

# FTSE4Good Inclusion Criteria for the Marketing of Breast Milk Substitutes



## Risk Categories

### HIGHER RISK COUNTRIES

A number of countries will be considered as "Higher Risk" in terms of levels of infant mortality and morbidity. Countries will be considered as "Higher Risk" if they meet either of the following criteria (see Appendix):

- More than 10 per 1000 under 5 mortality rate
- More than 2% acute malnutrition (moderate and severe wasting) in under-5s

### LOWER RISK COUNTRIES

All other countries will be considered "Lower risk".

## Criteria Requirements

### POLICY CRITERIA

Company policy should be publicly available and include:

1. Acknowledgement of the importance of the International Code of Marketing of Breast-milk Substitutes, and subsequent relevant WHA resolutions<sup>1</sup>, hereafter referred to as "the Code"<sup>2</sup>.
2. Defining responsibility at Corporate Executive Board or Executive Management level and at the individual country level for the implementation and monitoring of the company policy.
3. Acknowledgment that, independently of any other measures taken by governments to implement the Code, manufacturers are responsible for monitoring their marketing practices according to the principles and aim of the Code, and for taking steps to ensure that their conduct at every level conforms to their policy in this regard.

#### ***Additional Policy Criteria with Regards to Company Operations in Higher Risk Countries:***

4. Acknowledgement that the adoption and adherence to the Code is a minimum requirement for these countries and where national legislation or regulations implementing the Code are more demanding than the Code, the company will follow the national measures in addition to the Code.
5. Explicit confirmation that there will be no advertising or promotion of infant formula, follow-on-formula products<sup>3</sup>, or delivery products (i.e. teats and bottles) in these countries.
6. Explicit confirmation that complementary (weaning) foods and drinks will not be promoted for the use of infants under the age of six months in these countries.

#### ***Additional Policy Criteria with Regards to Company Operations in Lower Risk Countries:***

7. Commitment to follow all national regulations in relation to the marketing and promotion of breast milk substitutes.

*Note that these requirements for lower risk country operations will be reviewed by the FTSE4Good BMS Committee within a period of 5 years for revisions to bring them, over time, in-line with high risk requirements.*

### CORPORATE PUBLIC POLICY AND LOBBYING OF REGULATORS

Companies have a valid and important engagement role in the development of effective and appropriate legislation. They should have clear, openly-stated and enforceable policies on the objectives and practice of their political lobbying regarding government's implementation of the Code, and specifically companies must:

1. Be open about their objectives, and make position papers publicly available to demonstrate consistency and;
2. Seek to ensure that the trade associations and industry policy groups to which they belong, operate to the same high standards with membership of such organisations being disclosed.

The assessment of a company against these criteria will take into account any credible evidence that a company has deliberately and consistently attempted to undermine public policy frameworks that aim to implement the Code in any country.

### MANAGEMENT SYSTEMS

FTSE propose that companies should clearly demonstrate the presence and application of the following management systems:

1. Clear communication of the company policies, procedures for its implementation throughout the marketing processes, and provision of training in its application, to senior management and all relevant marketing staff operating in the high risk countries.
2. Clear accountability and responsibility within the Company for the implementation of systems for compliance with policy at all levels.
3. Whistleblowing procedures that allow employees to report outside their normal management reporting line potential non-compliance with company policy in a way that protects them from possible negative consequences of such reporting.
4. On-going systematic internal monitoring of compliance with policy.
5. Systems for investigating and responding in a timely manner to alleged non-compliance reported by governmental bodies, professional groups, institutions, NGOs or other individuals from outside the Company.
6. Systems for taking, as well as tracking, corrective action on all non-compliance cases, both internally and externally reported.
7. Regular verification to provide evidence of well functioning Policy compliance management and monitoring systems, conducted by a suitably qualified expert.
8. In addition to management reviews, the production of annual summary reports to the Board of Directors on internal monitoring, external reporting and corrective actions taken regarding non-compliance.

#### ***Additional Management Systems Criteria with Regards to Company Operations in Higher Risk Countries:***

9. In addition for operations in higher risk countries companies must provide to the FTSE BMS Committee, on request, copies of any related marketing literature and product labelling and inform the Committee when there are material changes to promotional material and activities.

<sup>1</sup> Subsequent resolutions include; WHA 39.28 (1986), WHA 45.34 (1992), WHA 47.5 (1994) WHA 49.15 (1996), WHA 54.2 (2001), WHA 55.25 (2002).

<sup>2</sup> Further details can be found at <http://www.who.int/nutrition/publications/infantfeeding/en/index.html> and at [http://www.who.int/nutrition/publications/infantfeeding/Frequently\\_ask\\_question\\_Internationalcode.pdf](http://www.who.int/nutrition/publications/infantfeeding/Frequently_ask_question_Internationalcode.pdf)

<sup>3</sup> For the use of infants under the age of 12 months.

# FTSE4Good Inclusion Criteria for the Marketing of Breast Milk Substitutes

## EXTERNAL REPORTING

Adequate company reporting procedures should include making annual summary reports available on adherence to policy, non-compliance, and corrective action taken.

## VERIFICATION

In addition to Management Systems Criteria 7 above, once included, companies will be required to obtain regular external verification against a specific framework. This will demonstrate to the FTSE4Good BMS Expert Committee evidence of well-functioning policy compliance management and monitoring systems. This verification will be conducted by assurance providers using the FTSE4Good BMS Marketing Verification Tool.

## GOVERNANCE AND PERFORMANCE CRITERIA

FTSE will maintain a small Expert Committee, comprising academics and experts on the industry, which will review company reports, and other information they deem appropriate, to assess whether companies adhere to the FTSE4Good criteria and to make recommendations to the FTSE4Good Policy Committee as to the continuing eligibility of companies.

Any company which is found to be systematically not complying with its policy, will be given notice that they will be removed from the index at the sole discretion of the FTSE4Good Policy Committee.

## HIGHER RISK COUNTRIES

The list below is of the countries which have "More than 10 per 1000 under 5 mortality rate" or "More than 2% acute malnutrition (moderate and severe wasting) in under-5s"\*

|                                       |                                  |                                  |   |
|---------------------------------------|----------------------------------|----------------------------------|---|
| Afghanistan                           | Dominica                         | Malaysia                         | Sao Tome and Principe                     |
| Albania                               | Dominican Republic               | Maldives                         | Saudi Arabia                              |
| Algeria                               | Ecuador                          | Mali                             | Senegal                                   |
| Angola                                | Egypt                            | Marshall Islands                 | Serbia                                    |
| Antigua and Barbuda                   | El Salvador                      | Mauritania                       | Seychelles                                |
| Argentina                             | Equatorial Guinea                | Mauritius                        | Sierra Leone                              |
| Armenia                               | Eritrea                          | Mexico                           | Singapore                                 |
| Azerbaijan                            | Ethiopia                         | Micronesia (Federated States of) | Solomon Islands                           |
| Bahamas                               | Fiji                             | Moldova                          | Somalia                                   |
| Bahrain                               | Gabon                            | Mongolia                         | South Africa                              |
| Bangladesh                            | Gambia                           | Montenegro                       | Sri Lanka                                 |
| Barbados                              | Georgia                          | Morocco                          | Sudan                                     |
| Belarus                               | Ghana                            | Mozambique                       | Suriname                                  |
| Belize                                | Grenada                          | Myanmar                          | Swaziland                                 |
| Benin                                 | Guatemala                        | Namibia                          | Syrian Arab Republic                      |
| Bhutan                                | Guinea                           | Nauru                            | Tajikistan                                |
| Bolivia                               | Guinea-Bissau                    | Nepal                            | Thailand                                  |
| Bosnia and Herzegovina                | Guyana                           | Nicaragua                        | The former Yugoslav Republic of Macedonia |
| Botswana                              | Haiti                            | Niger                            | Timor-Leste                               |
| Brazil                                | Honduras                         | Nigeria                          | Togo                                      |
| Bulgaria                              | India                            | Niue                             | Tonga                                     |
| Burkina Faso                          | Indonesia                        | Occupied Palestinian Territory   | Trinidad and Tobago                       |
| Burundi                               | Iran (Islamic Republic of)       | Oman                             | Tunisia                                   |
| Cambodia                              | Iraq                             | Pakistan                         | Turkey                                    |
| Cameroon                              | Jamaica                          | Palau                            | Turkmenistan                              |
| Cape Verde                            | Jordan                           | Panama                           | Tuvalu                                    |
| Central African Republic              | Kazakhstan                       | Papua New Guinea                 | Uganda                                    |
| Chad                                  | Kenya                            | Paraguay                         | Ukraine                                   |
| China                                 | Kiribati                         | Peru                             | United Arab Emirates                      |
| Colombia                              | Kuwait                           | Philippines                      | United Republic of Tanzania               |
| Comoros                               | Kyrgyzstan                       | Qatar                            | Uruguay                                   |
| Congo                                 | Lao People's Democratic Republic | Romania                          | Uzbekistan                                |
| Cook Islands                          | Lebanon                          | Russian Federation               | Vanuatu                                   |
| Costa Rica                            | Lesotho                          | Rwanda                           | Venezuela (Bolivarian Republic of)        |
| Côte d'Ivoire                         | Liberia                          | Saint Kitts and Nevis            | Vietnam                                   |
| Democratic People's Republic of Korea | Libyan Arab Jamahiriya           | Saint Lucia                      | Yemen                                     |
| Democratic Republic of the Congo      | Madagascar                       | Saint Vincent and the Grenadines | Zambia                                    |
| Djibouti                              | Malawi                           | Samoa                            | Zimbabwe                                  |

\*Countries will only be removed from the higher risk country list if they are below the thresholds for 3 consecutive years.

FOR FURTHER INFORMATION VISIT [WWW.FTSE.COM](http://WWW.FTSE.COM), EMAIL [INFO@FTSE.COM](mailto:INFO@FTSE.COM) OR CALL YOUR LOCAL FTSE OFFICE:  
 LONDON +44 (0) 20 7866 1810 BOSTON +1 888 747 FTSE (3873) FRANKFURT +49 (0) 69 156 85 144 HONG KONG +852 2230 5800  
 BEIJING +86 10 5864 5277 MADRID +34 91 411 3787 NEW YORK +1 888 747 FTSE (3873) PARIS +33 (0) 1 53 76 82 88  
 SAN FRANCISCO +1 888 747 FTSE (3873) SYDNEY +61 2 9293 2866 TOKYO +81 3 3581 2811 MILAN +39 02 72426 641