

# A World of Opportunities GreenVision 2020:

**Environmental Stewardship at Mead Johnson Nutrition** 

## Mead Johnson Nutrition: Building a Better World

Mead Johnson Nutrition has been a responsible corporate citizen for more than a century. As we continue to grow our business, we are committed to improving the world by:

#### **Serving the Marketplace**

We foster trust by adhering to the highest business standards and best nutritional quality.

#### **Protecting the Environment**

We build and maintain a more sustainable business in order to preserve resources for future generations.

#### **Nurturing Communities**

We contribute to communities in ways that will help individuals and families grow and prosper.

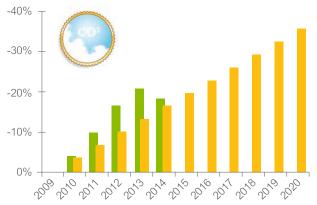


#### **Overall Environmentalism**

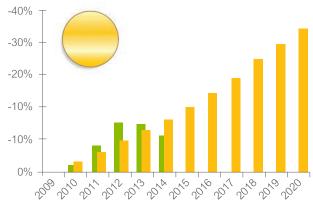
GreenVision 2020 is our roadmap for improvement in a number of key environmental areas. Using 2009 as a baseline year, the program calls for ambitious but attainable reductions in water consumption (45 percent), waste generation (60 percent), energy use (35 percent), and greenhouse gas emissions (35 percent). To date, we remain either on or slightly ahead of pace to achieve all of our goals. For example, three of our major production facilities – in the Netherlands, China and Singapore – have already achieved "zero waste to landfill" status.



**GHG Emissions – 35% Reduction Target** 



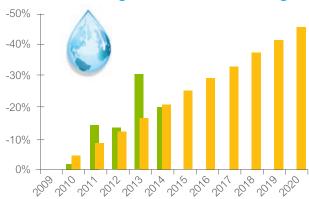
**Energy Usage – 35% Reduction Target** 



Waste Disposal - 60% Reduction Target



Water Usage – 45% Reduction Target



"It makes no sense for a company to have a mission to give children the best start in life if we are not obsessed with protecting the environment and the world that they are ultimately going to inherit from us."

Kasper Jakobsen, CEO, Mead Johnson

#### **Water Policy**

Consistent with our overall commitment to environmental responsibility, we have established the following principles in support of access to – as well as protection and proper utilization of – water resources:

#### 1. Sufficient Water

We strive to operate in a manner that will not diminish community water resources. We consider the availability of water when selecting new business locations, and we seek to achieve efficient use of water resources at all our facilities worldwide. We regularly engage with local communities regarding our water usage and conservation initiatives, and we routinely conduct water audits and implement best practices for water management to help ensure the attainment of conservation targets.

#### 2. Safe, Acceptable and Affordable Water

We seek to preserve the quality of our water resources in the communities in which we do business. We consider relevant local and community water standards, and consistently apply our own internal quality standards to our operations worldwide. Additionally, we support community initiatives to provide safe water in adequate and affordable supply.

#### 3. Access to Water

We will not knowingly adversely impact the ability of people to access community water resources, and we will address community concerns in a prompt, cooperative and open manner.

#### **Transparency**

Of course, progress in environmentalism is measured not only in terms of actions, but also in terms of disclosure practices. Mead Johnson works with a variety of private, government and non-government organizations to share information regarding its environmental programs and progress. For example, we are a longtime participant in the Carbon Disclosure Project (CDP).

Our dual commitment to environmental excellence and corporate transparency has earned Mead Johnson Nutrition recognition as one of America's greenest companies. In the 2015 Newsweek

Newsweek

**GREEN RANKINGS** 

2015

was ranked tenth in an analysis of the 500 largest U.S. companies, as measured by market capitalization.

Green Rankings, Mead Johnson

Newsweek 2015 Green Rankings			
Rank	Newsweek Green Score	Company	GICS Sector
1	89.2%	Biogen Inc.	Health Care
2	84.2%	Allergen, Inc.	Health Care
3	82.6%	Adobe Systems Incorporated	Information Technology
4	81.3%	<b>Broadcom Corporation</b>	Information Technology
5	81.3%	Sigma-Aldrich Corporation	Materials
6	78.7%	The Hershey Company	Consumer Staples
7	77.8%	Ecolab Inc.	Materials
8	75.2%	Coca-Cola Enterprises, Inc.	Consumer Staples
9	74.9%	Aflac Incorporated	Financials
10	74.7%	Mead Johnson Nutrition Company	Consumer Staples



#### **People Safety**

Responsibility begins at home. We expect all our facilities to be in full compliance with regulatory standards, as well as our own rigorous requirements. We ensure environmental health and safety management systems are in place to protect the well-being of our employees and sustain high performance over the long term. Strict adherence to policies and standards is reinforced through the tracking of key performance indicators, regular internal audits and consistent reporting to senior management.

In 2014, Mead Johnson continued to post a best-inclass safety record. With nearly 8,000 employees around the world, the company recorded only four lost-time incidents and came as close as it ever has to its target of a "zero" lost time rate. These results are not achieved by policy compliance alone. They are possible only when a company creates a proactive safety culture that requires the continuous identification and reduction of risks. Innovations such as the implementation of Early Intervention Programs and empowered employee safety teams have driven a positive safety culture throughout our operations.

### A Culture of Unconditional Dedication to Safety





#### **Responsible Sourcing**

Ensuring that ingredients used in our products are produced or grown in ways that ensure high quality, a long-term supply, have minimal impact, are produced under proper work conditions, and provide a fair return to workers and communities, has been an area of increasing focus for Mead Johnson.

We regularly review and update our Code of Business Conduct for Suppliers, which holds all of our suppliers to rigorous standards on everything from labor and human rights to health and safety and environmental compliance. Additionally, every two years we evaluate our suppliers against known risk categories to assess supplier risk. Mead Johnson is a member of Sedex (Supplier Ethical Data Exchange), a not-forprofit membership organization dedicated to driving improvements in responsible and ethical business practices in global supply chains. The company verifies compliance with its supplier code through Responsible Sourcing Audits, which are completed by an independent third party using the Sedex Members Ethical Trade Audit protocol. If we become aware of any actions or conditions not in compliance with all applicable laws and the Code, we reserve the right to demand corrective measures, as well as the right to terminate our agreement with suppliers.

Our employees understand the trust that consumers, customers, investors, and community members put in us every day. We are committed to acting in a manner consistent with the highest principles of moral and ethical behavior, and we expect all parties with which we deal, including our suppliers, to hold themselves to these same high standards.

#### **Sustainable Ingredients**

Our Ethical Trade Initiative comes from our commitment to improve both environmental practices and working conditions related to our ingredients including the elimination of child labor – particularly in high-risk countries. One initial focus area was



cocoa, which we use in products. We achieved full traceability of the cocoa sourced in Latin

America in 2013 and across Africa/Asia in 2014. In 2014, we turned our attention to other ways we could connect with and benefit cocoa-farming communities. We joined and established a unique charitable initiative with the World Cocoa Foundation. "Aspire to Maternal and Infant Health" provides "two-generation" learning that includes preschool programming for local toddlers, along with functional literacy, health and other educational opportunities for their mothers.



We have since initiated a three-year program to enhance the certified level of sustainability and traceability of the palm oil used in our products. As a first step, we required that all our palm oil suppliers be members of the Roundtable for Sustainable Palm Oil (RSPO). In 2015, Mead Johnson became a member of RSPO in order to initiate various

training and audit activities at our production facilities - as well as those of our suppliers - to achieve the stringent environmental certification goals we have established for this ingredient by year-end 2016.



#### **Accountability**

Our global citizenship program is more than an aspiration. It is a commitment that is established, measured and reviewed annually - and it starts at the top. Each year, the company reports on its corporate social responsibility progress to the Board of Directors. The Nominating & Corporate Governance Committee is specifically charged with reviewing the company's governance guidelines and considering matters relating to Mead Johnson's responsibilities as a global corporate citizen - including its progress against its environmental goals. In addition, all members of the Executive Council include a sustainability goal in their annual performance objectives, leading by example and helping drive best practices through every function and level of the organization.



