

Company Name Nestle
Industry Agricultural Products (Supply Chain only)
UNGP Core Score (*) 20.5 out of 26

Score	Out of	For indicators
Governance and Policy Commitments		
2	2	A.1.1 Commitment to respect human rights
1.5	2	A.1.2 Commitment to respect the human rights of workers
1	2	A.1.4 Commitment to engage with stakeholders
1.5	2	A.1.5 Commitment to remedy
Embedding respect and Human Rights Due Diligence		
Embedding respect		
1	2	B.1.1 Embedding - Responsibility and resources for day-to-day human rights functions
Human Rights Due Diligence (HRDD)		
2	2	B.2.1 HRDD - Identifying: Processes and triggers for identifying human rights risks and impacts
2	2	B.2.2 HRDD - Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)
2	2	B.2.3 HRDD - Integrating and Acting: Integrating assessment findings internally and taking appropriate action
1	2	B.2.4 HRDD - Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts
0.5	2	B.2.5 HRDD - Reporting: Accounting for how human rights impacts are addressed
Remedies and Grievance Mechanisms		
2	2	C.1 Grievance channels/mechanisms to receive complaints or concerns from workers
2	2	C.2 Grievance channels/mechanisms to receive complaints or concerns from external individuals and communities
2	2	C.7 Remedying adverse impacts and incorporating lessons learned
20.5	26	

(*) Instead of the full list of indicators in the 2020 CHRB Methodology, this year's assessment uses the CHRB Core UNGP Indicators. These are 13 non-industry specific indicators that focus on three key areas of the UNGPs: high level commitments, human rights due diligence and access to remedy.

The 13 indicators selected from the full CHRB Methodology are scored on a simple unweighted basis, with a maximum of 2 points for each indicator for a maximum total of 26 points.

In addition, allegations of severe human rights impacts (Measurement Theme E) were also assessed but do not impact overall final scores

Please note that the "Not met" labels in the Explanation boxes below do not necessarily mean that the company does not meet the requirements as they are described in the bullet point short text. Rather, it means that the analysts could not find information *in public sources* that met the requirements *as described in full* in the CHRB 2020 Methodology document. For example, a "Not met" under "General HRs Commitment", which is the first bullet point for indicator A.1.1, does not necessarily mean that the company does not have a general commitment to human rights. Rather, it means that the CHRB could not identify a public statement of policy in which the company commits to respecting human rights.

Detailed assessment

Governance and Policies

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.1	Commitment to respect human rights	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: General HRs commitment: The Company has indicated in its business principles: 'We respect and promote human rights in our operations and entire value chain, in line with the United Nations Guiding Principles and the Ten Principles of the UN Global Compact.' In its Responsible Sourcing Standard, it also states that this document 'contributes to the implementation of our commitment to the OECD Guidelines for Multinational Enterprises, the Core Conventions of the International Labour Organization (ILO), and the United Nations Sustainable Development Goals (SDGs)'. [Corporate business principles, 07/2020: nestle.com & Responsible Sourcing Standard, Jul 2018: nestle.com] • Met: UNGC principles 1 & 2: The Company also states: 'In 2019, we reaffirmed our support for the UN Global Compact. [...] We were also named as a Global Compact LEAD company in 2019 for our ongoing commitment to the Ten Principles of the UN Global Compact and support of the SDGs'. [Creating Shared Value and meeting our commitments Progress Report 2019, 03/2020: nestle.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: OECD: The Company states in its Corporate business principles that it is 'committed to the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (ILO) and the OECD Guidelines for Multinational Enterprises'. [Corporate business principles, 07/2020: nestle.com]
A.1.2	Commitment to respect the human rights of workers	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: ILO Core: The Company's business principles include the following statement: 'We are committed to the International Bill of Human Rights and the principles concerning fundamental rights set out in the International Labor Organization's Declaration on the Fundamental Principles and Rights at Work.' [Corporate business principles, 07/2020: nestle.com] • Met: Explicitly list All four ILO for AG suppliers: The Company's business principles cover all four core ILO standards. With respect to the rights to freedom of association and collective bargaining the Company sets out alternatives measures where these rights are restricted by law: 'Facilitate and shall not hinder the development of parallel means for independent and free association and bargaining where the right to freedom of association and collective bargaining is restricted under law' Additionally, it states that 'we are committed to preventing accidents, injuries and illness related to work, and to protect employees, contractors and others involved along the value chain'. The Company's Responsible Sourcing Standard also expects its suppliers to commit to respecting all four core ILO standards as well as the health and safety of their workers. [Responsible Sourcing Standard, Jul 2018: nestle.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Explicit commitment to All four ILO Core: Its Business Principles document reads: 'In particular, we take action against any violations of human rights in our operations and value chain, with zero tolerance to child labor, forced labor and modern slavery. By the same token, we respect the right and freedom of association of our employees, including the organization and participation in Associations and Unions.' However, no reference found to collective bargaining in the latest update of the 'Corporate Business principles'. No further evidence found in latest revision. [Corporate business principles, 07/2020: nestle.com] • Met: Respect H&S of workers: As indicated above, the Company indicates that it is 'committed to preventing accidents, injuries and illness related to work, and to protect employees, contractors and others involved along the value chain'. [Responsible Sourcing Standard, Jul 2018: nestle.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> Met: H&S applies to AG suppliers: As indicated above, the Company's Responsible Sourcing Standard also expects its suppliers to commit to respecting all four core ILO standards as well as the health and safety of their workers. [Responsible Sourcing Standard, Jul 2018: nestle.com]
A.1.4	Commitment to engage with stakeholders	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Met: Commits to stakeholder engagement: The Company states on its website section 'Asses and address human rights': 'We are committed to engaging with stakeholders who are or could be affected by our business activities, including local communities'. [Assess and address human rights impacts, N/A: nestle.com] <p>Score 2</p> <ul style="list-style-type: none"> Not met: Commits to engage stakeholders in design Not met: Regular stakeholder design engagement: The Company states that 'Our global stakeholder network includes people we engage with regularly through our operations and those in public positions who influence our activities. They include employees, consumers, suppliers, communities, governments, non-governmental organizations (NGOs), shareholders, trade associations and academia. [...] We also conduct a Nestlé Stakeholder Community survey. This is an annual survey with global Key Opinion Leaders that aims to understand evolving views on the company's issues and reputation management'. IN addition, The Company, it indicates that 'Our human rights work has been driven by our Human Rights Due Diligence (HRDD) program. Through the HRDD program, we regularly review our salient issues, identify where and how we can make a positive impact, and select the appropriate actions and interventions to make. [...] in 2019 we began the process of reviewing and re-evaluating it in the light of evolving regulations and expectations. We are working with key stakeholders as part of this review and aim to launch the revised HRDD in early 2020.' However, no details found on affected stakeholder consultation. [Assess and address human rights impacts, N/A: nestle.com]
A.1.5	Commitment to remedy	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Met: Commits to remedy: The Company states on its website: 'We are committed to remedying adverse impacts on individuals, workers and communities that we cause or to which we contribute'. [Our salient human rights issues, N/A: nestle.com] <p>Score 2</p> <ul style="list-style-type: none"> Not met: Not obstructing access to other remedies Not met: Collaborating with other remedy initiatives: It also indicates: 'In addition to our own internal and external grievance mechanisms (Integrity Reporting System and Tell Us), we collaborate with business partners as well as local NGOs and authorities to improve access to remedy in our upstream supply chain, including the development of third-party non-judicial mechanisms such as worker helplines.' In addition, on its website section 'Protecting workers and children' : 'we actively participate in different industry and multi-stakeholder platforms, including the Consumer's Good Forum's Human Rights Coalition of Action, the Responsible Business Alliance's Responsible Labor Initiative and the Institute for Human Rights and Business's Leadership Group for Responsible Recruitment'. Although the Company provides information about how it collaborates with different initiatives to prevent and fight against human rights issues such as child labour, no evidence found about how it collaborates with initiatives that provide remedy to victims of human rights issues. [Our salient human rights issues, N/A: nestle.com & Protecting children and workers, N/A: nestle.com] Met: Work with AG suppliers to remedy impacts: It also indicates: 'In addition to our own internal and external grievance mechanisms (Integrity Reporting System and Tell Us), we collaborate with business partners as well as local NGOs and authorities to improve access to remedy in our upstream supply chain, including the development of third-party non-judicial mechanisms such as worker helplines'. The Company provide many examples on how it works with supplier to prevent and fight against human rights issues such as child labour. [Our salient human rights issues, N/A: nestle.com]

Embedding Respect and Human Rights Due Diligence

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.1	Responsibility and resources for day-to-day human rights functions	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Commits to ILO core conventions: See indicator A.1.2. The Company is committed to the ILO Declaration. • Met: Senior responsibility for HR: The Company indicates on its website: 'Within Nestlé, we have set out clear roles and responsibilities to ensure respect for human rights is reflected at every level of our business. [...] The responsibility for Human Rights Due Diligence at the Executive Board level lies with our General Counsel, who is also in charge of Corporate Governance and Compliance'. [Assess and address human rights impacts, N/A: nestle.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Day-to-day responsibility: The Company also indicates on its website: 'Our human rights work has been driven by our Human Rights Due Diligence (HRDD) program. Through the HRDD program, we regularly review our salient issues, identify where and how we can make a positive impact, and select the appropriate actions and interventions to make.' However, no details found about which team, units or departments are responsible for the day-to-day activities of this program. [Assess and address human rights impacts, N/A: nestle.com] • Not met: Day-to-day responsibility for AG in supply chain: With respect the application of the Company's responsible sourcing strategy, it indicates in its Standards: 'We source via trade channels through our Procurement organisation or directly from farmers via our Nestlé Farmer Connect Team. In both cases, Responsible Sourcing is a mandatory practice.' However, no further description found on how day to day responsibility for the supply chain is allocated. [Responsible Sourcing Standard, Jul 2018: nestle.com]
B.2.1	Identifying: Processes and triggers for identifying human rights risks and impacts	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Identifying risks in own operations: The Company has identified 11 salient human rights issues and has disclosed the list in its website. In its CSV Report 2019, the Company indicates: 'Working with the Danish Institute of Human Rights (DIHR), we have identified a set of 11 salient human rights issues. These are the issues that carry the risk of the most severe negative impact (defined by the scope, scale and remediability of the impact) on rights holders through our activities and business relationships, and that have the highest likelihood of occurrence. We are currently reviewing these issues, determining how we can focus our activities for the biggest positive impact.' In addition, on its website it states: 'Within Nestlé, our salient issues are always monitored and under regular discussion. We also work with our partners [...] to continually review the situation in our supply chains. This enables us to review our action plans and ensure that they are as effective as they can be. We are also vigilant to new or emerging issues, and these are captured through the boards and committees that are dedicated to monitoring our human rights work. [...] Human rights impact assessments (HRIAs) and CARE audits allow us to gain a deeper knowledge of the issues, and how we can address them.' [Our salient human rights issues, N/A: nestle.com & Creating Shared Value and meeting our commitments Progress Report 2019, 03/2020: nestle.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Ongoing global risk identification: See above • Met: In consultation with stakeholders: See above • Met: In consultation with HR experts: See above. The Company is working with the Danish Institute of Human Rights • Met: Triggered by new circumstances: See above. 'We are also vigilant to new or emerging issues, and these are captured through the boards and committees that are dedicated to monitoring our human rights work' • Met: Explains use of HRIAs or ESIA (inc HR): See above. In addition, in its website section 'Assess and address human rights impacts', the Company indicates: 'Our Human Rights Due Diligence (HRDD) program drives our human rights work. We use it to regularly review our salient issues, understand how we can have an impact and choose which actions to take. Our HRDD program is built on stakeholder engagement: we regularly work with people, including rights holders, NGOs and other stakeholders, to develop our knowledge of the issues. [...] In addition, we have previously conducted 13 HRIAs in high-risk countries together with the DIHR' [Assess and address human rights impacts, N/A: nestle.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.2	Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Salient risk assessment (and context): The Company has identified 11 salient human rights issues and has disclosed the list in its website. In its CSV Report 2019, the Company indicates: 'Working with the Danish Institute of Human Rights (DIHR), we have identified a set of 11 salient human rights issues. These are the issues that carry the risk of the most severe negative impact (defined by the scope, scale and remediability of the impact) on rights holders through our activities and business relationships, and that have the highest likelihood of occurrence. We are currently reviewing these issues, determining how we can focus our activities for the biggest positive impact.' In addition, on its website it states: 'Within Nestlé, our salient issues are always monitored and under regular discussion. We also work with our partners [...] to continually review the situation in our supply chains. This enables us to review our action plans and ensure that they are as effective as they can be. We are also vigilant to new or emerging issues, and these are captured through the boards and committees that are dedicated to monitoring our human rights work. [...] Human rights impact assessments (HRIAs) and CARE audits allow us to gain a deeper knowledge of the issues, and how we can address them.' [Our salient human rights issues, N/A: nestle.com & Creating Shared Value and meeting our commitments Progress Report 2019, 03/2020: nestle.com] • Met: Public disclosure of salient risks: The Company lists on its websites its identified 11 salient human rights issues. [Our salient human rights issues, N/A: nestle.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Both requirements under score 1 met
B.2.3	Integrating and Acting: Integrating assessment findings internally and taking appropriate action	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Action Plans to mitigate risks: In its website section 'Our salient human rights issues', the Company indicates: 'We have developed an action plan for each of these issues – except for Land Acquisition, in which we work on individual cases, such as in palm oil – which allows us to systematically identify, resolve and eliminate human rights abuses where we find them. Reflecting the unique challenges of each issue, these action plans allow us to focus our work and achieve results in steady, measurable ways.' [Our salient human rights issues, N/A: nestle.com] • Met: Including in AG supply chain: as above. • Met: Example of Actions decided: The Company has published an Action Plan to Tackle Seafood Supply Chain Abuses in their seafood supply chain in Thailand. It contained a series of actions designed to protect workers from labour and human rights abuses, to improve working conditions and to tackle unacceptable practices including juveniles and teenagers working on fishing vessels. The Company has published a plan and an update on their activities. This disclosure is from 2016 and no equivalent information has been found for the last three reporting years. To alleviate the reporting burden for companies during the Covid-19 crisis, the CHRB will (on an exceptional basis) relax the three-year timeframe and include information from 2016 in the 2020 assessment. [Action Plan to Tackle Seafood Supply Chain Abuses, Nov 2016: nestle.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Both requirements under score 1 met
B.2.4	Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: System to check if Actions are effective: The Company reports on the progress of its 'Child Labor Monitoring and Remediation System (CLMRS)': 'The CLMRS covers the risks of child labor that we are linked to by our business relationships in the cocoa supply chain. [...] Quantitative and qualitative indicators (p.16-21) used to monitor the effectiveness of the CLMRS are provided in this report. They draw on the information and data collected by the Community Liaison Person from farmers, farm workers and local communities. Each child identified as having performed hazardous tasks is regularly visited in order to assess the impact of our interventions.' However, this system is focus on the CLMRS, and this indicator seeks for a general system to check the Company's actions taken in response to the different salient issues. [Cocoa Plan: Tackling Child Labor - 2019 Report, 2019: nestle.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Met: Lessons learnt from checking effectiveness: The Company indicates in its 'Tackling Child Labor' document: 'Based on seven years' implementation of our CLMRS, we now have enough data on children to examine the effectiveness of different types of remediation. [...] The majority of remediation activities demonstrate a fairly similar rate of success for all children on average. One of our foremost objectives is to understand which types of remediation are most effective for which children. This can help us offer the most effective help and support to children identified in child labor. [...] Work on this has already begun. For example, in terms of gender, regression analysis shows that the provision of birth certificates, tutoring and targeted awareness-raising are more effective for girls than for boys. Income-generating activities and community service groups for adults are more effective in stopping boys from doing hazardous work. [Cocoa Plan: Tackling Child Labor - 2019 Report, 2019: nestle.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirement under score 1 met
B.2.5	Communicating : Accounting for how human rights impacts are addressed	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Comms plan re identifying risks: See indicator B.2.1 • Met: Comms plan re assessing risks: See indicator B.2.2 • Met: Comms plan re action plans for risks: See indicator B.2.3 • Not met: Comms plan re reviewing action plans: See indicator B.2.4 • Not met: Including AG suppliers: In order to be awarded this indicator, the Company has to achieve a full score in B.2.2/B.2.3/B.2.4 and at least 1,5 points in B.2.1 <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Responding to affected stakeholders concerns • Not met: Ensuring affected stakeholders can access communications

Remedies and Grievance Mechanisms

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.1	Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Channel accessible to all workers: According to its website: 'Our Compliance Reporting System, "Tell us", provides you and all other external stakeholders with a dedicated communication channel for reporting potential instances of non-compliance with our Corporate Business Principles'. [Tell us if you have concerns, N/A: nestle.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Number grievances filed, addressed or resolved: The Company reports: In 2019, we received 1178 messages via Tell us across categories such as labor practices, fraud, safety, and quality. As a result of our investigations, four warning letters were issued, six employees left the company, and one contractor employee and five service providers had their services terminated.' From these total: 210 complaints were related to Labor practices, abuse of power and/or mobbing/bullying, moral harassment, workplace respect, and inclusion and diversity; 43 to Compliance by our suppliers and other business partners; 42 to Safety and health; 6 to harassment; and 4 to sexual harassment. In its CSV 2019, it indicates reports 1178 messages received, 907 cases closed and 53 cases found substantiated, however it is not clear how many of complaints related to human rights were addressed or closed during the year. Evidence from previous reports is still valid. In CSR 2017 report, the Company indicated the following: 'we received 613 messages via 'Tell us', these being mainly compliance-related complaints and non-compliance-related issues, such as consumer-related matters or general complaints. All comments received have been, or are being, addressed, and are detailed as follows. In total, 32 issues were confirmed: 6 labour practices, 5 fraud cases, 5 leadership issues, 2 conflicts of interest, 1 environmental suggestion, 1 harassment case, 1 private-to-private bribery, 1 safety and quality issue, 1 supplier concern and 9 other general concerns. As a result, 14 warning letters were issued, there was 1 dismissal, a total of 15 people left the company and 2 suppliers services were terminated, while various internal control measures were reinforced'. [Grievance mechanism and remediation, N/A: nestle.com & Creating Shared Value and meeting our commitments Progress Report 2019, 03/2020: nestle.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Met: Channel is available in all appropriate languages: According to its SpeakUp ('Tell us') website, this mechanism is available in different languages. The Company notes in the SpeakUp platform website: 'Please choose how you want to leave your message. Note that when you make a call you will not be answered by an operator. The free form message you leave will be put in writing, translated and made available to the responsible department.' Furthermore, when you select a certain country to make a complaint, there is often the option to select the native language. In addition, the Company states 'in 2017, we completed the process of deploying 'Tell us' across our markets, with the final 24 markets making the system available on their corporate websites.' [Nestle in Society Report 2016, 2017: storage.nestle.com & SpeakUp Country list, N/A: speakupfeedback.eu] • Met: Opens own system to AG supplier workers: As indicated above, the Company's Reporting System 'Tell us' 'provides you and all other external stakeholders with a dedicated communication channel for reporting potential instances of non-compliance with our Corporate Business Principles. In addition, the Company reported in its 'Society Report' CSV 2016, the Company indicates: 'Tell us' was made available to an additional 2900 suppliers in 2017, and we included an explanation of 'Tell us' in the WHO Code of Compliance training provided annually to Nestlé Nutrition distributors in higher-risk countries. In 2017, we completed the process of deploying 'Tell us' across our markets, with the final 24 markets making the system available on their corporate websites. We also developed guidelines, dos and don'ts, and a flowchart and guidance for conducting compliance investigations. These have been shared globally within the Legal function and with other key internal stakeholders.' [Nestle in Society Report 2016, 2017: storage.nestle.com & Tell us if you have concerns, N/A: nestle.com]
C.2	Grievance channel(s)/mechanism(s) to receive complaints or concerns from external individuals and communities	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Grievance mechanism for community: According to its website: 'Our Compliance Reporting System, "Tell us", provides you and all other external stakeholders with a dedicated communication channel for reporting potential instances of non-compliance with our Corporate Business Principles.' [Tell us if you have concerns, N/A: nestle.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Describes accessibility and local languages: The Company's Speak Up Feedback system is a website available in different languages. This is the same platform as the Tell Us system described above. [SpeakUp Country list, N/A: speakupfeedback.eu & SpeakUp, N/A: speakupfeedback.eu] • Met: AG supplier communities use global system: As indicated above, the Company's Reporting System 'Tell us' 'provides you and all other external stakeholders with a dedicated communication channel for reporting potential instances of non-compliance with our Corporate Business Principles. [Tell us if you have concerns, N/A: nestle.com]
C.7	Remedying adverse impacts and incorporating lessons learned	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Describes how remedy has been provided: In its website section 'Cocoa' and in its document 'Tackling Child Labour- Report 2019', the Company discloses its Child Labour Monitoring and Remediation System. The Company indicates in its website: 'Child labor is a complex and challenging issue in our cocoa supply chain, affected by many factors, including poverty, demographics, education, infrastructure, and local culture. We work with supply chain partners and local communities in West Africa to address the causes of child labor. Since 2012, a key element in our work has been our Child Labor Monitoring and Remediation System (CLMRS), which enables us to identify children at risk, raise awareness and provide remediation. [...] The report confirms that CLMRS is working well. Overall, we have almost doubled our outreach in the last two years to include 78 580 children across 1751 communities, with 1640 Community Liaison People monitoring the children. The report shows that since CLMRS was launched in 2012, benefits have included: 593 925 people attending awareness-raising sessions; 87 925 children within and outside our supply chain receiving prevention or remediation support; 78 580 children being monitored, with 18 283 found to be in child labor; 49 schools being built or refurbished, benefiting 20 000 children; 1225 children benefiting from tutoring; 19 152 school kits containing essential equipment being provided to children; 5756 birth certificates being issued; 62 children enrolling in vocational training.' [Cocoa, N/A: nestle.com & Cocoa Plan: Tackling Child Labor - 2019 Report, 2019: nestle.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Changes introduced to stop repetition: See above.

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Met: Evaluation of the channel/mechanism: In its website section 'Grievance mechanism and remediation', the Company indicates: 'In 2019, we performed a major review of our external and internal grievance mechanisms to understand the overall effectiveness of the systems. We have implemented action plans where areas for improvement were identified.' [Grievance mechanism and remediation, N/A: nestle.com]

Performance: Responses to Serious Allegations (Not included in the overall score)

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).0	Serious allegation No 1		<ul style="list-style-type: none"> • Headline: Nestle suppliers accused of mistreating Syrian refugee workers at Turkey's hazelnut farms • Area: Working hours, child labour, health & safety • Story: On April 29th, 2019, The New York Times published an article about Syrian refugees looking to make money picking hazelnuts in Turkey. Syrian refugees allegedly perform arduous tasks for long hours and receive only half the pay promised by middlemen. They reportedly work from 7 a.m. to 7 p.m., seven days a week. <p>The Black Sea coast of northern Turkey is the world's largest concentration of hazelnut farms that supply companies like Nestlé and Ferrero. Approximately 70% of all hazelnuts come from the numerous small farms gripping the hillsides of Turkey's Black Sea region. It is a crop known for hazards and hardships, as well as child labour, problems that may be exacerbated by the growing number of Syrian refugee workers, said the NY Times.</p> <p>Among the 3.5 million Syrian refugees in Turkey, few have work permits. They lack legal protections and Turkey's labour code doesn't apply to small farms. Therefore, oversight falls to the confectionary companies, said the NY Times, as much of the harvest winds up in confections, like Nutella spread made by Ferrero, candy bars made by Nestlé and Godiva chocolates made by a Turkish company, Yildiz.</p> <ul style="list-style-type: none"> • Sources: [The New York Times - 29/04/2019: nytimes.com][][][]
E(1).1	The Company has responded publicly to the allegation	1	<p>The individual elements of the assessment are met or not as follows: Score 1</p> <ul style="list-style-type: none"> • Met: Public response available: The company responded to the allegation by stating "We stand by the position that our main partner – the Fair Labor Association (FLA) – released" in a May 2019 article. The Fair Labor Association's response to the New York Times article states that it has collaborated with Nestle which has given FLA "100 percent visibility into its hazelnut supply chain allowing unprecedented access to more than 1,000 farms." The FLA points to its 31-month pilot project to test guidelines to eliminate child and forced labour in agricultural supply chains, which brought Nestle, its Turkish suppliers (Balsu and Olam), the Turkish government and 1,000 hazelnut farms together to develop solutions. However, this project was completed in June 2018, prior to the release of the New York Times article. [Supply Chain Disclosure for Hazelnuts, Feb 2019: nestle.com & Nestle responds to allegations of refugee labour abuse on Turkish hazelnut farms, May 2019: business-humanrights.org] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Response goes into detail: The company has not provided a detailed response to the allegation. [Nestlé speeds up efforts towards full supply chain transparency, Feb 2019: nestle.com & FLA Comment on the April 29 Article by the New York Times, May 2019: fairlabor.org]
E(1).2	The Company has appropriate policies in place	2	<p>The individual elements of the assessment are met or not as follows: Score 1</p> <ul style="list-style-type: none"> • Met: Company policies address the general issues raised: The company states that "Child labor is unacceptable and we are committed to preventing and stopping it whenever it occurs in our supply chain." It references the Worst Forms of Child Labour Convention, 1999 (No. 182). The company's Responsible Sourcing Standards for suppliers covers freedom from forced, bonded or prison labour. The company also has health and safety standards based on ILO Convention 155 Occupational Safety and Health Convention and OHSAS 18001 Occupational Health and Safety. [Responsible Sourcing Standard, Jul 2018: nestle.com & How is Nestlé helping to stop child labor?, N/A: nestle.com] • Met: Policies apply to the type of business relationships involved: The company's child labour, forced labour and health and safety policies apply to suppliers. [Responsible Sourcing Standard, Jul 2018: nestle.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> • Met: Policies address the specific rights in question: The company’s suppliers policy states that “no person shall be employed under the age of 15 or under the age for completion of compulsory education, whichever is higher, except in the strict frame of the Family Farm Work.” The company references the Worst Forms of Child Labour Convention, 1999 (No. 182). In regards to forced labour, the company’s supplier policy includes reference to ILO Convention No. 29 on Forced Labour, ILO Convention No. 105 on Abolition of Forced Labour. The company references Health & Safety conventions including ILO Convention 155 Occupational Safety and Health Convention and OHSAS 18001 Occupational Health and Safety. [Responsible Sourcing Standard, Jul 2018: nestle.com]
E(1).3	The Company has taken appropriate action	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Engages with affected stakeholders: The company has not engaged directly with Syrian refugees in regards to the allegation. The company engaged with farm workers in Turkey in 2018. It states, “In 2018, our projects trained 6,044 farmers, workers, traders and labor brokers on issues including health and safety, labor rights, responsible recruitment and the prevention of child labor. These training sessions happened both in the Black Sea area, where the farms are, and in south-eastern Turkey, where most of the workers live.” However, this project is not directly relevant to, and was completed prior to the allegation. [Hazelnuts, N/A: nestle.com] • Not met: Encourages linked business to engage affected stakeholders: The company states that its two Turkish suppliers, Olam Progida and Balsu, “run awareness-raising activities on child labor, labor standards and good agricultural practices with farmers, local authorities and middlemen.” Additionally, these suppliers have a farmer and worker complaint hotline. However, these awareness campaigns were not directly relevant to, and were completed prior to the allegation. [Hazelnuts, N/A: nestle.com] • Not met: Provides remedies to affected stakeholders: The company states that in 2018, its suppliers in Turkey received and addressed 561 workers’ grievances were addressed. However, this was measured prior to the allegation, and is not directly relevant to the allegation. [Hazelnuts, N/A: nestle.com] • Not met: Has reviewed management systems to prevent recurrence: As a result of the company’s engagement project, it states that it has adjusted its audit approach following the completion of the 2018 project because it found that audits “told us little about the effect of interventions, to measuring the impact of our actions and activities around training, renovations and summer schools for children.” However, this was measured prior to the allegation, and is not directly relevant to the allegation. [Hazelnuts, N/A: nestle.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Remedies are satisfactory to the victims: There is no evidence to suggest that the company has provided remedies to the victims identified in the allegation. • Not met: Has improved systems and engaged affected stakeholders: There is no evidence to suggest that the company has improved systems and engaged affected stakeholders.
E(2).0	Serious allegation No 2		<ul style="list-style-type: none"> • Headline: Child slaves from Ivory Coast appeal dismissal of the child labour charges against Nestle • Area: Child labour • Story: Nestlé (along with ADM and Cargill) is a defendant in a lawsuit alleging it sourced cocoa from suppliers in Cote d'Ivoire despite being aware of child labour and human trafficking concerns. Plaintiffs, alleged former child slaves from Mali, claimed that they were held captive, beaten and forced to work long hours with no pay. They slept on the floor in locked rooms and were given only food scraps, those caught trying to escape were severely beaten or forced to drink urine, according to the complaint. The case has split appeals courts but continues to make its way through the system. In June 2018, a three-judge Ninth Circuit panel agreed the claim could be pursued. <p>The lawsuit was launched in 2005 by two human rights organizations, Global Exchange and the International Labour Rights Fund. In September 2010, the court dismissed the case finding that it could not be brought under the Alien Tort Claims Act. The plaintiffs appealed the dismissal and in December 2013 a federal appeals court overturned that ruling, allowing the plaintiffs to refile the lawsuit. In September 2014, the federal appeals court replaced its December 2013 opinion with an expanded one reversing and vacating the lower court's dismissal of the case. The new opinion sets out expanded reasoning for allowing the plaintiffs to</p>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>amend their complaint to show the connection their claims have to the US (addressing the US Supreme Court's holding in Kiobel v. Shell). The court found that the plaintiffs had standing to bring an Alien Tort case because of the universal prohibition against slavery</p> <p>On January 12, 2016, the US Supreme Court refused to dismiss the charges against the companies. On March 10 2017 a Los Angeles federal judge dismissed the claim. The plaintiffs appeal has been upheld</p> <p>An independent investigation by the Fair Labor Association released in June 2012, mapped Nestles cocoa supply chain from its headquarters to the farms in Ivory Coast and identified numerous violations of its labour code, especially with regard to child labour. Archer-Daniels-Midland was dismissed from the lawsuit in 2016, according to court records. On 23 October 2018, the 9th Circuit Court of Appeal allowed the lawsuit against Nestle and Cargill under the Alien Tort Statute to proceed.</p> <p>In January 2020, the US Supreme Court signaled interest in hearing the case when they asked the Trump administration for advice on whether they should take the case. Nestlé and Cargill have requested that the Supreme Court end the suit against them.</p> <p>In addition, in April 2019, a proposed class action filed in California federal court claims that child slaves on West African farms harvest cocoa for Nestle, even though it labels its products as "sustainably sourced".</p> <p>• Sources: [Reuters - 13/01/16 -: reuters.com][The Guardian, 01/02/2016 -: theguardian.com][Business and human rights resource center -: business-humanrights.org][Business and human rights resource centre: business-humanrights.org]</p>
E(2).1	The Company has responded publicly to the allegation	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Public response available: With regards to the lawsuit, the spokesperson claimed that "the issue cannot be properly addressed through lawsuits such as the one just filed in California". [Response to Cocoa slavery in Cote D'Ivoire: business-humanrights.org] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Response goes into detail
E(2).2	The Company has appropriate policies in place	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Company policies address the general issues raised: The Company's business principles cover all four core ILO standards. The Company's supplier code also expects its suppliers to commit to respecting all four core ILO standard as well as the health and safety of their workers and to convey the same expectations to their suppliers. [Corporate business principles, 07/2020: nestle.com] • Met: Policies apply to the type of business relationships involved: The Company's business principles cover all four core ILO standards. The Company's supplier code also expects its suppliers to commit to respecting all four core ILO standard as well as the health and safety of their workers and to convey the same expectations to their suppliers. [Corporate business principles, 07/2020: nestle.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Policies address the specific rights in question: In its Responsible Sourcing Standard, the Company includes provisions related to Freedom of Movements: 'Not require workers to lodge "deposits" as a condition of employment (e.g. workers' passports or ID, work permits, bank books, ATM cards, or other personal documents), and workers are free to leave their employer after reasonable notice. [Responsible Sourcing Standard, Jul 2018: nestle.com]
E(2).3	The Company has taken appropriate action	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Engages with affected stakeholders • Not met: Encourages linked business to engage affected stakeholders • Not met: Provides remedies to affected stakeholders • Met: Has reviewed management systems to prevent recurrence: In 2013, Nestlé partnered with the Fair Labour Association (FLA) to investigate and report about the incidence of child labour in the supply chain, particularly in Ivory Coast, and to find solutions in order to tackle the problem. The Company's measures include building new schools, training farmers and providing 12 million higher-yielding

Indicator Code	Indicator name	Score (out of 2)	Explanation
			disease-resistant cocoa plants by 2020. [Cocoa Plan: Tackling Child Labor - 2019 Report, 2019: nestle.com] Score 2 <ul style="list-style-type: none"> • Not met: Remedies are satisfactory to the victims • Not met: Has improved systems and engaged affected stakeholders
E(3).0	Serious allegation No 3		<ul style="list-style-type: none"> • Headline: Nestlé faces social allegations over its palm oil sourcing in Indonesia • Area: Child and forced labour • Story: On November 30th 2016, Amnesty International published a report in which it accused major clients of palm-oil producer Wilmar, including Nestlé (as well as Unilever, Kellogg's, Reckitt Benckiser and Colgate-Palmolive) of human rights violations in its supply chain processes in Indonesia. These companies are alleged to have been complicit in the use of child labour and forced labour, with workers subjected to poor working conditions. They are also accused of contributing to deforestation and the extinction of rare species in Indonesia, endangering workers' health through exposure to dangerous chemical herbicides and failing to provide safety equipment. In addition, labourers allegedly work for around 10 to 11 hours a day without adequate pay, while children allegedly work from the age of eight. Amnesty vowed to conduct a campaign to ask if the companies' products are issued from Wilmar activities in Indonesia. <p>In March 2017, Amnesty repeated its accusations claiming the situation had not been resolved and alleging that Wilmar was continuing to intimidate workers to prevent them from speaking out.</p> <ul style="list-style-type: none"> • Sources: [Forbes - 30/11/2016 - 4ea3: forbes.com][Amnesty International, : amnesty.org][Amnesty International report, 2016 -: amnesty.org.uk][Amnesty International: amnesty.org]
E(3).1	The Company has responded publicly to the allegation	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Public response available: Nestle responded to Amnesty's report in a letter to the organisation which was published by AI. In that letter the company details its policy but does not specifically responds to the allegations. Wilmar responded to the Amnesty International report and it is publicly visible as annex to the report. It has acknowledged the issue stating "we recognize that these issues, including the ones raised in your letters, are systemic challenges shared by the industry". Regarding child labour, it refers to the issue in general in Indonesia. In its second letter to Amnesty, Wilmar reports on having started an investigation into the allegations in question. It has not responded on the issue of overtime in its response to Amnesty International. [Response to Amnesty's report: amnesty.org] Score 2 <ul style="list-style-type: none"> • Not met: Response goes into detail
E(3).2	The Company has appropriate policies in place	2	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Company policies address the general issues raised: The Company's business principles cover all four core ILO standards. The Company's supplier code also expects its suppliers to commit to respecting all four core ILO standard as well as the health and safety of their workers and to convey the same expectations to their suppliers. [Corporate business principles, 07/2020: nestle.com] • Met: Policies apply to the type of business relationships involved: The Company's business principles cover all four core ILO standards. The Company's supplier code also expects its suppliers to commit to respecting all four core ILO standard as well as the health and safety of their workers and to convey the same expectations to their suppliers. [Corporate business principles, 07/2020: nestle.com & Responsible Sourcing Standard, Jul 2018: nestle.com] Score 2 <ul style="list-style-type: none"> • Met: Policies address the specific rights in question: In its Responsible Sourcing Standard, the Company includes provisions related to Freedom of Movements: 'Not require workers to lodge "deposits" as a condition of employment (e.g. workers' passports or ID, work permits, bank books, ATM cards, or other personal documents), and workers are free to leave their employer after reasonable notice. [Responsible Sourcing Standard, Jul 2018: nestle.com]
E(3).3	The Company has taken appropriate action	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Engages with affected stakeholders • Not met: Encourages linked business to engage affected stakeholders • Not met: Provides remedies to affected stakeholders • Met: Has reviewed management systems to prevent recurrence: In its response to Amnesty International, Wilmar has indicated that 'in addition to the supplier compliance work and ART programme with our collaborative partner The Forest

Indicator Code	Indicator name	Score (out of 2)	Explanation
			Trust (TFT), as well as the supply chain surveillance work by an international NGO partner on more than 40 palm oil companies at plantation, mill or group level, our grievance procedure is the other platform used to identify, address and monitor potential supply chain non-compliance'. In addition to Willmar, Nestle described its own actions to prevent recurrence - this includes improving traceability of all palm oil and raising awareness among suppliers regarding labour rights. They also working with the Forest Trust to assess behaviours and find remedy. [Response to Amnesty's report: amnesty.org] Score 2 <ul style="list-style-type: none"> • Not met: Remedies are satisfactory to the victims • Not met: Has improved systems and engaged affected stakeholders
E(4).0	Serious allegation No 4		<ul style="list-style-type: none"> • Headline: Lawsuit accuses Mitr Phol of not compensating Cambodian farmers who still suffer from past violent dispossessions • Area: Land Rights • Story: April 2018, Farmers from Cambodia filed a lawsuit on behalf of 3000 people, accusing Asia's largest sugar producer Mitr Phol, of grabbing their land and destroying their livelihoods. Mitr Phol supplies sugar to a number major food brands, including Nestle. The complaint accuses Mitr Phol of forcibly displacing the families in rural northwestern Cambodia between 2008 and 2009 to clear the way for an industrial sugarcane plantation – an agriculture project that ultimately failed, with Mitr Phol deciding to withdraw from its 3 plantations. No sugar from this area ever reached Nestle. <p>In all, Mitr Phol's subsidiaries, including Angkor Sugar Company, allegedly appropriated some 9,430 hectares of land and community-managed forests from 26 villages, leaving residents deeply impoverished to this day. The plaintiffs are two Cambodian citizens residing in Samrong District, in northwestern Cambodia. The plaintiffs represent a class of approximately 600 families who resided and cultivated arable land in the Samrong District villages of Bos, O'Bat Moan, Taman, Trapiang Veng and Ktum when Mitr Phol commenced activities to establish an industrial sugarcane plantation. Its alleged that throughout 2008-2009, the plaintiffs and group members were forced to give up their land for the Angkor Sugar Company concession. Affected households lost extensive rice fields, plantation/orchard land, and grazing land as well as the associated crops that sustained their livelihoods. Most affected households lost five hectares of rice fields on average. Annual market-related losses from rice crops averaged about \$1,000 per family. Compensation provided for these losses was generally a plot of inferior land that was much smaller than what they lost and often already owned by others. The gravest human rights violations allegedly occurred in O'Bat Moan village, which was entirely destroyed to make way for the defendant's plantation. In April 2008, 154 homes in the village were allegedly demolished by company staff under the guidance of local authorities. Further evictions allegedly occurred in October 2009, when around 100 homes were burned to the ground by approximately 150 police, military police and hired demolition workers.</p> <ul style="list-style-type: none"> • Sources: [Inclusive Development International - 05/09/2018: inclusivedevelopment.net][BHRRRC - 05/09/2018: business-humanrights.org][Action Aid - May 2015: actionaid.org][Nestle statement - 31/07/2018: business-humanrights.org]
E(4).1	The Company has responded publicly to the allegation	2	<p>The individual elements of the assessment are met or not as follows: Score 1</p> <ul style="list-style-type: none"> • Met: Public response available: The company responds publicly to the article by Inclusive Development International relating to the lawsuit lodged in the Thai court on behalf of Cambodian farmers which alleges they were forcibly displaced by Mitr Phol. [Nestle Mitr Phol response (BHRRRC), 31/07/2018: business-humanrights.org] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Response goes into detail: The company provides a detailed response relating to the lawsuit, outlining the engagement it has undertaken with Mitr Phol in relation to its operations in Thailand. Additionally it states that "While Mitr Phol appears as a direct supplier to Nestlé and as a tier 2 supplier in other supply chains, mostly via traders, Nestlé does not and has not sourced sugar products from Mitr Phol Group in Cambodia." [Nestle Mitr Phol response (BHRRRC), 31/07/2018: business-humanrights.org]
E(4).2	The Company has appropriate policies in place	2	<p>The individual elements of the assessment are met or not as follows: Score 1</p> <ul style="list-style-type: none"> • Met: Company policies address the general issues raised: The Company is committed to comply with 'the customary rights to land and natural resources of Indigenous Peoples, traditional peoples, and communities that are impacted or potentially impacted by the company's business activities' and added it 'will follow

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>all applicable national laws and respect international human rights standards relating to the rights to land and natural resources. [Responsible Sourcing, N/A: nestle.com & Nestle Corporate Business Principles, Jun 2010]</p> <ul style="list-style-type: none"> • Met: Policies apply to the type of business relationships involved: The company in its 'Commitment on land and land rights in agricultural supply chains' says "We will promote and implement operational practices to manage and address land acquisition that is illegal or has an adverse impact on local communities' livelihoods by Including specific commitments on land, natural resources and human rights in our Responsible Sourcing Guideline for high risk commodities, including provisions by suppliers to ensure that, they have a zero tolerance for land grabs. In its 'Supplier Code of Conduct' it also states "The supplier shall demonstrate evidence of respect for community land rights and free, prior and informed consent of the local community regarding the Supplier's operations & demonstrate legal right to use the land. [Responsible Sourcing, N/A: nestle.com & Commitment on Land and Land Rights in Agricultural Supply Chains, July 2014: nestle.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Policies address the specific rights in question: The company says it will implement provisions to ensure that suppliers "have a zero tolerance for land grabs". Additionally it says In its 'Supplier Code of Conduct' that "The supplier shall demonstrate evidence of respect for community land rights and free, prior and informed consent of the local community regarding the Supplier's operations & demonstrate legal right to use the land. [Commitment on Land and Land Rights in Agricultural Supply Chains, July 2014: nestle.com & Responsible Sourcing, N/A: nestle.com]
E(4).3	The Company has taken appropriate action	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Denies allegations, but has engaged affected stakeholders: The company in its statement says that it has never sourced sugar products from Mitr Phol group in Cambodia. Additionally it says "We have engaged in intensive supply chain mapping and traceability efforts in the sugar sector over the past six years. This has allowed us to investigate practices at farm and plantation level with our implementation partners. Mitr Phol Thailand was one of the first suppliers to engage in this process". [Nestle Mitr Phol response (BHRC), 31/07/2018: business-humanrights.org] • Met: Denies allegations, but reviewed systems to prevent such impacts: The company says, "We have engaged in intensive supply chain mapping and traceability efforts in the sugar sector over the past six years...In 2011, Nestlé contracted Proforest, a UK based global not-for-profit organization, to support the development of our Responsible Sourcing Guideline (RSG) requirements for sugar products (sugarcane and sugar beet)...After building a supply chain map linking Mitr Phols' Thai operations to Nestlé factories in 2013, Proforest carried out a first visit in Danchang in March 2014 followed by a surveillance visit in March 2015. Proforest also visited Mitr Phols' operations in Chiayphoo in March 2015. [Nestle Mitr Phol response (BHRC), 31/07/2018: business-humanrights.org] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Denies allegations, but implements review recommendations: The company denies sugar products from Mitr Phol Group in Cambodia, it says "We have engaged in intensive supply chain mapping and traceability efforts in the sugar sector over the past six years. This has allowed us to investigate practices at farm and plantation level with our implementation partners...Proforest carried out a first visit in Danchang in March 2014 followed by a surveillance visit in March 2015. Proforest also visited Mitr Phols' operations in Chiayphoo in March 2015. During these assessments, we cover questions related to human rights issues including child labour and working conditions, land ownership and environmental questions like water management and the use of agrochemicals." [Nestle Mitr Phol response (BHRC), 31/07/2018: business-humanrights.org] • Met: Denies allegations, and ensures systems prevent such impacts: The company denies sugar products from Mitr Phol Group in Cambodia, it says "In 2011, Nestlé contracted Proforest, a UK based global not-for-profit organization, to support the development of our Responsible Sourcing Guideline (RSG) requirements for sugar products (sugarcane and sugar beet). The RSG complements our Nestlé Supplier Code and defines the social and environmental sustainability requirements that we aim to see implemented in our upstream value chain, back to the primary production level. It includes elements related to human and labour rights. We continue to implement the RSG with the expert support of Proforest and other local expert organizations and NGOs...In February 2017, our

Indicator Code	Indicator name	Score (out of 2)	Explanation
			Responsible Sourcing team together with our implementing partner organizations visited Mitr Phol to hear more on the company's progress and commitment to our RSG requirements." [Nestle Mitr Phol response (BHRC), 31/07/2018: business-humanrights.org]
E(5).0	Serious allegation No 5		<ul style="list-style-type: none"> • Headline: Animate, Work Global Brazil and others linked to slave labor in Brazil Nestle Nespresso, Starbucks, and Syngenta's Nucoffee reported to have sourced coffee from Brazilian farms using forced labor and child labor • Area: Forced Labour & Working Hou • Story: 3 May 2019, In April 2019 the Brazilian Government updated its 'Dirty List' of employers - those deemed guilty by an internal government body to have engaged in acts of modern slavery - to include 48 additional employers. The article notes "Another new member of the 'dirty list' is the producer of Fazenda Cedro II, in Triângulo Mineiro, Helvécio Sebastião Batista, who sells Café Fazenda Cedro," which had been certified with Nespresso and Starbucks quality seals and used to provide coffee for both brands. The article observes that labor inspectors found six workers on the farm, after inspection in July 2018, with exhaustive hours that went, in some cases, from 6 am to 11 pm, in addition to hygiene conditions considered degrading in the lodgings. The article adds that at Cedro II and other properties managed by Batista, labor inspectors have found 19 more workers in slavery-like conditions, in addition to the six that caused his property's inclusion on the Dirty List. Those properties lacked proper toilets and had no kitchen facilities. The workers also reported working exhaustive hours, in some cases until 11pm, often without their mandatory weekly day off. In a statement Nespresso, owned by Nestle, said, "In the light of the last report of the Ministry of Labor, we immediately suspended business with the producer in question and we will investigate the case. Farms providing coffee to the company are rigorously evaluated and inspected every year to meet the program's criteria. We will not accept otherwise and there will be no exception." In Brazil slavery is defined as forced labor, but also includes debt bondage, degrading work conditions, long hours that pose a health risk or work that violates human dignity. • Sources: [Reporter Brasil - 03/05/2019: reporterbrasil.org.br][Monga Bay - 03/05/2019: news.mongabay.com][Reporter Brasil - 04/04/2019: reporterbrasil.org.br]
E(5).1	The Company has responded publicly to the allegation	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Public response available: In a response the company states "In the light of the last report of the Ministry of Labor, we immediately suspended business with the producer in question and we will investigate the case. Farms providing coffee to the company are rigorously evaluated and inspected every year to meet the program's criteria. We will not accept otherwise and there will be no exception." [Story about Brazil coffee pickers: news.mongabay.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Response goes into detail: The company's response doesn't provide sufficient detail.
E(5).2	The Company has appropriate policies in place	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Company policies address the general issues raised: The Company's Corporate Business Principles includes adherence to the UN Global Compact, which includes elimination of forced labour. [Nestle Corporate Business Principles, Jun 2010] • Met: Policies apply to the type of business relationships involved: Its policies applies to business partners [Corporate business principles, 07/2020: nestle.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Policies address the specific rights in question: In its Responsible Sourcing Standards, which applies to suppliers and sub-suppliers, that the supplier shall 'Not require workers to lodge "deposits" as a condition of employment (e.g. workers' passports or ID, work permits, bank books, ATM cards, or other personal documents), and workers are free to leave their employer after reasonable notice. Where presentation of these documents is required by law they shall be returned promptly, and in all cases immediately upon demand and cannot be confiscated from workers, even with individual worker or worker union consent.' 'Pay related costs in full and workers shall not be recharged nor see their salary deducted in any form to pay back the associated costs. In case working permits are a legal requirement for workers in their workplace, supplier shall pay related costs in full and workers shall not be recharged nor see their salary deducted in any form to pay back the associated costs.' Additionally, it is mandatory that 'Regular working hours, excluding overtime, shall be defined by contract and shall not exceed 48

Indicator Code	Indicator name	Score (out of 2)	Explanation
			hours per week or the legal limit, whichever is more stringent.' 'All overtime shall be voluntary and shall not exceed 12 hours per week. Overtime shall be used responsibly, taking into account the extent, frequency and hours worked by individual workers and the workforce as a whole. Overtime shall always be compensated in accordance with local laws.' 'The total hours worked in any 7-day period shall not exceed 60 hours'. 'Workers shall be provided with at least one day off in every 7-day period'. [Responsible Sourcing Standard, Jul 2018: nestle.com]
E(5).3	The Company has taken appropriate action	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Engages with affected stakeholders: In its response the company says "In the light of the last report of the Ministry of Labor, we immediately suspended business with the producer in question and we will investigate the case. Farms providing coffee to the company are rigorously evaluated and inspected every year to meet the program's criteria. We will not accept otherwise and there will be no exception." While the company has suspended its business with the producer and said it will conduct an investigation, it is not clear whether they have engaged with the affected stakeholders involved. [Response to Brazil 'Dirty List' allegation, 03/05/2019: news.mongabay.com] • Not met: Encourages linked business to engage affected stakeholders: In its response the company says "In the light of the last report of the Ministry of Labor, we immediately suspended business with the producer in question and we will investigate the case. Farms providing coffee to the company are rigorously evaluated and inspected every year to meet the program's criteria. We will not accept otherwise and there will be no exception." While the company has suspended its business with the producer and said it will conduct an investigation, it is not clear whether or how they have encouraged Helvécio Sebastião Batista to engage with the affected stakeholders involved. [Response to Brazil 'Dirty List' allegation, 03/05/2019: news.mongabay.com] • Not met: Provides remedies to affected stakeholders: There is no evidence that remedy has been provided to the affected stakeholders involved. • Not met: Has reviewed management systems to prevent recurrence: In its response the company says "In the light of the last report of the Ministry of Labor, we immediately suspended business with the producer in question and we will investigate the case. Farms providing coffee to the company are rigorously evaluated and inspected every year to meet the program's criteria." However it is not clear whether the company has reviewed its management and evaluation process in light of this allegation. [Response to Brazil 'Dirty List' allegation, 03/05/2019: news.mongabay.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Remedies are satisfactory to the victims: There is no evidence that remedy has been provided to the victims. [Response to Brazil 'Dirty List' allegation, 03/05/2019: news.mongabay.com] • Not met: Has improved systems and engaged affected stakeholders: In its response the company says "In the light of the last report of the Ministry of Labor, we immediately suspended business with the producer in question and we will investigate the case. Farms providing coffee to the company are rigorously evaluated and inspected every year to meet the program's criteria. We will not accept otherwise and there will be no exception." While the company has suspended its business with the producer and said it will conduct an investigation, it is not clear whether it has improved its systems or engaged with the affected stakeholders. [Response to Brazil 'Dirty List' allegation, 03/05/2019: news.mongabay.com]
E(6).0	Serious allegation No 6		<ul style="list-style-type: none"> • Headline: Danone and Dairy Partners Americas Brasil criticized for complicity in forced labor in Brazil • Area: Forced Labour • Story: A Brazilian official inspection accused Danone and DPA (a joint venture between New-Zealand company Fonterra and Nestle) are accused of being complicit with a businessman who kept 28 people in debt bondage, because their affiliated distributors sold him their products in bulk without monitoring working conditions at his operation. <p>The door-to-door salesmen had been trafficked from poor regions of the state of Ceará, and made to sell soon-to-be-expired yoghurt at a discount in the city of Salto, in the state of Sao Paulo.</p> <p>"Many workers arrived already in debt due to the cost of travel," said Luis Alexandre Faria, the labor inspector that coordinated operations on the ground.</p> <p>"They sometimes worked over 15 hours in extreme heat, cold or rain."</p> <p>While Danone and DPA were not directly involved, inspectors want to hold them accountable for not monitoring their distribution chain.</p>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Danone Brasil, maker of products like Activia and Evian water, denied having any relationship with the businessman, and said it will fight the claim that they were complicit.</p> <p>“The company emphasizes that it has worked in partnership with the Labor Secretariat to spread the company’s best practices and to be an active agent against all forms of slave labor among the more than 10,000 businesses that are part of the complex supply chain that distributes its products,” the company said in an email.</p> <p>DPA, a joint venture between New-Zealand company Fonterra and Nestle that sells refrigerated products, also said it did nothing wrong.</p> <p>• Sources: [Reuters - 06/02/2019: reuters.com]</p>
E(6).1	The Company has responded publicly to the allegation	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Public response available: DPA, a joint venture between New-Zealand company Fonterra and Nestle that sells refrigerated products, said that did nothing wrong related to the case. [Reuters, 06/02/2019: reuters.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Response goes into detail: Although DPA and Nestle denied its responsibility in the case, the Companies did not provided any further details. [Reuters, 06/02/2019: reuters.com]
E(6).2	The Company has appropriate policies in place	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Company policies address the general issues raised: The Company’s business principles cover all four core ILO standards. Additionally, it states that ‘we are committed to preventing accidents, injuries and illness related to work, and to protect employees, contractors and others involved along the value chain’. The Company’s Responsible Sourcing Standard also expects its suppliers to commit to respecting all four core ILO standards as well as the health and safety of their workers. [Nestle Corporate Business Principles, Jun 2010] • Met: Policies apply to the type of business relationships involved: The Company’s business principles cover all four core ILO standards. With respect the rights to freedom of association and collective bargaining the Company sets out alternatives measures where these rights are restricted by law: ‘Facilitate and shall not hinder the development of parallel means for independent and free association and bargaining where the right to freedom of association and collective bargaining is restricted under law’ <p>Additionally, it states that ‘we are committed to preventing accidents, injuries and illness related to work, and to protect employees, contractors and others involved along the value chain’. The Company’s Responsible Sourcing Standard also expects its suppliers to commit to respecting all four core ILO standards as well as the health and safety of their workers. [Responsible Sourcing Standard, Jul 2018: nestle.com]</p> <p>Score 2</p> <ul style="list-style-type: none"> • Met: Policies address the specific rights in question: In its Responsible Sourcing Standard, the company states that it is mandatory that ‘Regular working hours, excluding overtime, shall be defined by contract and shall not exceed 48 hours per week or the legal limit, whichever is more stringent.’ ‘All overtime shall be voluntary and shall not exceed 12 hours per week. Overtime shall be used responsibly, taking into account the extent, frequency and hours worked by individual workers and the workforce as a whole. Overtime shall always be compensated in accordance with local laws.’ ‘The total hours worked in any 7-day period shall not exceed 60 hours’. ‘Workers shall be provided with at least one day off in every 7-day period’. [Responsible Sourcing Standard, Jul 2018: nestle.com]
E(6).3	The Company has taken appropriate action	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Engages with affected stakeholders • Not met: Encourages linked business to engage affected stakeholders • Not met: Provides remedies to affected stakeholders: ‘The Company said that upon finding out about the case, on October 2018, it ceased its relationship with the distributor involved. It also said that it is in the final stages of hiring an external auditor to verify the conditions in which their micro-distributors operate’. <p>Although the Companies finished the relationship with the distributor involved on forced labor, there is no evidence that both Companies (DPA and Nestle) engaged with affected workers for remedy the adverse impacts. [Reuters, 06/02/2019: reuters.com]</p> <ul style="list-style-type: none"> • Not met: Has reviewed management systems to prevent recurrence: The Companies answered in a email to the journal that both Companies have come to adopt, in its distribution chain, measures to ensure that its commercial partners

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>can contribute to the fight against work in conditions analogous to slavery. However, no further details were provided about the review of management system and practical measures adopted. [Reuters, 06/02/2019: reuters.com]</p> <ul style="list-style-type: none"> • Not met: Denies allegations, but has engaged affected stakeholders • Not met: Denies allegations, but reviewed systems to prevent such impacts <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Remedies are satisfactory to the victims • Not met: Has improved systems and engaged affected stakeholders • Not met: Denies allegations, but implements review recommendations • Not met: Denies allegations, and ensures systems prevent such impacts
E(7).0	Serious allegation No 7		<ul style="list-style-type: none"> • Headline: Solidar Suisse report accuses Nestle of sourcing palm oil produced from forced and child labor in Malaysia • Area: Child Labour & Forced Labour • Story: In August 2019, A report released by Suisse Solidar, an NGO based in Switzerland, has documented the use of forced and child labour in two palm oil plantations denoted as Mojokuto & Suluk (not real names) in the Malaysian state of Sabah. The report notes that many of the workers on each of the plantations are undocumented migrants, subject to conditions of forced labour through debt bondage and retention of their identification documents by their employers. Additionally they report receiving threats of violence and possible deportation by police. The report also notes that child workers have been confirmed as being used in the fields of Mojokuto of the plantations. The report links the company Nestle to the plantations, stating, "Through our investigation, we can demonstrate that the Mojokuto plantation delivers its harvest to two palm oil mills, both of which are on Nestlé's 2018 list of palm oil mills. All other mills in the vicinity of Mojokuto are also listed. Mojokuto palm oil ends up in Nestlé's supply chain with almost certainty. The owner of the Suluk plantation also supplies palm oil to Nestlé." In a statement to SwissInfo, the Nestle said "Human rights abuses and child labor have no place in our supply chain. We were informed of the allegations by Solidar Switzerland. We are in contact with them and wish to establish the facts in this matter. If the allegations are true, we will take decisive action." Furthermore, in a separate petition submitted to the Commissioner of U.S. Custom and Border Security two months earlier, the company was also linked to the use of forced labour by palm oil mills in Malaysia's state of Sabah. • Sources: [Suisse Solidar - 08/2019: solidar.ch][BHRRC - 20/09/2019: business-humanrights.org][Swiss Info - 17/09/2019: swissinfo.ch][Grant & Eisenhofer - 24/06/2019: gelaw.com]
E(7).1	The Company has responded publicly to the allegation	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Public response available: The company has provided a public response to the allegations made in the Suisse Solidar, stating "Human rights abuses and child labor have no place in our supply chain. We were informed of the allegations by Solidar Switzerland. We are in contact with them and wish to establish the facts in this matter. If the allegations are true, we will take decisive action." [SwissInfo article on Suisse Solidar report, 17/09/2019: swissinfo.ch] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Response goes into detail: The company's response doesn't provide sufficient detail [SwissInfo article on Suisse Solidar report, 17/09/2019: swissinfo.ch]
E(7).2	The Company has appropriate policies in place	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Company policies address the general issues raised: The Company is a signatory of the UN Global Compact, which includes the elimination of forced labour and child labour. [Corporate business principles, 07/2020: nestle.com] • Met: Policies apply to the type of business relationships involved: It policy applies also to business partners [Corporate business principles, 07/2020: nestle.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Policies address the specific rights in question: The Company's Responsible Sourcing Standard, which applies to both suppliers and sub-suppliers, has specific provisions against forced labour and child labour. In relation to the former, it states that suppliers shall 'Not require workers to lodge "deposits" as a condition of employment (e.g. workers' passports or ID, work permits, bank books, ATM cards, or other personal documents), and workers are free to leave their employer after reasonable notice. Where presentation of these documents is required by law they shall be returned promptly, and in all cases immediately upon demand and cannot be confiscated from workers, even with individual worker or worker

Indicator Code	Indicator name	Score (out of 2)	Explanation
			union consent.' 'Pay related costs in full and workers shall not be recharged nor see their salary deducted in any form to pay back the associated costs. In case working permits are a legal requirement for workers in their workplace, supplier shall pay related costs in full and workers shall not be recharged nor see their salary deducted in any form to pay back the associated costs.' In relation to child labour, it states 'In accordance with international labour standards, no person shall be employed under the age of 15 or under the age for completion of compulsory education, whichever is higher, except in the strict frame of the Family Farm Work described in 4.2.1: • If the Supplier employs young workers, defined as between the ages of 15 and 18, it shall demonstrate that the employment of young people contributes to their personal education and does not expose them to undue physical risks that can harm physical, mental or emotional development.' [Responsible Sourcing Standard, Jul 2018: nestle.com]
E(7).3	The Company has taken appropriate action	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Engages with affected stakeholders: Although the company states in response to the allegations made against it that "Human rights abuses and child labor have no place in our supply chain. We were informed of the allegations by Solidar Switzerland. We are in contact with them and wish to establish the facts in this matter. If the allegations are true, we will take decisive action." There is no further evidence that the company has engaged with the affected stakeholders involved. [Suisse Solidar Palm Oil report, August 2019: solidar.ch] • Not met: Encourages linked business to engage affected stakeholders: The company has not provided evidence that it has encouraged its linked businesses, such as the plantations or mills where it sources palm oil from, to engage with the affected stakeholders. [Suisse Solidar Palm Oil report, August 2019: solidar.ch] • Not met: Provides remedies to affected stakeholders: The company has not demonstrated evidence that remedy has been provided to the affected stakeholders working on the plantations. [Suisse Solidar Palm Oil report, August 2019: solidar.ch] • Not met: Has reviewed management systems to prevent recurrence: The company has not provided evidence that it has reviewed its management systems in light of the allegations made in the Suisse Solidar report. [Suisse Solidar Palm Oil report, August 2019: solidar.ch] Score 2 <ul style="list-style-type: none"> • Not met: Remedies are satisfactory to the victims: The company has not demonstrated evidence that remedy has been provided to the affected stakeholders working on the plantations. [Suisse Solidar Palm Oil report, August 2019: solidar.ch] • Not met: Has improved systems and engaged affected stakeholders: The company has not provided evidence that it has improved its systems following the allegations raised in the report, nor that it has engaged, or encouraged its business partners to engage with the affected stakeholders on the palm oil plantations. [Suisse Solidar Palm Oil report, August 2019: solidar.ch]

Disclaimer

A score of zero for a particular indicator does not mean that bad practices are present. Rather it means that we have been unable to identify the required information in public documentation.

See the 2020 Key Findings report and the 2019 technical annex for more details of the research process.

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