



DANONE'S REPORT
on alleged non-compliance with
THE WHO CODE
(The Green Book)

FISCAL YEAR
2013

Early Life Nutrition and DANONE's Mission

Danone's mission is "to bring health through food to as many people as possible" and we do this by providing healthy and nutritious products to millions of consumers around the world. As a leader in the early life nutrition industry, we have a key role to play in both promoting and initiating change, including, the area of responsible and ethical marketing practices.

Our Commitment to Responsible Marketing

At Danone, we understand the challenges faced by parents in raising their children and we believe that all parents, should have access to the right information to allow them to make appropriate and informed feeding choices for their children.

In support of this, we acknowledge the importance of the International Code of Marketing of Breast-milk Substitutes and subsequent relevant World Health Assembly ("WHA") resolutions and support the WHO's recommendation calling for exclusive breast-feeding for the first six months after birth and continued breast-feeding along with the introduction of safe and appropriate complementary foods thereafter. We work alongside committed partners, mobilizing stakeholders to promote the long term benefits of ensuring the right nutrition during the first 1000 days.

Danone and the Green Book

As part of our commitment to responsible and ethical marketing practices, Danone published its "Green Book"¹ in April 2013. This is Danone's Policy with regards to the marketing of foods for infants and young children. The WHO Code forms the basis for Danone's Green Book. The intention of the Green Book **IS NOT** to interpret or replace The International Code of Marketing of Breast-milk Substitutes, but to aid Danone employees in the implementation of The WHO Code. As a business it is important that we are consistent, clear and transparency as to the standards of behaviour we expect from our employees and partners in the performance of their duties, and to ensure this is done without ambiguity. The Green Book was developed for this purpose.

It details areas where employees need to make ethical decisions related to the marketing of foods for infants and young children.

¹ Danone's Green Book can be downloaded on <http://www.danone.com/en/company/health-governance.html>

Compliance with the Green Book

Danone has committed to prepare and publish an annual report detailing compliance with the Green Book, in order for our key stakeholders and other interested parties, to better understand how we manage compliance with our own Policy. It is part of our efforts to ensure greater transparency and accountability for our actions and to detail instances of non-compliance with the Green Book.

In our reporting, we categorise complaints as either substantiated or unsubstantiated – versus our Green Book and/or national regulations. Furthermore, all references to Danone include all subsidiary companies/entities and also all external distributors. Third Parties refer to other independent groups, individuals or entities, for example retailers or pharmacies.

A full analysis of the 2013 substantiated and unsubstantiated complaints is detailed in the Appendices to this report. The following is a summary for the period 1 January to 31 December 2013:

- In total 87 complaints were received of which, 52 complaints were identified as being substantiated:
 - 20 due to actions/activities by Danone
 - 32 due to actions/activities by Third Parties
- 35 complaints were found to be unsubstantiated.

Danone receives complaints from different sources, and on different types of complaints, which are categorised consistent with the Green Book, as follows:

- Interaction with the General Public
- Interaction with Health Care Workers
- Labelling of Covered Products
- Information/Education to the General Public
- Events

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A more detailed analysis of the substantiated complaints received for the period 1 January to 31 December 2013 (in total 52 substantiated complaints) is shown below, along with a comparison versus the same period for 2012:

| | 2013 Substantiated Only | | | 2012 Substantiated Only | | |
|---|-------------------------|---------------|-----------|-------------------------|---------------|-----------|
| | Danone | Third Parties | Total | Danone | Third Parties | Total |
| Total Complaints | 20 | 32 | 52 | 16 | 28 | 44 |
| By Source of Complaint: | | | | | | |
| <i>Other Manufacturers</i> | 7 | 28 | 35 | 8 | 27 | 35 |
| <i>Internal</i> | 2 | 2 | 4 | - | - | |
| <i>NGO</i> | 6 | - | 6 | 6 | - | 6 |
| <i>Consumer</i> | 1 | - | 1 | - | 1 | 1 |
| <i>Government</i> | 3 | 2 | 5 | 2 | - | 2 |
| <i>Media</i> | 1 | - | 1 | - | - | - |
| By Category Of Complaint: | | | | | | |
| <i>Interactions – General Public</i> | 14 | 30 | 44 | 10 | - | 10 |
| <i>Interactions – Health Care Workers</i> | 4 | 2 | 6 | 3 | 28 | 31 |
| <i>Labelling of Covered Products</i> | 2 | - | 2 | 2 | - | 2 |
| <i>Events</i> | - | - | - | 1 | - | 1 |
| By Geographic Region: | | | | | | |
| <i>Asia Pacific</i> | 7 | 27 | 34 | 13 | 24 | 37 |
| <i>Europe</i> | 6 | 3 | 9 | 3 | 2 | 5 |
| <i>Latin America</i> | 2 | 2 | 4 | - | 2 | 2 |
| <i>Middle East</i> | 5 | - | 5 | - | - | - |

Note: A total of 64 complaints (substantiated and unsubstantiated) were received in 2012.

Analysis of Substantiated Complaints 2013

The analysis highlights that the majority (over 60%) of substantiated complaints received in 2013 related to actions of Third Parties, not Danone, with the main source of these complaints, originating from “Other Manufacturers” of Infant Formula.

Almost 85% of substantiated complaints related to “Interactions with the General Public”, of which the majority of these were attributable to Third Parties. Further analysis showed that the

complaints related specifically to either a) display of infant formula in retail outlets, or b) pricing promotions in retail outlets.

From a geographic perspective, 65% of the total substantiated complaints occurred in Asia Pacific.

For every substantiated complaint, we have developed and executed a clear corrective action plan, either internally or with third party.

Analysis of Total Complaints 2013 vs. 2012

The total number of complaints (Substantiated and Unsubstantiated) reported in 2013 increased versus 2012. However, substantiated complaints as a percentage of total complaints, declined from 69% to 60%.

There is a significant decline (of over 80%), in the number of Substantiated Complaints relating to "Interactions with Healthcare Workers". Disappointingly there has been an increase in the complaints related to "Interactions with the General Public" – the majority of these being as a result of actions by Third Parties.

Conclusion

Ethical and compliant marketing practises are part of the foundations on which our Early Life Nutrition business is built at Danone. These results reflect the importance and focus that Danone continues to place on this important area.

In particular the reduction in substantiated complaints relating to "Interactions with Health Workers" is as a result of the significant investments in this area following the completed roll-out of the Green Book and subsequent training of all marketing employees globally. There is an unwelcome increase in substantiated complaints relating to "Interactions with General Public", however, it should be noted that majority of the increase (almost 90%) was as a result of activities undertaken by Third Parties. Nevertheless, Danone has committed to work with Third Parties to ensure they are aware of the WHO Code, and Danone's Green Book, and this report illustrates that there continues to be significant work to be done in this regard. Recognising that 2013 was the first full year of Green Book application, we believe that overall, the results are encouraging and reflect the work done in 2013.

Danone is a strong supporter of responsible marketing practises and is committed to continue to improve both its own practises and those of the industry. We encourage all stakeholders and consumers to report any instances of alleged non-compliance with our Green Book or national regulations directly to us for further action/follow up.

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Attachments:

Appendix 1: Substantiated Complaints Concerning Activities by Danone

Appendix 2: Substantiated Complaints Concerning Activities by Third Parties

Appendix 3: Unsubstantiated Complaints Concerning Activities by Danone

Appendix 4: Unsubstantiated Complaints Concerning Activities by Third Parties

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Appendix 1: Substantiated Complaints concerning activities by Danone:

| Month | Category Complaint | Summary of Complaint | Comments | Summary Corrective Actions | Region |
|---------|---------------------------------|---|---|---|---------------|
| January | Interaction with General Public | An exhibition of infant and follow on formula in retailers settings | In line with the Green Book infant and follow-on formula should not be promoted or advertised in higher risk countries | - Reinforcement of the importance of using the appropriate exhibition to retailers | Latin America |
| January | Interaction with General Public | A promotional campaign around new packaging for young child formula is an indirect promotion for infant and follows on formula, because the design of the packaging is similar. | In line with the Green Book infant and follow-on formula should not be promoted or advertised in higher risk countries | - The activity was already discontinued at time of the complaint | Latin America |
| April | Interaction with General Public | Danone representatives had direct contact with mothers in hospitals and by phone. Representatives recommended their products or gave mothers free samples, directly or via Health Worker's. | The provision of samples of infant formula is not in line with the Green Book. | <ul style="list-style-type: none"> - Functional training to staff, and - strengthening of the company policy on compliance - Continued SOP (Standard Operating Procedure) training and internal audit to all staff to ensure the staff obey the SOP strictly - Strictly forbid company staff to provide samples directly to the general public - Development of application procedure for distribution of products for professional evaluation | Asia Pacific |
| May | Interaction with General Public | Radio campaign on young child formula from 1 to 3 years falling under a safety campaign for young child formula | Products intended for the use by young children above 12 months of age are not covered by the Green Book but are covered by restrictions in local legislation | - Radio campaign immediately discontinued | Middle East |

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| Month | Category Complaint | Summary of Complaint | Comments | Summary Corrective Actions | Region |
|------------------|--|---|---|---|---------------------|
| August | <i>Interaction with General Public</i> | Distribution of free samples of infant formula and gift set directly to mothers in exchange for registration of their names and contact details | The provision of samples of infant formula is not in line with the Green Book, neither with local legislation | – Warning letter was issued to employees emphasising the importance of compliance with the legislation and Danone Policy | <i>Asia Pacific</i> |
| September | <i>Interaction with Health Workers</i> | Danone representatives provided Health Workers with benefits in exchange for recommending/promoting infant formula | In line with the Green Book the recommendation of infant formula by Health Worker's should not be incentivised | – Compliance training to all employees – Organisational restructuring to safeguard compliance – Revision of KPI's for representatives – Update the SOP of medical nutrition to ensure compliance | |
| September | <i>Interaction with General Public</i> | Distributing invitation cards branded with infant formula brand to Healthcare Professionals and their families" to celebrate mother's day | Even though the invitation was not linked to exchange of recommendation for any products, in line with the Green Book any activity that could be perceived as an incentive to recommend Danone products should be avoided | - The activity was once only and not repeated | <i>Middle East</i> |
| September | <i>Interaction with General Public</i> | Using the claims "Give him the best", "Choose the best" and "The only clinically proven young child formula" in direct to consumer and point of sale material for infant and follow on formula | In line with the Green Book infant and follow-on formula should not be promoted or advertised in higher risk countries | - Activity was discontinued before complaint | <i>Middle East</i> |
| September | <i>Interaction with General Public</i> | An advertisement relating to staff confidence in product safety and quality mentioning infant formula brand during precautionary recall was seen by the government as indirect promotion of follow on formula | In line with the Green Book the advertisement should have been clear about the concerned product. The advertisement focussed on safety and quality | - The brand name was replaced by the young child Formula Brand | <i>Asia Pacific</i> |

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| Month | Category Complaint | Summary of Complaint | Comments | Summary Corrective Actions | Region |
|-----------|---------------------------------|---|---|---|--------------|
| September | Interaction with Health Workers | Distributing personalised prescription pads to physicians branded with infant formula brand name | In line with the Green Book infant and follow-on formula should not be promoted or advertised in higher risk countries (a prescription pad is seen by the consumer) | - Immediate discontinuation of the production of prescription pads with pre-printed infant formula brand names - | Middle East |
| September | Interaction with General Public | Distributing material to mothers to collect personal data and invite mothers to "Virtual Delivery Lounge" on website | In line with the Green Book, consumers can be invited to join a service provided by a website, but this particular service was not in line with the Green Book | - Activity was discontinued | Middle East |
| October | Labelling of Covered Products | Packaging label was different from label approved by local government | The label was in line with the Green Book, but contained an additional sticker to reassure safety with consumers after the decline in consumer trust | - Immediate action was taken: stopped production on labels with the additional sticker | Asia Pacific |
| December | Interaction with Health Workers | A leaflet to Health Workers with statement "this document is used for Health Worker only" was not fully in line with the predefined statement of the Green Book. | In line with the Green Book the statement should be "For Health Worker use only - not for distribution to the general public" | - Use of leaflet was immediately discontinued and new leaflets with the correct statement were produced | Asia Pacific |
| December | Interaction with General Public | Printed new-born cards with identification details of the infant included infant formula brand name | In line with the Green Book Health Care Facilities should not be used for advertising infant formula in any way | - Action taken before the complaint was received, the cards do not contain brand names anymore | Europe |
| December | Interaction with General Public | Infant formula used for donation of products did not contain the proper required sticker as prescribed in the Green Book the product carries a sticker stating "For Medical Channel only" | In line with the Green Book the statement should be "product for donation only, not for sale" | - Action was taken immediately to replace the sticker with a sticker with the appropriate wording "product for donation only, not for sale" | Asia Pacific |

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| Month | Category Complaint | Summary of Complaint | Comments | Summary Corrective Actions | Region |
|----------|---------------------------------|---|--|---|--------|
| December | Interaction with Health Workers | Printed prescription pads with brand names pre-printed | In line with the Green Book such activities should not be carried out, because it could influence the HCP's decision | - Since January 2014 no pre-printed brand name are on the prescription pads | Europe |
| December | Labelling of Covered Products | Incorrect nutritional values stated on the packaging of a Follow-on formula, more Ca and P content than allowed by EU legislations | In line with the Green Book the information on the label should be accurate | - Corrective actions (changing labels) were already taken before complaint was received in order to be compliant with local legislation | Europe |
| December | Interaction with General Public | Infant formula label with a stamp stating that the local Association of Allergology recommends evaluation and care for allergy". This is a way to promote the product | In line with the Green Book infant formula should not be promoted. Although the intention of the notice on the stamp was not promoting the product and the endorsement was agreed upon with the Association (through signed contract defining the terms and conditions of the endorsement stamp), it is acknowledged that such stamp can be seen by others as indirect promotion of infant formula | - Immediate action was taken: the stamp was removed from Infant Formula labels | Europe |
| December | Interaction with General Public | Newsletter sent to mothers of infants of 3 months old discouraging breastfeeding | In line with the Green Book breastfeeding should not be discouraged in any contact | - Newsletter was already discontinued before complaint was received | Europe |
| December | Interaction with General Public | Display cabinet with infant formula in a reception area of maternity ward | In line with the Green Book; Health Care Facilities should not be used for displaying infant formula | - Immediate action was taken: Products were removed and employees that visit hospitals were trained to avoid repetition | Europe |

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Appendix 2: Substantiated Complaints concerning activities by Third Parties:

| Month | Category Complaint | Summary of Complaint | Comments | Summary Corrective Actions | Region |
|-------|---------------------------------|---|--|--|---------------|
| March | Interaction with General Public | Promotional display of infant and follow on formula in retail outlet | In line with the Green Book infant and follow on formula should not be promoted or advertised in higher risk countries | <ul style="list-style-type: none"> – Immediate corrective action by removing the promotional display – Store was briefed on Danone Policy and local regulations | Asia Pacific |
| March | Interaction with General Public | Promotion through discounted price of infant and follow on formula in retail outlet | In line with the Green Book infant and follow on formula should not be promoted or advertised in higher risk countries | <ul style="list-style-type: none"> – Immediate corrective action by removing the promotional display – Store was briefed on Danone Policy and local regulations | Asia Pacific |
| March | Interaction with General Public | Promotional display of infant and follow on formula in retail outlet | In line with the Green Book infant and follow on formula should not be promoted or advertised in higher risk countries | <ul style="list-style-type: none"> – Immediate corrective action by removing the promotional display. – Store was briefed on Danone Policy and local regulations | Asia Pacific |
| March | Interaction with General Public | Promotional display of infant and follow on formula | In line with the Green Book infant and follow on formula should not be promoted or advertised in higher risk countries | <ul style="list-style-type: none"> – Immediate corrective action by removing the promotional display – Store was briefed on Danone Policy and local regulations | Asia Pacific |
| March | Interaction with General Public | Display of infant and follow on formula at retailer with price promotion | In line with the Green Book infant and follow on formula should not be promoted or advertised in higher risk countries | <ul style="list-style-type: none"> – Investigation with retailer – Agreement with retailer to discontinue activity, and to remove existing promotions – Letter to retailer reinforcing Danone Policy | Latin America |
| March | Interaction with General Public | Promotion of infant formula through an online retailer | In line with the Green Book infant formula should not be promoted or advertised | <ul style="list-style-type: none"> – Immediate corrective action by retailer removing price tags – Training of retailer on Danone Policy and local regulations – Resend letter on Danone Policy with clear statement that continuation of practices would result in cessation of product supply | Asia Pacific |

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| Month | Category Complaint | Summary of Complaint | Comments | Summary Corrective Actions | Region |
|-------|---------------------------------|--|--|--|---------------|
| March | Interaction with General Public | Promotion of infant formula through an online retailer | In line with the Green Book infant formula should not be promoted or advertised. The concerned products were not officially imported by Danone and therefore illegally on the market | - Agreement with retailer that the illegal products are removed immediately | Asia Pacific |
| March | Interaction with General Public | A competition from an online shop where infant and follow on formula were amongst the free products to win | In line with the Green Book infant and follow-on formula should not be promoted or advertised in higher risk countries | - Danone informed retailer that this activity is not possible - Retailer took immediate action - Danone trained retailer on compliance | Latin America |
| March | Interaction with General Public | Promotional display of infant and follow on formula in retail outlet | In line with the Green Book infant and follow on formula should not be promoted or advertised in higher risk countries | - Immediate corrective action for retailer to remove discounted price - Store was briefed on Danone Policy and local regulations - Training of retailer on Danone Policy | Europe |
| April | Interaction with General Public | Display of infant and follow on formula at retailer with discount price tags | In line with the Green Book infant and follow on formula should not be promoted or advertised in higher risk countries | - Immediate corrective action for retailer to remove price tags - Training of sales team reinforcing Danone Policy and local regulations - Resending letter on Danone Policy | Asia Pacific |
| May | Interaction with General Public | Promotional display of infant and follow on formula | In line with the Green Book infant and follow on formula should not be promoted or advertised in higher risk countries | - Immediate corrective action by removing the promotional display - Store was briefed on Danone Policy and local regulations | Asia Pacific |
| May | Interaction with General Public | Promotional display of infant and follow on formula | In line with the Green Book infant and follow on formula should not be promoted or advertised in higher risk countries | - Immediate corrective action by removing the promotional display - Store was briefed on Danone Policy and local regulations | Asia Pacific |

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| Month | Category Complaint | Summary of Complaint | Comments | Summary Corrective Actions | Region |
|-------|---------------------------------|---|--|--|--------------|
| May | Interaction with General Public | Promotional display of infant and follow on formula in retail outlet | In line with the Green Book infant and follow on formula should not be promoted or advertised in higher risk countries | <ul style="list-style-type: none"> - Immediate corrective action by removing the promotional display - Store was briefed on Danone Policy and local regulations | Asia Pacific |
| June | Interaction with General Public | Promotional display of infant and follow on formula in retail outlet | In line with the Green Book infant and follow on formula should not be promoted or advertised in higher risk countries | <ul style="list-style-type: none"> - Immediate corrective action by removing the promotional display - Store was briefed on Danone Policy and local regulations | Asia Pacific |
| June | Interaction with Health Workers | Samples of infant formula were given away to the general public in a hospital setting | In line with the Green Book samples of infant formula should not be given to the general public | <ul style="list-style-type: none"> - Danone informed the hospital to stop giving samples of infant formula to general public | Europe |
| June | Interaction with General Public | Point of sale promotion of infant and follow on formula | In line with the Green Book infant and follow on formula should not be promoted or advertised in high risk countries | <ul style="list-style-type: none"> - Retailer was trained concerning compliance with local legislation and Danone Policy | Asia Pacific |
| June | Interaction with General Public | Display of infant and follow on formula at retailer with price promotion | In line with the Green Book infant and follow on formula should not be promoted or advertised in higher risk countries | <ul style="list-style-type: none"> - Retailer was trained concerning compliance with local legislation and Danone Policy | Asia Pacific |
| June | Interaction with General Public | Display of infant and follow on formula at retailer with price promotion | In line with the Green Book infant and follow on formula should not be promoted or advertised in higher risk countries | <ul style="list-style-type: none"> - Immediate corrective action by retailer to remove price tags - Training of sales team reinforcing Danone Policy and local regulations - Resend letter on Danone Policy | Asia Pacific |
| July | Interaction with General Public | Display of infant and follow on formula at retailer with price promotion | In line with the Green Book infant and follow on formula should not be promoted or advertised in higher risk countries | <ul style="list-style-type: none"> - Immediate corrective action by retailer to remove price tags - Training of sales team reinforcing Danone Policy and local regulations - Resend letter on Danone Policy | Asia Pacific |

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| Month | Category Complaint | Summary of Complaint | Comments | Summary Corrective Actions | Region |
|-----------|---------------------------------|---|--|---|--------------|
| August | Interaction with General Public | Display of infant and follow on formula at retailer with price promotion | In line with the Green Book infant and follow on formula should not be promoted or advertised in higher risk countries | <ul style="list-style-type: none"> – Immediate corrective action by retailer to remove price tags – Regular communication to retail channel staff regarding Danone Policy and local regulations | Asia Pacific |
| August | Interaction with General Public | In-store advertising of infant formula in local drugstore | In line with the Green Book infant formula should not be promoted or advertised | <ul style="list-style-type: none"> - In-store advertising removed immediately by drugstore | Asia Pacific |
| August | Interaction with General Public | Discounted price of infant and follow on formula in online retail outlet | In line with the Green Book infant and follow on formula should not be promoted or advertised in higher risk countries | <ul style="list-style-type: none"> – Immediate corrective action by removing discounted price – Store was briefed on Danone Policy and local regulations | Asia Pacific |
| September | Interaction with General Public | Promotional display of infant and follow on formula in retail outlet | In line with the Green Book infant and follow on formula should not be promoted or advertised in higher risk countries | <ul style="list-style-type: none"> – Immediate corrective action by removing the promotional display – Store was briefed on Danone Policy and local regulations | Asia Pacific |
| October | Interaction with Health Workers | In National Pharmacies, catalogue advertising of infant formula | In line with the Green Book infant formula should not be promoted or advertised | <ul style="list-style-type: none"> – Danone requirements for Approval of Sponsored Advertising and Promotional Material developed and distributed to all sales employees to ensure compliance by third parties | Asia Pacific |
| October | Interaction with General Public | Promotional through discounted price of infant and follow on formula in retail outlet | In line with the Green Book infant and follow on formula should not be promoted or advertised in higher risk countries | <ul style="list-style-type: none"> – Immediate corrective action by removing the promotional display – Store was briefed on Danone Policy and local regulations | Asia Pacific |

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| Month | Category Complaint | Summary of Complaint | Comments | Summary Corrective Actions | Region |
|----------|---------------------------------|--|---|--|--------------|
| November | Interaction with General Public | Infant formula offered at a discounted price and delivery via a 3rd party Facebook account | In line with the Green Book infant formula should not be offered for discounted price | <ul style="list-style-type: none"> – The owner of this Facebook page was contacted (via Facebook), and informed a) that this was a violation of local regulations and, b) that the promotion should be removed – Facebook page owner took corrective action – Government was informed that this is a 3rd party violation and of our corrective action – Regular online checking was put in place for further reoccurrences | Asia Pacific |
| November | Interaction with General Public | Infant formula offered at a discounted price and delivery via a 3rd party Facebook account | In line with the Green Book infant formula should not be offered for discounted price | <ul style="list-style-type: none"> – The owner of this Facebook page was contacted (via Facebook) and informed a) that this was a violation of local regulations and b) that the promotion should be removed – Facebook page owner took corrective action. – Government was informed that this is a 3rd party violation and of our corrective action – Regular online checking was put in place for further reoccurrences | Asia Pacific |
| December | Interaction with General Public | Promotions, special discounts or displays at retailers and pharmacies | In line with the Green Book infant formula should not be promoted or advertised | <ul style="list-style-type: none"> - Continuous training of retailers and pharmacists about the local regulations and Danone Policy | Europe |

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| Month | Category Complaint | Summary of Complaint | Comments | Summary Corrective Actions | Region |
|----------|---------------------------------|---|--|---|--------------|
| December | Interaction with General Public | Promotional through discounted price of infant and follow on formula in retail outlet | In line with the Green Book infant and follow on formula should not be promoted or advertised in higher risk countries | <ul style="list-style-type: none"> - Immediate corrective action by removing the promotional display - Store was briefed on Danone Policy and local regulations | Asia Pacific |
| December | Interaction with General Public | Promotional display of infant and follow on formula in retail outlet | In line with the Green Book infant and follow on formula should not be promoted or advertised in higher risk countries | <ul style="list-style-type: none"> - Immediate corrective action by removing discounted price - Store was briefed on Danone Policy and local regulations | Asia Pacific |
| December | Interaction with General Public | Discounted price of infant and follow on formula in online retail outlet | In line with the Green Book infant and follow on formula should not be promoted or advertised in higher risk countries | <ul style="list-style-type: none"> - Immediate corrective action by removing discounted price - Store was briefed on Danone Policy and local regulations | Asia Pacific |
| December | Interaction with General Public | Promotional display of infant and follow on formula in retail outlet | In line with the Green Book infant and follow on formula should not be promoted or advertised in higher risk countries | <ul style="list-style-type: none"> - Immediate corrective action by removing discounted price - Store was briefed on Danone Policy and local regulations | Asia Pacific |

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Appendix 3: Unsubstantiated Complaints concerning activities by Danone:

| Month | Category Complaint | Summary of Complaint | Comments | Summary Corrective Actions | Region |
|-------|----------------------------------|---|---|--|--------------|
| March | Interaction with Health Worker's | Invitation to Health Worker advertising an educational evening | In line with the Green Book Health Workers can be invited for educational events | - N/A | Asia Pacific |
| March | Interaction with General Public | Improper communication on feeding information for young child formula and improper use of documentation and logo belonging to international governmental body | In line with the Green Book and local legislation young child formula can be promoted and this was done in a proper way | - N/A | Middle East |
| April | Interaction with Health Workers | In a report issued by Save the Children 5% of the respondents quoted Danone for giving gifts such as pens, prescription pads & other equipment | In line with the Green Book (small) practice related items for health workers do not bear infant and follow-on formula brand names | - N/A | Middle East |
| April | Interaction with Health Workers | In a report issued by Save the Children, 2% of responding Health Worker's quoted the name of Danone for providing samples to the general public | Danone did not give samples of infant and follow-on formula to the general public in line with the Green Book | - N/A | Middle East |
| April | Interaction with Health Workers | Donation of company branded uniform to nurses/midwives in hospitals | In line with the Green book and local legislation equipment and/or practice related items, can be donated as long as the items do not mention product brand names | - Although there was not a compliance issue, it was decided to no longer produce company branded uniforms for nurses | Africa |

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| Month | Category Complaint | Summary of Complaint | Comments | Summary Corrective Actions | Region |
|-------|---------------------------------|---|---|----------------------------|--------------|
| April | Interaction with General Public | Promotion of young child formula via outdoor advertising | The Green Book does not apply to products for young children above 12 months of age | - N/A | Middle East |
| April | Labelling of Covered Products | The care-line received 6 calls asking why Danone used the claim "Inspired by breast milk" for follow on formula | The Green Book does not apply for products for infants above 6 months of age (in low risk countries). Additionally the wording "inspired by breast-milk" is made in relation to Danone's research not the product in question | - N/A | Europe |
| May | Interaction with General Public | Infant formula brand logo used in advertising materials in a health care facility | In line with the Green Book and local legislation Health Care Facilities was not used for promoting infant formula in any way (neither through product placement, nor through advertisements) | - N/A | Europe |
| May | Labelling of Covered Products | Packaging of infant and follow on formula containing a sticker with the local Care-line telephone number | In line with the Green Book the label provided only relevant information, but contained no advertising or promotional text | - N/A | Asia Pacific |
| June | Interaction with General Public | Promotional events in pharmacies | In line with the Green Book none of the consumer literature, which was available on display or otherwise, contained any reference, text or visual, to infant formula/breast-milk substitutes | - N/A | Europe |
| July | Labelling of Covered Products | Follow on formula label contains the statement "inspired by breast-milk" | The Green Book does not apply to products for infants above 6 months of age (in low risk countries). Additionally the wording "inspired by breast-milk" is made in relation to Danone's research not the product in question | - N/A | Europe |

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| Month | Category Complaint | Summary of Complaint | Comments | Summary Corrective Actions | Region |
|-----------|---------------------------------|---|---|----------------------------|--------------|
| August | Interaction with Health Workers | Samples of special formula for infants in were distributed in health care facility | In line with the Green Book Danone did not give samples of infant and follow-on formula to the general public. The product was given to a Health Worker to be used as a PPE (Products for Professional Evaluations), which is in line with the Green Book and local legislation | - N/A | Europe |
| August | Interaction with General Public | Comparison with breast-milk in a TV spot for follow on formula as it includes graphs of immune system and brain development | In line with the Green Book and local legislation our products are not compared with breast-milk. The graphs informed about child development and did not compare our products to breast-milk. The advertisement related to follow on formula | - N/A | Europe |
| August | Interaction with General Public | Distribution of Infant formula in a primary care unit | In line with the Green Book, Danone did not give samples of infant and follow-on formula. The product was given to a Health Worker to be used as a PPE, which is in line with the Green Book | - N/A | Asia Pacific |
| September | Interaction with Health Workers | Availability of free samples of infant formula at a health care facility | Danone did not give samples of infant and follow-on formula to the general public | - N/A | Asia Pacific |
| September | Interaction with Health Workers | Availability of free samples of infant Formula at a health care facility | Danone did not give samples of infant and follow-on formula to the general public | - N/A | Asia Pacific |
| October | Interaction with Health Workers | Promotional incentive offered to pharmacists on specialised website | In line with the Green Book no promotional incentive was offered to pharmacists | - N/A | Asia Pacific |
| October | Labelling of Covered Products | Consumer complaints through the government about the use of "inspired by Breast-Milk " on follow on formula | The Green Book does not apply to products for infants above 6 months of age (in low risk countries). Additionally the wording "inspired by breast-milk" is made in relation to Danone's research not the product in question | - N/A | Europe |

Danone's report on alleged non-compliance with The WHO Code (The Green Book), for the Period 1 January to 31 December 2013

| Month | Category Complaint | Summary of Complaint | Comments | Summary Corrective Actions | Region |
|-----------------|--|--|--|--|---------------------|
| October | <i>Interaction with General Public</i> | Distribution of infant formula to general public | In line with the Green Book the activity conducted, under supervision of a health care facility, was to provide general nutrition and health education for mothers and children. The products shown were Pregnancy Products and young child formulas | - N/A | <i>Asia Pacific</i> |
| December | <i>Interaction with Health Workers</i> | Several materials intended for use by health workers branded with product logo | In line with the Green Book the materials were not branded with logo's of infant and/or follow on formula | - Although the material was compliant, Danone decided to start using only company logo on such materials | <i>Europe</i> |
| December | <i>Interaction with General Public</i> | Newsletters to mothers of infant above the age of 6 months | In line with the Green Book the communication did not contain any information about infant formula | - Although the material was compliant, corrective actions were taken to discontinue the newsletter | <i>Europe</i> |
| December | <i>Interaction with General Public</i> | Newsletters to mothers of infants from 3 months onwards | In line with the Green Book the communication did not contain any information about infant formula | - Although the material was compliant, corrective actions were taken to discontinue the newsletter | <i>Europe</i> |
| December | <i>Interaction with General Public</i> | Give-aways to mothers | In line with the Green Book and local legislation brand names of infant and follow on formula were not used on give-aways for mothers | - N/A | <i>Europe</i> |
| December | <i>Labelling of Covered Products</i> | Use of health claims on infant and follow on formula | All health claims are in accordance with local legislation and the Green Book | - N/A | <i>Europe</i> |
| December | <i>Labelling of Covered Products</i> | No clear distinction between infant and follow on formula packaging | All artwork is in accordance with local legislation and the Green Book | - N/A | <i>Europe</i> |
| December | <i>Labelling of Covered Products</i> | Demonstration of preparation of infant formula by an infant formula company | In line with local legislation and the Danone Policy proper information for preparation and use of the product was given on the packaging | - N/A | <i>Europe</i> |

Danone's report on alleged non-compliance with The WHO Code (The Green Book), for the Period 1 January to 31 December 2013

| Month | Category Complaint | Summary of Complaint | Comments | Summary Corrective Actions | Region |
|-----------------|--|--|--|----------------------------|---------------|
| December | <i>Labelling of Covered Products</i> | Cereals promoted and sold for use by infants below 6 months of age | The product was labelled and sold in accordance with local legislation and the Green Book, Local legislation allows for positioning of cereals to be used by infants below 6 months of age | - N/A | <i>Europe</i> |
| December | <i>Interaction with General Public</i> | Advertising and misinformation on follow on formula | In line with the Green Book follow on formula can be advertised in low risk countries. The information provided was in line with the Green Book | - N/A | <i>Europe</i> |
| December | <i>Interaction with General Public</i> | Promotion of products in health care facility because health record book for infants contained company brand logo on | In line with the Green Book only the Company brand name was used | - N/A | <i>Europe</i> |

Danone's report on alleged non-compliance with The WHO Code (The Green Book), for the Period 1 January to 31 December 2013

Appendix 4: Unsubstantiated Complaints concerning activities by Third Parties:

| Month | Category Complaint | Summary of Complaint | Comments | Summary Corrective Actions | Region |
|----------|---------------------------------|--|---|---|---------------|
| April | Interaction with General Public | Display of infant formula for special medical use in the health care facilities with direct exposure to general public | Products intended for children with special medical needs are not covered by the Green Book in low risk countries, neither by restrictions in local legislation | - N/A | Asia Pacific |
| May | Interaction with General Public | Use of point of sales advertising for young child formula next to infant and follow on formula in retail shop | The Green Book does not cover products for children above 12 months of age. The advertising material in question was clearly directed to above 12 months of age | - N/A | Latin America |
| October | Interaction with General Public | Plans to use visuals linked to infant formula and to provide gifts to mums through health care workers were presented to a NGO by a third party collaborating with Danone | In line with the Green Book and local legislation infant and follow-on formula should not be promoted or advertised. The activity was never brought to the general public; it remained as a plan only | - Although non-compliance was not identified, we took the decision to introduce additional reviews of the third party agencies used in marketing initiatives. | Europe |
| August | Interaction with General Public | Advertising brochure for young child formula contains elements of advertising for infant formula | In line with the Green Book infant formula was not promoted or advertised. Official decision of local authorities that no local law was breached | - N/A | Asia Pacific |
| August | Interaction with General Public | Free samples of infant and follow on formula were given to consumers by Health Worker's | In line with the Green Book, products for professional evaluation can be given to consumers by Health Worker's. These PPE's are delivered to Health Worker's upon their request and only 1 per occasion | - N/A | Asia Pacific |
| November | Interaction with General Public | Facebook complaint that a retailer advertised a baby basket in their advertising brochure | In line with the Green Book and local legislation infant formula was not promoted or advertised | - Although non-compliance was not identified, Danone made agreement with retailer to change advertising materials to avoid any further confusion | Asia Pacific |