group** responded as a signatory to the [BMS Call to Action](#) inviting all manufacturers of breastmilk substitutes (BMS) to make a public commitment to and achieve full compliance with the International Code of Marketing of Breast-milk Substitutes and all its subsequent resolutions (the Code) by 2030.

In 2021, the BMS Call to Action reviewed and published a formal assessment of H&H Groups response, indicating the company was not compliant with the Call to Action.

Since the BMS Call to Action signatory assessment, H&H Group have implemented the following actions:

- Extension of the scope of products from 6-12 months,
- Removal of the distinction between high and low risk countries to meet a global alignment of their policy in all countries,
- Commitment to upholding their policy in all countries even where regulations are absent or less stringent than their BMS policy and supporting governments to implement national legislation fully aligned with the Code,
- Joining the ATNI BMS index: submission was done on March 7th, 2023,
- Commitment to conducting an external audit with Bureau Veritas in 2023 to enhance the monitoring of their BMS policy compliance.

Following the revision of the group's BMS Policy, the company resubmitted the group's Responsible Marketing of Breast Milk Substitutes Policy to BMS Call to Action in April 2023, which resulted in compliance as publicly listed on the [Call to Action website](#). This can be summarised as follows:

Criteria 1

- Public commitment to full compliance with the WHO code and subsequent resolutions globally (including covering of breast-milk substitutes up to 36 months of age).

Outcome: The plan shared by the company to achieve full Code Compliance does not explicitly outline the additional steps required for it, for example by expanding the scope of the products covered by its BMS marketing policy, to include formula milk for young children 12-36 months. The company therefore does not fully meet the requested commitment to achieve full compliance with the Code by 2030, pending further clarification from the company.

- Disclose a concrete plan for achieving this goal by 2030 at the latest, with delineation of clear incremental steps.

Outcome: The roadmap does not outline a clear and concrete commitment to achieve full Code compliance by 2030.

Criteria 2

- By the end of 2020, a BMS marketing policy that is Code-aligned and for products marketed as suitable for infants between birth and 12 months of age, the policy should be extended to all countries, including in jurisdictions with less or no regulations, and adoption of national laws when those laws are more stringent than the policy.

Outcome: H&H Group published its revised BMS marketing policy in March 2023. The preliminary assessment shows that the policy covers all types of formulas for infants from 0-12 months globally and is upheld even where local regulations on BMS marketing are absent or less stringent than the company policy.

Criteria 3

- Commit to support the adoption and implementation of national legislation fully aligned with the code in order to create a level playing field for all companies.

Outcome: The company states that it is supportive of legislation that creates a level playing field for all companies. To fully meet this request, the company would need to add that it supports legislation fully aligned with the Code.

Criteria 4

- Provide information on the company's policies and practices to the Access to Nutrition Initiative (ATNI) as requested, recognizing ATNI as an independent actor responsible for monitoring companies' progress toward their plans for achieving Code compliance.

Outcome: The company meets the requested commitment. The company is expected to be listed in the ATNI's 2023 Index.

Areas of Non-Alignment with the WHO Code

H&H Group has identified and acknowledges the following areas where the company policy may not align with the WHO Code, or where there may be differing interpretations in how the WHO Code and WHA Resolutions should apply.

Definition/Scope of Products Included in WHO Code and H&H Group's Policy

H&H Group's policy regarding the marketing of breastmilk substitutes applies to a scope of products that differ from the complete scope of the WHO Code.

Article 2 of the WHO Code states "The Code applies to the marketing, and practices related thereto, of the following products: breastmilk substitutes, including infant formula; other milk products, food and beverages, including bottle fed complementary foods, when marketed or otherwise represented to be suitable, with or without modification, for use as a partial or total replacement of breast milk; feeding bottles and teats. It also applies to their quality and availability, and to information concerning their use." Breastmilk substitutes are defined as "Any food being marketed or otherwise presented as a partial or total replacement for breast milk, whether or not suitable for that purpose."

In H&H Group's policy, products not included within the scope of the policy, but that are produced or sold by H&H Group, include:

- probiotic supplements segment including probiotic supplements for infants and young children,
- other pediatric products segment

Company Comments:

H&H China sells probiotics supplements for infants and young children under the Biostime brand, which fall outside the scope of the BMS Policy. In 2022, those products account for about 8.50% of our total H&H Group revenues.

WHA Resolutions Subsequent to the WHO Code:

Since the adoption of the WHO Code, a number of World Health Assembly resolutions have either added to, revised, or clarified the content of the original WHO Code. H&H Group's policy supports recommendations made in the guidance associated with subsequent WHA Resolutions to the WHO Code.

Other Areas of Potential Misalignment:

In addition to the above categories regarding the Scope of Product Definitions and WHA Resolutions, there are other components of H&H Group's policy that stakeholders may or may

not interpret as aligning (materially or immaterially) with the letter or intent of the WHO Code, including potential variances in language, level of detail, or exceptions.

Management Practices of the Company

In accordance with H&H Group's policy on the marketing of breastmilk substitutes, H&H Group has the following management practices in place to manage compliance to their policy globally:

- Cases of deliberate non-compliance are brought to the attention of the relevant Regional Executive and collective Baby Nutrition Council who would decide upon action to take and assign responsibility to either local Legal or People & Culture teams and report the incident directly to the Board of Directors. Disciplinary action will be in accordance with the relevant region's disciplinary procedure through the H&H Responsible Marketing Non-Compliance form, and respond accordingly.
- Our whistleblower reporting platform, 'HH Speak Up', has been functioning well since its introduction in 2019. This platform is managed by external provider Deloitte to guarantee the confidentiality of anonymous reports and prevent any communication distortion. The platform is available to all team members, suppliers and retailers across regions on a 24/7 basis, through multiple reporting channels – such as an official website, telephone and email contacts. Upon receipt of a report, the report is put on file and investigations begin immediately.
- H&H Responsible Marketing Non-Compliance Form available at [hh.global](https://www.hh.global)
- Regulatory and Legal team advertising reviews – this is conducted prior to submission of all marketing and communications on the BNC products, to meet both local regulation and compliance with the Policy.
- Biannual reviews submitted to the H&H Group Board report on progress of BMS Policy changes, alignment and identification, and instances of non-compliance.
- All H&H team members involved in the marketing, communication, distribution, selling, education and governance of covered products receive annual training either online or in-person. Training includes detailing the Policy itself, how to comply with the Policy, responsibilities of team members and leaders, as well as channels for raising concerns or breaches.

Lobbying:

H&H Group is planning to release a global lobbying policy in 2024 which will include disclosures related to lobbying practices in the area of BMS marketing. In May 2023, H&H Group published the Group Trade Compliance Policy which stipulates that employees are not permitted to offer



personal support for lobbying events on behalf of the Group without obtaining appropriate approvals. In terms of local lobbying practices, the Group is currently in the process of revising its regional Anti-bribery Policies to align with these changes. These policies will be applicable to all H&H Group employees.

To date, H&H Group has not been assessed by the [Responsible Lobbying Framework](#) but is considering the possibility of conducting this assessment in the future. Accordingly, the ATNI's Index methodology includes aspects related to the aforementioned framework.

Company Comments

H&H is a member of The Working Group on Infant and Child Nutrition of the European Union Chamber of Commerce in China which is composed of several leading companies in the industry, such as Nestle, Abbott, Nutricia.

Next Steps

As stipulated by the requirements for B Corp Certification, H&H China will remain eligible for B Corp Certification as long as they work towards and achieve full WHO Code compliance, with respect to the elements of the Code that apply to distributors, by 2030.

As H&H Group has submitted to the 2023 ATNI ranking, B Lab would expect the parent company to be meeting the minimum thresholds for B Corp Certification for ATNI listed parent companies. Should they not achieve this in the 2023 ranking, they would be granted one certification cycle to achieve the minimum threshold and/or score in the top 20% of the listed companies.

In the meantime, H&H subsidiaries are eligible to certify based on the standards for non ATNI listed subsidiaries in that the parent company is meeting the immediate call of the BMS Call to Action.

Annex 2 (BMS Industry Disclosure Template)

- Scope of Certification – H&H Australia and New Zealand (independent certification)
- Certification date – November 2023

Health & Happiness Australia and New Zealand Marketing of Breastmilk Substitutes Disclosure

Health & Happiness Australia and New Zealand is a distributor and owner of breastmilk substitute brands in Australia and New Zealand that sells and markets seven products considered breastmilk substitutes that include infant formulas for 0 - 6 months and follow-on milks for 6 - 12 months. These products are sold under the brand (Biostime) with distribution and sales in Australia and New Zealand. In 2022, these products account for less than 5% of overall turnover in Australia and New Zealand.

1. B Lab Standards Advisory Council criteria for companies involved in the Marketing of Breastmilk Substitutes and Complementary Foods

As a subsidiary of Health & Happiness (H&H) Group, H&H Group Policy on the [Responsible Marketing of Breastmilk Substitutes](#) is applicable to Health & Happiness Australia and New Zealand. As determined by B Lab's independent Standards Advisory Council, companies involved in the Marketing of breastmilk substitutes are eligible for B Corp Certification if they meet specific requirements for the industry, including disclosure of their practices. These requirements vary by type of company, including whether the company's practices related to the marketing of breastmilk substitutes is assessed in the Access to Nutrition Index (ATNI).

Subsidiaries of non-ATNI listed companies are required to meet the immediate expectations of the BMS Call to Action (listed below), at a minimum, at the time of certification, to be eligible to certify, and achieve full Code compliance by 2030 in order to maintain the certification.

The immediate expectations of the BMS Call to Action are as follows:

- Have a policy in place that at minimum meets the following criteria:
 - Covers products designed for use 0-12 months after birth
 - Is applied globally
 - Is upheld in jurisdictions with less stringent or no regulations, and adheres to national law when those laws are more stringent than the policy.

As a subsidiary of H&H Group, H&H Australia and New Zealand is eligible to be assessed against the above B Lab Standards Advisory Council criteria for companies involved in the marketing of Breastmilk Substitutes and Complementary Foods.

All manufacturers of BMS/CF that meet the above eligibility requirements, are required to disclose their marketing practices and areas of non-compliance with the Code. Manufacturers of BMS/CF should additionally disclose their lobbying policies and practices in reference to the RLF, including industry association affiliations, in the specific context of BMS/CF

For more information on B Lab's position on the marketing of breastmilk substitutes, please refer to B Lab's statement on the breast milk substitute industry and B Corp Certification [here](#).

Company Comments:

As a Group we are seeking to address and enact the WHO Code and subsequent WHA resolutions internally as it supports the Group's sustainability plan and goals around the Story of Good Health and Human Rights and Fairness. The Group fully acknowledges and supports the recommendations of the WHO International Code of Marketing of Breast-Milk Substitutes, and subsequent World Health Assembly (WHA) resolutions, on optimal infant and young children feeding: exclusive breastfeeding for the first six months of life with continued breastfeeding for up to two years and beyond.

The Group commits to fully complying with all applicable laws, regulations and our BMS policy, whichever is the stricter, in relation to the promotion and marketing of all our BMS and positively advocates for adequate adoption of the WHO Code principles and subsequent WHA resolutions in the countries where it operates. The Group is committed to be monitored by ATNI, as an independent actor responsible for monitoring companies' progress towards their plans for achieving Code compliance.

Health and Happiness Australia and New Zealand and B Corp Certification Eligibility

Health and Happiness Australia and New Zealand applies H&H_Group's policy which makes a commitment to the WHO Code:

The Group acknowledges the importance of, and supports the WHO International Code of Marketing of Breast-Milk Substitutes (WHO Code and subsequent World Health Assembly (WHA) resolutions) and is committed to be monitored by ATNI, as an independent actor responsible for monitoring companies' progress towards their plans for achieving Code compliance

To date, H&H Australia and New Zealand, as a subsidiary of a non-ATNI listed company (H&H Group) meets the expectation of the BMS Call to Action (listed below). Therefore, H&H Australia and New Zealand is eligible for B Corp Certification.

The following products are covered within the scope of the policy:

- Infant Formula developed to meet the nutritional needs of infants up to the age of six months as well as information concerning its use;

- and Follow-on Formula intended for infants from six to twelve months of age as well as information concerning its use;
- and Food for Special Medical Purposes

The policy is applied globally in all markets where the company operates with their BMS brands and applies to all employees of entities partially or fully owned by the H&H Group and partners involved in the marketing, distribution, selling, education and/or governance of their above products. H&H will apply its BMS policy in countries that have either no laws/national regulations on BMS or that have laws/regulations less stringent than the BMS Policy and adheres to all national laws when those laws are more stringent than the policy, in relation to the promotion and marketing of their BMS products. Lastly, the company does not make any distinction between countries (such as high risk/low risk).

To ensure compliance with this policy, Health and Happiness Australia and New Zealand has the following actions in place:

- Regulatory and Legal team advertising reviews – this is conducted prior to submission of all marketing and communications on the BMS products, to meet both local regulation and compliance with the Policy.
- All H&H team members involved in the marketing, communication, distribution, selling, education and governance of covered products receive annual training either online or in-person. Training includes detailing the BMS Policy itself, how to comply with the Policy, responsibilities of team members and leaders, as well as channels for raising concerns or breaches.
- Team members who become aware of misconduct or incorrect promotion of BMS, as laid out in the BMS Policy, can access the HH Speak Up Channel to report or correct the potential or confirmed non-compliance.
- H&H assesses 100% of its external stakeholder feedback – positive and negative, including complaints – which supports a continuous improvement approach to quality.

Company Comments:

In Australia, H&H is a signatory to the Marketing in Australia of Infant Formulas: Manufacturers and Importers (MAIF) Agreement. This is a voluntary and self-regulated code which is Australia's response to the World Health Organisation International Code of Marketing of Breastmilk Substitutes. In Australia, infant formula products are defined as per the MAIF Agreement and Australia New Zealand Food Standards Code of infant formula. In the Agreement, any food described or sold as an alternative to human breastmilk for the feeding of infants up to the age of 12 months and formulated in accordance with all relevant clauses of the Australia New Zealand Food Standards Code, including Infant Formula Products Standard 2.9.1.

H&H is also a member of the Infant Nutrition Council of Australia (INC) holding a board director seat. The INC drives strict adherence of industry to the MAIF agreement and is the trusted voice of governance by the Australian government.

2. H&H Group's Policies and Practices on Marketing of Breastmilk Substitutes

BMS Call to Action

In September 2020, **H&H Group** responded as a signatory to the [BMS Call to Action](#) inviting all manufacturers of breastmilk substitutes (BMS) to make a public commitment to and achieve full compliance with the International Code of Marketing of Breast-milk Substitutes and all its subsequent resolutions (the Code) by 2030.

In 2021, the BMS Call to Action reviewed and published a formal assessment of H&H Groups response, indicating the company was not compliant with the Call to Action.

Since the BMS Call to Action signatory assessment, H&H Group have implemented the following actions.

- Extension of the scope of products from 6-12 months,
- Removal of the distinction between high and low risk countries to meet a global alignment of their policy in all countries,
- Commitment to upholding their policy in all countries even where regulations are absent or less stringent than their BMS policy and supporting governments to implement national legislation fully aligned with the Code,
- Joining the ATNI BMS index: submission was done on March 7th, 2023,
- Commitment to conducting an external audit with Bureau Veritas in 2023 to enhance the monitoring of their BMS policy compliance.

Following the revision of the group's BMS Policy, the company resubmitted the group's Responsible Marketing of Breast Milk Substitutes Policy to BMS Call to Action in April 2023, which resulted in compliance as publicly listed on the [Call to Action website](#). This can be summarised as follows:

Criteria 1

- Public commitment to full compliance with the WHO code and subsequent resolutions globally (including covering of breastmilk substitutes up to 36 months of age).

Outcome: The plan shared by the company to achieve full Code Compliance does not explicitly outline the additional steps required for it, for example by expanding the scope of the products covered by its BMS marketing policy, to include formula milk for young children 12-36 months. The company therefore does not fully meet the requested commitment to achieve full compliance with the Code by 2030, pending further clarification from the company.

- Disclose a concrete plan for achieving this goal by 2030 at the latest, with delineation of clear incremental steps.

Outcome: The roadmap does not outline a clear and concrete commitment to achieve full Code compliance by 2030.

Criteria 2

- By the end of 2020, a BMS marketing policy that is Code-aligned and for products marketed as suitable for infants between birth and 12 months of age, the policy should be extended to all countries, including in jurisdictions with less or no regulations, and adoption of national laws when those laws are more stringent than the policy.

Outcome: H&H Group published its revised BMS marketing policy in March 2023. The preliminary assessment shows that the policy covers all types of formulas for infants from 0-12 months globally and is upheld even where local regulations on BMS marketing are absent or less stringent than the company policy.

Criteria 3

- Commit to supporting the adoption and implementation of national legislation fully aligned with the code in order to create a level playing field for all companies.

Outcome: The company states that it is supportive of legislation that creates a level playing field for all companies. To fully meet this request, the company would need to add that it supports legislation fully aligned with the Code.

Criteria 4

- Provide information on the company's policies and practices to the Access to Nutrition Initiative (ATNI) as requested, recognizing ATNI as an independent actor responsible for monitoring companies' progress toward their plans for achieving Code compliance.

Outcome: The company meets the requested commitment. The company is expected to be listed in the ATNI's 2023 Index.

Areas of Non-Alignment with the WHO Code

H&H Group has identified and acknowledges the following areas where the company policy may not align with the WHO Code, or where there may be differing interpretations in how the WHO Code and WHA Resolutions should apply:

Definition/Scope of Products Included in WHO Code and H&H Group's Policy

H&H Group's policy regarding the marketing of breastmilk substitutes applies to a scope of products that differ from the complete scope of the WHO Code.

Article 2 of the WHO Code states "The Code applies to the marketing, and practices related thereto, of the following products: breastmilk substitutes, including infant formula; other milk products, food and beverages, including bottle fed complementary foods, when marketed or otherwise represented to be suitable, with or without modification, for use as a partial or total replacement of breast milk; feeding bottles and teats. It also applies to their quality and availability, and to information concerning their use." Breastmilk substitutes are defined as "Any food being marketed or otherwise presented as a partial or total replacement for breast milk, whether or not suitable for that purpose."

In H&H Group's policy, products not included within the scope of the policy, but that are produced or sold by H&H Group, include:

- probiotic supplements segment including probiotic supplements for infants and young children,
- another pediatrics products segment

Company Comments:

H&H Australia and New Zealand sells probiotics supplements for infants and young children under the Biostime brand, which fall outside the scope of the BMS Policy. In 2022, those products account for less than 0.5% of overall revenue in ANZ.

WHA Resolutions Subsequent to the WHO Code:

Since the adoption of the WHO Code, a number of World Health Assembly resolutions have either added to, revised, or clarified the content of the original WHO Code. H&H Group's policy supports recommendations made in the guidance associated with subsequent WHA Resolutions to the WHO Code.

Other Areas of Potential Misalignment:

In addition to the above categories regarding the Scope of Product Definitions and WHA Resolutions, there are other components of H&H Group's policy that stakeholders may or may not interpret as aligning (materially or immaterially) with the letter or intent of the WHO Code, including potential variances in language, level of detail, or exceptions.

Company Comments:

"In Australia, we have received 2 MAIF complaints for our brand Biostime, those complaints are still pending a decision from the MAIF Committee, and we have already replied to MAIF to

provide evidence on the fact that these 2 cases are not constituting Code violation according to us."

Management Practices of the Company

In accordance with H&H Group's policy on the marketing of breastmilk substitutes, H&H Group has the following management practices in place to manage compliance to their policy globally:

- Cases of deliberate non-compliance are brought to the attention of the relevant Regional Executive and collective Baby Nutrition Council who would decide upon action to take and assign responsibility to either local Legal or People & Culture teams and report the incident directly to the Board of Directors. Disciplinary action will be in accordance with the relevant region's disciplinary procedure through the H&H Responsible Marketing Non-Compliance form, and respond accordingly.
- Our whistleblower reporting platform, 'HH Speak Up', has been functioning well since its introduction in 2019. This platform is managed by external provider Deloitte to guarantee the confidentiality of anonymous reports and prevent any communication distortion. The platform is available to all team members, suppliers and retailers across regions on a 24/7 basis, through multiple reporting channels – such as an official website, telephone and email contacts. Upon receipt of a report, the report is put on file and investigations begin immediately.
- H&H Responsible Marketing Non-Compliance Form available at hh.global
- Regulatory and Legal team advertising reviews – this is conducted prior to submission of all marketing and communications on the BNC products, to meet both local regulation and compliance with the Policy.
- Biannual reviews submitted to the H&H Group Board report on progress of BMS Policy changes, alignment and identification, and instances of non-compliance.
- All H&H team members involved in the marketing, communication, distribution, selling, education and governance of covered products receive annual training either online or in-person. Training includes detailing the Policy itself, how to comply with the Policy, responsibilities of team members and leaders, as well as channels for raising concerns or breaches.

Lobbying:

H&H Group is planning to release a global lobbying policy in 2024 which will include disclosures related to lobbying practices in the area of BMS marketing. In May 2023, H&H Group published the Group Trade Compliance Policy which stipulates that employees are not permitted to offer personal support for lobbying events on behalf of the Group without obtaining appropriate approvals. In terms of local lobbying practices, the Group is currently in the process of revising its regional Anti-bribery Policies to align with these changes. These policies will be applicable to all H&H Group employees.

To date, H&H Group has not been assessed by the [Responsible Lobbying Framework](#) but is considering the possibility of conducting this assessment in the future. Accordingly, the ATNI's Index methodology includes aspects related to the aforementioned framework.

Company Comments:

H&H is an active member of the Infant Nutrition Council of Australia (INC) holding a board director seat. The INC drives strict adherence of industry to the MAIF agreement is the trusted voice of governance by Australian government

Next Steps

As stipulated by the requirements for B Corp Certification, H&H Australia and New Zealand will remain eligible for B Corp Certification as long as they work towards and achieve full WHO Code compliance, with respect to the elements of the Code that apply to distributors, by 2030.

As H&H Group has submitted to the 2023 ATNI ranking, B Lab would expect the parent company to be meeting the minimum thresholds for B Corp Certification for ATNI listed parent companies. Should they not achieve this in the 2023 ranking, they would be granted one certification cycle to achieve the minimum threshold and/or score in the top 20% of the listed companies.

In the meantime, H&H subsidiaries are eligible to certify based on the standards for non ATNI listed subsidiaries in that the parent company is meeting the immediate call of the BMS Call to Action.

Annex 3 (BMS Industry Disclosure Template)

- Scope of Certification – H&H France (independent certification)
- Certification date – November 2023

Health and Happiness France Marketing of Breastmilk Substitutes Disclosure

Health & Happiness France is a distributor and owner of breastmilk substitute brands in France that sells and markets eight products considered breastmilk substitutes that include infant formulas for 0-6 months, follow-on milks for 6 - 12 months and Food For Special Medical Purposes- FSMP (Anti-Regurgitation). These products are sold under the brands Biostime and Good Goût with distribution and sales in France. In 2022, these products account for 21% of the French operations' revenues.

1. B Lab Standards Advisory Council criteria for companies involved in the Marketing of Breastmilk Substitutes and Complementary Foods

As a subsidiary of Health & Happiness (H&H) Group, H&H Group Policy on the [Responsible Marketing of Breastmilk Substitutes](#) is applicable to Health & Happiness France. As determined by B Lab's independent Standards Advisory Council, companies involved in the Marketing of breastmilk substitutes are eligible for B Corp Certification if they meet specific requirements for the industry, including disclosure of their practices. These requirements vary by type of company, including whether the company's practices related to the marketing of breastmilk substitutes is assessed in the Access to Nutrition Index (ATNI).

Subsidiaries of non-ATNI listed companies are required to meet the immediate expectations of the BMS Call to Action (listed below), at a minimum, at the time of certification, to be eligible to certify, and achieve full Code compliance by 2030 in order to maintain the certification.

The immediate expectations of the BMS Call to Action are as follows:

- Have a policy in place that at minimum meets the following criteria:
 - i. Covers products designed for use 0-12 months after birth
 - ii. Is applied globally
 - iii. Is upheld in jurisdictions with less stringent or no regulations, and adheres to national law when those laws are more stringent than the policy.

As a subsidiary of H&H Group, H&H France is eligible to be assessed against the above B Lab Standards Advisory Council criteria for companies involved in the marketing of Breastmilk Substitutes and Complementary Foods.

All manufacturers of BMS/CF that meet the above eligibility requirements, are required to disclose their marketing practices and areas of non-compliance with the Code. Manufacturers of BMS/CF should additionally disclose their lobbying policies and practices in reference to the RLF, including industry association affiliations, in the specific context of BMS/CF

For more information on B Lab's position on the marketing of breastmilk substitutes, please refer to B Lab's statement on the breast milk substitute industry and B Corp Certification [here](#).

Company Comments:

As a Group we are seeking to address and enact the WHO Code and subsequent WHA resolutions internally as it supports the Group's sustainability plan and goals around the Story of Good Health and Human Rights and Fairness. The Group fully acknowledges and supports the recommendations of the WHO International Code of Marketing of Breast-Milk Substitutes, and subsequent World Health Assembly (WHA) resolutions, on optimal infant and young children feeding: exclusive breastfeeding for the first six months of life with continued breastfeeding for up to two years and beyond.

The Group commits to fully complying with all applicable laws, regulations and our BMS policy, whichever is the stricter, in relation to the promotion and marketing of all our BMS and positively advocates for adequate adoption of the WHO Code principles and subsequent WHA resolutions in the countries where it operates. The Group is committed to be monitored by ATNI, as an independent actor responsible for monitoring companies' progress towards their plans for achieving Code compliance.

Health & Happiness France and B Corp Certification Eligibility

Health and Happiness France applies H&H_Group's policy which makes a commitment to the WHO Code:

The Group acknowledges the importance of, and supports the WHO International Code of Marketing of Breast-Milk Substitutes (WHO Code and subsequent World Health Assembly (WHA) resolutions) and is committed to be monitored by ATNI, as an independent actor responsible for monitoring companies' progress towards their plans for achieving Code compliance

To date, H&H France, as a subsidiary of a non-ATNI listed company (H&H Group) meets the expectation of the BMS Call to Action (listed below). Therefore, H&H France is eligible for B Corp Certification.

The following products are covered within the scope of the policy:

- Infant Formula developed to meet the nutritional needs of infants up to the age of six months as well as information concerning its use;
- and Follow-on Formula intended for infants from six to twelve months of age as well as information concerning its use;
- and Food for Special Medical Purposes

The policy is applied globally in all markets where the company operates with their BMS brands and applies to all employees of entities partially or fully owned by the H&H Group and partners involved in the marketing, distribution, selling, education and/or governance of their above products. H&H will apply its BMS policy in countries that have either no laws/national regulations on BMS or that have laws/regulations less stringent than the BMS Policy and adheres to all national laws when those laws are more stringent than the policy, in relation to the promotion and marketing of their BMS products. Lastly, the company does not make any distinction between countries (such as high risk/low risk).

To ensure compliance with this policy, [Health and Happiness France](#) has the following actions in place:

- Regulatory and Legal team advertising reviews – this is conducted prior to submission of all marketing and communications on the BMS products, to meet both local regulation and compliance with the Policy.
- All H&H team members involved in the marketing, communication, distribution, selling, education and governance of covered products receive annual training either online or in-person. Training includes detailing the BMS Policy itself, how to comply with the Policy, responsibilities of team members and leaders, as well as channels for raising concerns or breaches.
- Team members who become aware of misconduct or incorrect promotion of BMS, as laid out in the BMS Policy, can access the HH Speak Up Channel to report or correct the potential or confirmed non-compliance.
- H&H assesses 100% of its external stakeholder feedback – positive and negative, including complaints – which supports a continuous improvement approach to quality.

Company Comments:

In France, H&H is a member of the SFAE (Secteur Français des Aliments de l'Enfance = French Baby Nutrition Sector), a federal French union, which acts collectively on major issues relating to the Baby Food industry, notably the development of best professional practices. H&H France also complies with local regulations, agreements and codes surrounding the marketing of Breast-Milk Substitutes aligned with French Ministry of Health providing the national

recommendation of weaning, ANSES (French agency for food, environmental and occupational health & safety), EFSA (European Food Safety Authority).

2. H&H Group's Policies and Practices on Marketing of Breastmilk Substitutes

BMS Call to Action

In September 2020, **H&H Group** responded as a signatory to the [BMS Call to Action](#) inviting all manufacturers of breastmilk substitutes (BMS) to make a public commitment to and achieve full compliance with the International Code of Marketing of Breast-milk Substitutes and all its subsequent resolutions (the Code) by 2030.

In 2021, the BMS Call to Action reviewed and published a formal assessment of H&H Groups response, indicating the company was not compliant with the Call to Action.

Since the BMS Call to Action signatory assessment, H&H Group have implemented the following actions:

- Extension of the scope of products from 6-12 months,
- Removal of the distinction between high and low risk countries to meet a global alignment of their policy in all countries,
- Commitment to upholding their policy in all countries even where regulations are absent or less stringent than their BMS policy and supporting governments to implement national legislation fully aligned with the Code,
- Joining the ATNI BMS index: submission was done on March 7th, 2023,
- Commitment to conducting an external audit with Bureau Veritas in 2023 to enhance the monitoring of their BMS policy compliance.

Following the revision of the group's BMS Policy, the company resubmitted the group's Responsible Marketing of Breast Milk Substitutes Policy to BMS Call to Action in April 2023, which resulted in compliance as publicly listed on the [Call to Action website](#). This can be summarised as follows:

Criteria 1

- Public commitment to full compliance with the WHO code and subsequent resolutions globally (including covering of breast-milk substitutes up to 36 months of age).

Outcome: The plan shared by the company to achieve full Code Compliance does not explicitly outline the additional steps required for it, for example by expanding the scope of the products covered by its BMS marketing policy, to include formula milk for young children 12-36 months. The company therefore does not fully meet the requested commitment to achieve full compliance with the Code by 2030, pending further clarification from the company.

- Disclose a concrete plan for achieving this goal by 2030 at the latest, with delineation of clear incremental steps.

Outcome: The roadmap does not outline a clear and concrete commitment to achieve full Code compliance by 2030.

Criteria 2

- By the end of 2020, a BMS marketing policy that is Code-aligned and for products marketed as suitable for infants between birth and 12 months of age, the policy should be extended to all countries, including in jurisdictions with less or no regulations, and adoption of national laws when those laws are more stringent than the policy.

Outcome: H&H Group published its revised BMS marketing policy in March 2023. The preliminary assessment shows that the policy covers all types of formulas for infants from 0-12 months globally and is upheld even where local regulations on BMS marketing are absent or less stringent than the company policy.

Criteria 3

- Commit to support the adoption and implementation of national legislation fully aligned with the code in order to create a level playing field for all companies.

Outcome: The company states that it is supportive of legislation that creates a level playing field for all companies. To fully meet this request, the company would need to add that it supports legislation fully aligned with the Code.

Criteria 4

- Provide information on the company's policies and practices to the Access to Nutrition Initiative (ATNI) as requested, recognizing ATNI as an independent actor responsible for monitoring companies' progress toward their plans for achieving Code compliance.

Outcome: The company meets the requested commitment. The company is expected to be listed in the ATNI's 2023 Index.

Areas of Non-Alignment with the WHO Code

H&H Group has identified and acknowledges the following areas where the company policy may not align with the WHO Code, or where there may be differing interpretations in how the WHO Code and WHA Resolutions should apply:

Definition/Scope of Products Included in WHO Code and H&H Group's Policy

H&H Group's policy regarding the marketing of breastmilk substitutes applies to a scope of products that differ from the complete scope of the WHO Code.

Article 2 of the WHO Code states "The Code applies to the marketing, and practices related thereto, of the following products: breastmilk substitutes, including infant formula; other milk products, food and beverages, including bottle fed complementary foods, when marketed or otherwise represented to be suitable, with or without modification, for use as a partial or total replacement of breast milk; feeding bottles and teats. It also applies to their quality and availability, and to information concerning their use." Breastmilk substitutes are defined as "Any food being marketed or otherwise presented as a partial or total replacement for breast milk, whether or not suitable for that purpose."

In H&H Group's policy, products not included within the scope of the policy, but that are produced or sold by H&H Group, include:

- probiotic supplements segment including probiotic supplements for infants and young children,
- other pediatric products segment

WHA Resolutions Subsequent to the WHO Code:

Since the adoption of the WHO Code, a number of World Health Assembly resolutions have either added to, revised, or clarified the content of the original WHO Code. H&H Group's policy supports recommendations made in the guidance associated with subsequent WHA Resolutions to the WHO Code.

Other Areas of Potential Misalignment:

In addition to the above categories regarding the Scope of Product Definitions and WHA Resolutions, there are other components of H&H Group's policy that stakeholders may or may not interpret as aligning (materially or immaterially) with the letter or intent of the WHO Code, including potential variances in language, level of detail, or exceptions.

Management Practices of the Company

In accordance with H&H Group's policy on the marketing of breastmilk substitutes, H&H Group has the following management practices in place to manage compliance to their policy globally:

- Cases of deliberate non-compliance are brought to the attention of the relevant Regional Executive and collective Baby Nutrition Council who would decide upon action to take and assign responsibility to either local Legal or People & Culture teams and report the incident directly to the Board of Directors. Disciplinary action will be in accordance with

the relevant region's disciplinary procedure through the H&H Responsible Marketing Non-Compliance form, and respond accordingly.

- Our whistleblower reporting platform, '[HH Speak Up](#)', has been functioning well since its introduction in 2019. This platform is managed by external provider Deloitte to guarantee the confidentiality of anonymous reports and prevent any communication distortion. The platform is available to all team members, suppliers and retailers across regions on a 24/7 basis, through multiple reporting channels – such as an official website, telephone and email contacts. Upon receipt of a report, the report is put on file and investigations begin immediately.
- H&H Responsible Marketing Non-Compliance Form available at [hh.global](#)
- Regulatory and Legal team advertising reviews – this is conducted prior to submission of all marketing and communications on the BNC products, to meet both local regulation and compliance with the Policy.
- Biannual reviews submitted to the H&H Group Board report on progress of BMS Policy changes, alignment and identification, and instances of non-compliance.
- All H&H team members involved in the marketing, communication, distribution, selling, education and governance of covered products receive annual training either online or in-person. Training includes detailing the Policy itself, how to comply with the Policy, responsibilities of team members and leaders, as well as channels for raising concerns or breaches.

Lobbying:

H&H Group is planning to release a global lobbying policy in 2024 which will include disclosures related to lobbying practices in the area of BMS marketing. In May 2023, H&H Group published the Group Trade Compliance Policy which stipulates that employees are not permitted to offer personal support for lobbying events on behalf of the Group without obtaining appropriate approvals. In terms of local lobbying practices, the Group is currently in the process of revising its regional Anti-bribery Policies to align with these changes. These policies will be applicable to all H&H Group employees.

To date, H&H Group has not been assessed by the [Responsible Lobbying Framework](#) but is considering the possibility of conducting this assessment in the future. Accordingly, the ATNI's Index methodology includes aspects related to the aforementioned framework.

Company Comments

In France, H&H is member of the Alliance 7 and more specifically SFAE (Secteur Français des Aliments de l'Enfance = French Baby Nutrition Sector), a federal French union, which acts



collectively on major issues relating to the Baby Food industry, notably the development of best professional practices. Alliance 7 is also represented in the SNE, Specialised Nutrition Europe, that is the voice of the specialised nutrition industry across Europe and whose members are companies producing tailor made dietary solutions for populations with very specific nutritional needs such as infants and young children.

Next Steps

As stipulated by the requirements for B Corp Certification, H&H France will remain eligible for B Corp Certification as long as they work towards and achieve full WHO Code compliance, with respect to the elements of the Code that apply to distributors, by 2030.

As H&H Group has submitted to the 2023 ATNI ranking, B Lab would expect the parent company to be meeting the minimum thresholds for B Corp Certification for ATNI listed parent companies. Should they not achieve this in the 2023 ranking, they would be granted one certification cycle to achieve the minimum threshold and/or score in the top 20% of the listed companies.

In the meantime, H&H subsidiaries are eligible to certify based on the standards for non ATNI listed subsidiaries in that the parent company is meeting the immediate call of the BMS Call to Action.