

Company Name Nestle
Industry Agricultural Products (Supply Chain only)
Overall Score (*) 55.2 out of 100

Theme Score	Out of	For Theme
5.1	10	A. Governance and Policies
15.2	25	B. Embedding Respect and Human Rights Due Diligence
5.8	15	C. Remedies and Grievance Mechanisms
10.5	20	D. Performance: Company Human Rights Practices
12.5	20	E. Performance: Responses to Serious Allegations
6.1	10	F. Transparency

(*) Please note that any small differences between the Overall Score and the added total of Measurement Theme scores are due to rounding the numbers at different stages of the score calculation process.

Please note also 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 2019 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

A. Governance and Policies (10% of Total)

A.1 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.1	Commitment to respect human rights	2	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Met: General HRs commitment: The Company has indicated in its business principles that it 'fully supports the United Nations Global Compact's (UNGC) guiding principles on human rights and labour' and that it 'adheres to the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (ILO) of March 2006 and the OECD Guidelines for Multinational Enterprises of June 2000'. 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)'. [Nestle Corporate Business Principles, Jun 2010: nestle.com & Responsible Sourcing Standard, Jul 2018: nestle.com] Met: UNGC principles 1 & 2: See above Score 2 <ul style="list-style-type: none"> Met: OECD: See above
A.1.2	Commitment to respect the human rights of workers	2	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Met: ILO Core: 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

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			<p>Business Principles, Jun 2010: nestle.com & Responsible Sourcing Standard, Jul 2018: nestle.com]</p> <ul style="list-style-type: none"> • Met: Explicitly list All four ILO for AG suppliers: 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' 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"> • Met: Explicit commitment to All four ILO Core: 'We uphold: the freedom of association and the effected recognition of the right to collective bargaining (UNGC Principle 3); the elimination of all forms of forced an compulsory labour (UNGC Principle 4); effective abolition of child labor (UNGC Principle 5); the elimination of discrimination in respect f employment occupation (UNGC Principle 6).' [Nestle Corporate Business Principles, Jun 2010: nestle.com] • Met: Respect H&S of workers: See above • Met: H&S applies to AG suppliers: See above
A.1.3.AG.a	Commitment to respect human rights particularly relevant to the industry - land and natural resources (AG)	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: Respect land ownership and natural resources: 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 all applicable national laws and respect international human rights standards relating to the rights to land and natural resources. [Nestle in Society Report, 2017: nestle.com & Nestle Corporate Business Principles, Jun 2010: nestle.com] • Met: Respecting the right to water: In its Sustainability Report (Creating Shared Value and meeting our commitments 2018), the Company states: 'We have a twofold approach to WASH: we respect the human right to water in line with the ‘do not harm’ principle, and we support access to water in communities surrounding our operations and supply chain. In 2018, we continued to roll out our Nestlé Guidelines on Respecting the Human Rights to Water and Sanitation, to ensure our operations and upstream supply chain do not have a negative impact on the human right to water.' [Creating Shared Value andmeeting our commitments 2018, 2019: nestle.com] • Met: Expecting suppliers to respect these rights: See above. In addition, in its 'Responsible Sourcing Standard', the Company indicates that the Suppliers shall: 'Demonstrate evidence of respect for community land rights and free, prior and informed consent of the local community regarding the Supplier’s operations. [...] Agricultural and forestry developments and activities on local peoples’ land are subject to the free, prior and informed consent [FPIC] of the affected local communities, including indigenous peoples, with or without governmental consent for expansion. [...] Identify, protect and avoid producing on [...] Sites and resources that are fundamental for satisfying the basic necessities of local communities or indigenous peoples (for livelihoods, health, nutrition, water, etc...), as identified through engagement with these communities or indigenous peoples. [...] Provide a hygienic working environment with adequate lighting, ambient temperature, ventilation, sanitation, potable drinking water to respect human right to water, sanitary facilities and food storage' [Responsible Sourcing Standard, Jul 2018: nestle.com & Creating Shared Value andmeeting our commitments 2018, 2019: nestle.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Voluntary Guidelines on Tenure Rights: It adopted the FAO’s Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security, and other relevant and accepted instruments that codify the rights of communities in relation to their land and natural resources'. [Nestle in Society Report, 2017: nestle.com] • Not met: IFC Performance Standards • Not met: FPIC for all • Met: Zero tolerance for land grabs • Met: Respecting the right to water: In its Sustainability Report (Creating Shared Value and meeting our commitments 2018), the Company states: 'We have a

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>twofold approach to WASH: we respect the human right to water in line with the 'do no harm' principle, and we support access to water in communities surrounding our operations and supply chain. In 2018, we continued to roll out our Nestlé Guidelines on Respecting the Human Rights to Water and Sanitation, to ensure our operations and upstream supply chain do not have a negative impact on the human right to water.' [Creating Shared Value and meeting our commitments 2018, 2019: nestle.com]</p> <ul style="list-style-type: none"> • Met: Expecting suppliers to respect these rights: See above. In addition, in its 'Responsible Sourcing Standard', the Company indicates that the Suppliers shall: 'Demonstrate evidence of respect for community land rights and free, prior and informed consent of the local community regarding the Supplier's operations. [...] Agricultural and forestry developments and activities on local peoples' land are subject to the free, prior and informed consent [FPIC] of the affected local communities, including indigenous peoples, with or without governmental consent for expansion. [...] Identify, protect and avoid producing on [...] Sites and resources that are fundamental for satisfying the basic necessities of local communities or indigenous peoples (for livelihoods, health, nutrition, water, etc...), as identified through engagement with these communities or indigenous peoples. [...] Provide a hygienic working environment with adequate lighting, ambient temperature, ventilation, sanitation, potable drinking water to respect human right to water, sanitary facilities and food storage' [Responsible Sourcing Standard, Jul 2018: nestle.com & Creating Shared Value and meeting our commitments 2018, 2019: nestle.com]
A.1.3.AG.b	Commitment to respect human rights particularly relevant to the industry – people's rights (AG)	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: Women's rights: The Company endorsed the UN's Women's Empowerment Principles. [Code of Business Conduct, Nov 2007: nestle.com] • Not met: Children's rights • Not met: Migrant worker's rights • Met: Expects suppliers to respect these rights: In its Responsible Sourcing Standard, the Company includes provisions to 'Respect of Gender and Woman Empowerment Principle' [Responsible Sourcing Standard, Jul 2018: nestle.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: CEDAW/Women's Empowerment Principles: As above [Code of Business Conduct, Nov 2007: nestle.com] • Not met: Child Rights Convention/Business Principles • Not met: Convention on migrant workers • Met: Expecting suppliers to respect these rights: See above [Code of Business Conduct, Nov 2007: nestle.com & 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"> • Not met: Commits to stakeholder engagement • Met: Regular stakeholder engagement: In its website section 'Stakeholder Engagement', the Company indicates: 'We engage, listen and respond to a wide range of stakeholders on a regular basis. Through meaningful engagement, our stakeholders have helped us improve and set the priorities for our Creating Shared Value (CSV) strategy. Our global stakeholder network span employees, consumers, suppliers, communities, governments, nongovernmental 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 (KOLs) that aims to understand evolving views on the company's issues and reputation management.' [Nestlé - Stakeholder Engagement, April 2018: 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: In its Creating Shared Value (CSV) Report, the Company indicates: 'Materiality is about identifying the issues that matter most to our business and our stakeholders. Every two years, we plot the economic, social and environmental issues that are of most concern to our external stakeholders against those that pose risks or present opportunities to Nestlé. Conducting a thorough materiality analysis in this way not only helps us to identify issues we need to cover in our reporting, but also helps us to decide where to focus our internal resources.' However, it is not clear if affected stakeholders are involved in the design or monitoring of the specific human rights approach. [Creating Shared Value and meeting our commitments 2018, 2019: nestle.com]

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A.1.5	Commitment to remedy	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Commits to remedy: The Company provides examples of actions taken to remedy issued, but does not provide a public statement of commitment to remedy impacts caused or to which the Company has contributed. [Grievance mechanism and remediation, Mar 2019: nestle.com] Score 2 <ul style="list-style-type: none"> • Not met: Not obstructing access to other remedies • Not met: Collaborating with other remedy initiatives • Not met: Work with AG suppliers to remedy impacts
A.1.6	Commitment to respect the rights of human rights defenders	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Zero tolerance attacks on HRs Defenders (HRDs) Score 2 <ul style="list-style-type: none"> • Not met: Expects AG suppliers to reflect company HRD commitments

A.2 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.2.1	Commitment from the top	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: CEO or Board approves policy: The Code of Conduct is approved by the Board of Directors and Executive Board of Nestle S.A. [Code of Business Conduct, Nov 2007: nestle.com] • Not met: Board level responsibility for HRs: It has also explained that 'Within Nestlé's corporate governance structure, the Board of Directors, the Chairman, CEO and Executive Board are responsible for the supervision and management of our role in society, and for the Creating Shared Value strategy. They are supported by internal management bodies, including the Nestlé in Society Board, Operations Sustainability Council, Issues Round Table, R&D Council for Sustainability and Nutrition, and the Group Compliance Committee. We also take advice from external advisory groups, including the Creating Shared Value Council and the Nestlé Nutrition Council'. However, it is not clear if there is a Board Committee with ultimate responsibilities for overseen Human Rights. [Nestle in Society Report, 2017: nestle.com] Score 2 <ul style="list-style-type: none"> • Met: Speeches/letters by Board members or CEO: The Company co-signed the WBCSD CEO Guide to Human rights, which is considered a proxy for this subindicator. [WBCSD CEO Guide to Human Rights, N/A: wbcsd.org]
A.2.2	Board discussions	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Board/Committee review of salient HRs: In its website section 'Our salient human rights issues', the Company indicates: '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.' [Our salient human rights issues, Mar 2019: nestle.com] • Not met: Examples or trends re HR discussion Score 2 <ul style="list-style-type: none"> • Not met: Both examples and process
A.2.3	Incentives and performance management	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Incentives for at least one board member: In its Corporate Governance Report 2018, the Company indicates: 'For the CEO, 100% of the target was linked to performance against the Nestlé Group objectives', which include: 'Additional quantitative and qualitative objectives, set by the Board of Directors in line with Nestlé's strategy are also used to determine the Nestlé Group performance. This set of additional objectives reflects Nestlé's Creating Shared Value framework and includes [...] further progress on quality, safety, sustainability and compliance.' [Corporate Governance Report 2018, 2019: nestle.com] • Not met: At least one key AG HR risk, beyond employee H&S: See above. However, there is no further information to identify if other aspects of human rights policy commitments are included or if the safety performance include the safety of local communities or workers of the supply chain. [Corporate Governance Report 2018, 2019: nestle.com] Score 2 <ul style="list-style-type: none"> • Not met: Performance criteria made public

B. Embedding Respect and Human Rights Due Diligence (25% of Total)

B.1 Embedding Respect for Human Rights in Company Culture and Management Systems (10% of Total)

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 • Met: Senior responsibility for HR: The Company has explained that 'Within Nestlé's corporate governance structure, the Board of Directors, the Chairman, CEO and Executive Board are responsible for the supervision and management of our role in society, and for the Creating Shared Value strategy. They are supported by internal management bodies, including the Nestlé in Society Board, Operations Sustainability Council, Issues Round Table, R&D Council for Sustainability and Nutrition, and the Group Compliance Committee. We also take advice from external advisory groups, including the Creating Shared Value Council (including a human rights working group) and the Nestlé Nutrition Council'. [Nestlé in Society Report, 2017: nestle.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Day-to-day responsibility • Not met: Day-to-day responsibility for AG in supply chain
B.1.2	Incentives and performance management	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: Senior manager incentives for human rights: In its Corporate Governance Report 2018, the Company indicates: 'For the other members of the Executive Board, at least 50% of the target is linked to business performance', which include: 'Additional quantitative and qualitative objectives, set by the Board of Directors in line with Nestlé's strategy are also used to determine the Nestlé Group performance. This set of additional objectives reflects Nestlé's Creating Shared Value framework and includes [...] further progress on quality, safety, sustainability and compliance.' [Corporate Governance Report 2018, 2019: nestle.com] • Not met: At least one key AG HR risk, beyond employee H&S: See above. However, there is no further information to identify if other aspects of human rights policy commitments are included or if the safety performance include the safety of local communities or workers of the supply chain. [Corporate Governance Report 2018, 2019: nestle.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Performance criteria made public
B.1.3	Integration with enterprise risk management	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: HR risks is integrated as part of enterprise risk system: In its Annual Review 2018, the Company summarizes its 'Principal risks and uncertainties', which include: 'Failure to act with integrity or behavior that is inconsistent with the expectations of our stakeholders may adversely impact our corporate reputation and brands. The Group's Corporate Business Principles and Code of Conduct outline our commitment to integrity and the corporate compliance program defines the framework and coordinates assurance processes.' However, it is not clear whether Human Rights are included in the system. [Annual Review 2018, 2019: nestle.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Audit Ctte or independent risk assessment
B.1.4.a	Communication /dissemination of policy commitment(s) within Company's own operations	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 • Met: Communicates its policy to all workers in own operations: The 'Corporate Business Principles' document is available in more than 50 languages. In addition, in its Annual Review 2018, the Company indicates: 'The necessary training is provided in our internal Management School, at in-person trainings in the Markets, as well as through our e-learning tools. 48 741 employees performed our Code of Conduct training in 2018..[...] We also launched an updated training tool, which will help us achieve our objective to train all Nestlé employees on human rights.' [Annual Review 2018, 2019: nestle.com & In 50+ languages, Mar 2019: nestle.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Commits to all 4 ILO core conventions: See indicator A.1.2 • Not met: Communication of policy commitments to stakeholder • Not met: How policy commitments are made accessible to audience
B.1.4.b	Communication /dissemination of policy	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: Commits to all 4 ILO core conventions for suppliers: See indicator A.1.2

Indicator Code	Indicator name	Score (out of 2)	Explanation
	commitment(s) to business relationships		<ul style="list-style-type: none"> • Not met: Communicating policy down the whole AG supply chain: In its website section 'Responsible Sourcing' the Company indicates that its new 'Responsible Sourcing Standard document 'sets out basic non-negotiable standards as well as important and urgent sustainability practices that we ask our suppliers, their employees, agents and subcontractors to respect and to adhere to at all times when conducting business. The Standard is an integral part of all of our purchase orders and supply contracts.' However, there is no information about how the Company communicates its human rights policy down its supply chain. [Responsible Sourcing Standard, Jul 2018: nestle.com & Responsible Sourcing, Mar 2019: nestle.com] • Not met: Requiring AG suppliers to communicate policy down the chain Score 2 • Met: How HR commitments made binding/contractual: See above • Not met: Including on AG suppliers
B.1.5	Training on 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: Scores at least 1 on A.1.2: See indicator A.1.2 • Met: Trains all workers on HR policy commitments: In its Annual Review 2018, the Company indicates: 'The necessary training is provided in our internal Management School, at in-person trainings in the Markets, as well as through our e-learning tools. 48 741 employees performed our Code of Conduct training in 2018..[...] We also launched an updated training tool, which will help us achieve our objective to train all Nestlé employees on human rights.' [Annual Review 2018, 2019: nestle.com] • Met: Trains relevant AG managers including procurement: In its Responsible Sourcing Standard, the Company indicates: 'Nestlé buyers shall be trained in Responsible Sourcing and lead their category's strategy execution accordingly. This includes the incorporation of the end-to-end Responsible Sourcing Standard implementation mechanisms.' [Responsible Sourcing Standard, Jul 2018: nestle.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Score of 2 on A.1.2: See indicator A.1.2 • Met: Both requirements under score 1 met: As above.
B.1.6	Monitoring and corrective actions	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: Scores at least 1 on A.1.2: See indicator A.1.2 • Met: Monitoring implementation of HR policy commitments: The Company has goals relating to the monitoring of implementation against their objectives to upholding and promoting the 'highest standards across our business'. The Company has the CARE audit programme which uses independent assessments to measure compliance with key principles (including human rights and labour practices). The Company also states that Since 2005, Bureau Veritas has audited all of our head offices, factories, distribution centres and sales outlets (such as Nespresso boutiques) once every three years. The audits are based on five criteria: human rights, business integrity, environment, safety and health, and security. [CSR Report, 2017: nestle.com & Nestle in Society Report, 2017: nestle.com] • Met: Monitoring AG suppliers: The Company audits its direct suppliers on its supplier code, including through third party audits (mostly Sexed or through the EcoVadis methodology). In addition, it also assesses some farms on the implementation of its responsible sourcing guidelines (Assessments are carried out by partner organisations, such as Proforest and The Forest Trust (TFT) - it reported that: 'Through Farmer Connect we engage with 760000 farmers – mostly rural smallholders in developing countries. More than 1200 Nestlé sourcing staff in the field regularly visit farms, carry out assessments using our Responsible Sourcing Guideline'. It reported it had audited 10,950 Tier 1 suppliers as at end 2015. It reported this represented 95% of its overall spend. Its is aiming 'for Tier 1 suppliers, to cover 50% of the total volume sourced from Responsible Sourcing Guideline audited Tier 1 suppliers, with 70% compliance'. It describes that 'each supplier receives a report detailing areas for improvement and the requirements to achieve compliance. In all cases of non-compliance, a corrective action plan is approved, containing detailed measures and timelines to ensure that practices are improved'. It also reported: 'Of the 22704 non-compliances identified, around 8174 have been addressed through a range of improvements, such as fitting fire extinguishers, clearing access to emergency exits, improving toilet and hand-washing facilities, and providing clean drinking water. An estimated 1.4 million employees are now benefiting from better working conditions as a result. Of the non-compliances being addressed: 54.5% are health and safety issues (...); 15.5% are working hours issues, such as working more than 60 hours a week; and 41% are

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			<p>accommodation-related issues'. 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. The traceability system implemented by Thai Union Manufacturing, one of our principle suppliers to date, has assessed traceability and employment conditions on every one of the 270 boats in their supply chain. In addition, traceability and employment conditions on 23% of those vessels have also been verified independently by a third party. [Nestle Company website, 43234: nestle.com & Nestle in Society Report, 2017: nestle.com]</p> <p>Score 2</p> <ul style="list-style-type: none"> • Met: Score of 2 on A.1.2: See indicator A.1.2 • Met: Describes corrective action process: The Company identifies how they carried out 146 CARE audits which identified 135 gaps requiring action. The Company reports that 15 of these have been remedied and the remainder are being addressed. The Company has published a table illustrating the type of gap found, their degree of severity and whether they have been closed. The Company details that they found 41 minor, 21 major, 0 critical and 8 closed cases relating to human rights and labour practices. See above details of corrective action plans. [CSR Report, 2017: nestle.com] • Met: Example of corrective action: As above. • Met: Discloses % of AG supply chain monitored: The Company reports 2 objectives, and then reports against progress on these objectives. These objectives include: <ul style="list-style-type: none"> -By 2020: For Tier 1 suppliers, cover 80% of the total spend and volume sourced from audited and compliant suppliers*. -By 2020: For upstream, 80% of the spend and volume of our priority categories to be traceable and 70% to be Responsibly Sourced*. <p>The Company discloses against these objectives:</p> <ul style="list-style-type: none"> - 57% of our total spend and volume sourced from audited and compliant suppliers - 63% of our 12 priority categories of raw materials are traceable and 57% are Responsibly Sourced [Implement responsible sourcing and promote animal welfare, 14/08/2018: nestle.com]
B.1.7	Engaging business relationships	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: HR affects AG selection of suppliers • Met: HR affects on-going AG supplier relationships: In its 'Commitment on Child Labour in Agricultural Supply Chains', the Company states that it will: 'Terminate all business with suppliers who are unwilling or unable to comply with this Commitment or implement corrective actions within agreed timeframes'. <p>In addition, in its CSV Report 2018, it indicates: 'There were 58 written warnings, eight suppliers' services were terminated and other measures were taken, including internal process improvement and reinforcement.' [Creating Shared Value and meeting our commitments 2018, 2019: nestle.com & The Nestlé Commitment on Child Labour in Agricultural Supply Chains, Jul 2013: nestle.com]</p> <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirement under score 1 met • Not met: Working with AG suppliers to improve performance
B.1.8	Approach to engagement with potentially affected stakeholders	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: Stakeholder process or systems: The Company states that engagement with stakeholders, including local communities is one of the value added aspects of the Human Rights Risk Assessment (HRIA). The Company clarifies that during a Nestle HRIA various people, groups and organizations are interviewed and consulted, with a particular focus on impacted rights-holders. However, there is no further information describing how it has identified the affected stakeholders. [Nestle Company website, 43234: nestle.com & Nestle - Stakeholder Engagement, April 2018: nestle.com] • Not met: Frequency and triggers for engagement • Met: Workers in AG SC engaged: In its website section 'Stakeholder engagement', the Company summarises its stakeholders groups, including: communities, Suppliers (including farmers and smallholders), employees and their representatives. [Nestle - Stakeholder Engagement, April 2018: nestle.com] • Met: Communities in the AG SC engaged: See above [Nestle - Stakeholder Engagement, April 2018: nestle.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Analysis of stakeholder views and company's actions on them

B.2 Human Rights Due Diligence (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
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 2018, the Company indicates: 'With the DIHR, we identified our most salient human rights issues – those with the greatest risk of negative impact on people within our activities'. In addition, in 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, Mar 2019: nestle.com & Creating Shared Value and meeting our commitments 2018, 2019: nestle.com] • Met: Identifying risks in AG suppliers: See above <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 • Met: Triggered by new circumstances: See above • 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, Mar 2019: nestle.com]
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 2018, the Company indicates: 'With the DIHR, we identified our most salient human rights issues – those with the greatest risk of negative impact on people within our activities'. In addition, in 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, Mar 2019: nestle.com & Creating Shared Value and meeting our commitments 2018, 2019: nestle.com] • Met: Public disclosure of salient risks: See above <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, Mar 2019: 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

Indicator Code	Indicator name	Score (out of 2)	Explanation
			including juveniles and teenagers working on fishing vessels. The Company has published a plan and an update on their activities. [Action Plan to Tackle Seafood Supply Chain Abuses, Nov 2016: nestle.com] Score 2 • 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	0	The individual elements of the assessment are met or not as follows: Score 1 • Not met: System to check if Actions are effective • Not met: Lessons learnt from checking effectiveness Score 2 • Not met: Both requirement under score 1 met
B.2.5	Communicating : Accounting for how human rights impacts are addressed	0.5	The individual elements of the assessment are met or not as follows: Score 1 • Met: Comms plan re identifying risks: The Company has communicated on its website its system to identify human rights risks and impacts including own operations and supply chain (see B.2.1) [Nestle Company website, 43234: nestle.com] • Met: Comms plan re assessing risks: The Company describes its process for assessing its salient human rights issues and what it considers to be a salient human right issue. (See B.2.2) • Met: Comms plan re action plans for risks: The Company has communicated on its website that it has a system to take action to prevent, mitigate or remediate its salient human rights issues and has provided an example (see B.2.3). [Nestle Company website, 43234: nestle.com] • Not met: Comms plan re reviewing action plans • Met: Including AG suppliers: See indicators B.2.1 to B.2.4 Score 2 • Not met: Responding to affected stakeholders concerns • Not met: Ensuring affected stakeholders can access communications

C. Remedies and Grievance Mechanisms (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.1	Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers	2	The individual elements of the assessment are met or not as follows: Score 1 • Met: Channel accessible to all workers: The Company states in its Nestle in Society report that 'Tell us' is our communication channel for internal and external stakeholders to report possible compliance and non-compliance issues against our Corporate Business Principles, applicable laws and all issues relating to our business operations, such as community and environmental impacts. [Nestle in Society Report, 2017: nestle.com] Score 2 • Met: Number grievances filed, addressed or resolved: The Company discloses 'During the year, 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.' [Nestle in Society Report, 2017: nestle.com] • Met: Channel is available in all appropriate languages: 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.' The Company notes in the SpeakUp feedback EU Tell us grievance mechanism '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. [Nestle in Society Report, 2017: nestle.com] • Met: Expect AG supplier to have equivalent grievance systems

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Met: Opens own system to AG supplier workers: The Company states in its Nestle in Society report that "Tell us" is our communication channel for external stakeholders to report possible compliance and non-compliance issues against our Corporate Business Principles, applicable laws and all issues relating to our business operations, such as community and environmental impacts. "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, 2017: 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: The Company has a 'Compliance Reporting System' called Tell us for 'external stakeholders with a dedicated communication channel for reporting potential instances of non-compliance with its Corporate Business Principles'. It has indicated it is 'designed to give all external stakeholders the opportunity to report any possible noncompliance incidents against the Nestlé Corporate Business Principles or laws, both internal and external'. [Nestle in Society Report, 2017: nestle.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Describes accessibility and local languages: The Company notes in the SpeakUp feedback EU Tell us grievance mechanism '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. [Speakup Feedback, 03/07/2018: speakupfeedback.eu] • Met: AG supplier communities use global system
C.3	Users are involved in the design and performance of the channel(s)/mechanism(s)	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 users to create or assess system: No information on whether or how the Company engages with potential and/or actual users on the design, implementation or performance of the channel was not found (though it has indicated that 'The system has been given good feedback by external stakeholders. We have applied the experience gained from the first year of the system's operation to continue to refine the processes and platform, and to build on our expertise in managing it.'). However, the Company has disclosed Bureau Veritas' independent Assurance Statement which states 'with Nestlé's "Tell Us" grievance mechanism Nestlé should consider its communication channels and the accessibility of the "Tell Us" system, particularly for stakeholders in its upstream supply chain'. [Nestle Company website, 43234: nestle.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Description of how they do this • Not met: Engages with users on system performance • Not met: Provides user engagement example on performance • Not met: AG suppliers consult users in creation or assessment
C.4	Procedures related to the mechanism(s)/channel(s) are publicly available and explained	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: Response timescales • Not met: How complainants will be informed <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Escalation to senior/independent level
C.5	Commitment to non-retaliation over complaints or concerns made	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: Public statement prohibiting retaliation: In its website section 'tell us if you have concerns', the Company states: 'Nestlé prohibits retaliation of any type against an employee who brought forward a concern in good faith. Anyone who attempts to retaliate against an employee for reporting in good faith may face disciplinary action, including the possibility of dismissal. Nestlé also protects the rights of the person accused.' However, the non retaliation policy applies only to workers and does not include external stakeholders. [Tell us if you have concerns, Mar 2019: nestle.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Not met: Practical measures to prevent retaliation Score 2 <ul style="list-style-type: none"> • Not met: Has not retaliated in practice • Not met: Expects AG suppliers to prohibit retaliation: In its Responsible Sourcing Standard, the Company indicates: 'Supplier shall follow a non-retaliation Standard towards grievance or any employee's union activity, which includes protection for whistle blowers.' However, it is not clear that the non-retaliation standard covers also external stakeholders. [Responsible Sourcing Standard, Jul 2018: nestle.com]
C.6	Company involvement with State-based judicial and non-judicial grievance mechanisms	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Won't impede state based mechanisms • Not met: Complainants not asked to waive rights Score 2 <ul style="list-style-type: none"> • Not met: Will work with state based or non judicial mechanisms • Not met: Example of issue resolved (if applicable)
C.7	Remedying adverse impacts and incorporating lessons learned	1.5	The individual elements of the assessment are met or not as follows: Score 1 <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 2017', the Company discloses its Child Labour Monitoring and Remediation System. The Company indicates in its website: 'The assistance includes supporting activities that improve farmers' incomes, and activities to help children return to or start school, including the provision of school kits and birth certificates. In particular, we have partnered with the Jacobs Foundation to improve education in disadvantaged communities and ensure children are learning basic literacy and math skills in community schools. This has so far benefited 981 children. The system's effectiveness was highlighted in an evaluation survey, which showed that in co-operatives where the system was set up between 2013 and 2015 a reduction in child labor of 51% was seen.' [Cocoa, Mar 2019: nestle.com & Cocoa Plan: Tackling Child Labour - 2017 Report, 2017: nestle.com] Score 2 <ul style="list-style-type: none"> • Met: Changes introduced to stop repetition: See above. • Not met: Evaluation of the channel/mechanism: In its website section 'Grievance mechanism and remediation', the Company indicates that by 2019 it will 'Review grievance systems' effectiveness with internal and external stakeholders to define improvement opportunities.' However, this target has not been achieved yet. [Grievance mechanism and remediation, Mar 2019: nestle.com]

D. Performance: Company Human Rights Practices (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.1.1.b	Living wage (in the supply chain)	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Living wage in supplier code or contracts: In its Responsible Sourcing Standard, the Company indicates: 'In any event, cash wages plus in-kind benefits (up to 30%) shall aim to meet basic needs for employees and their entitled official dependents and to provide some discretionary income. Where living wages have been objectively calculated, progress should be made to close any gaps between current wages and living wages. Wages shall under no circumstances fall below the legal minimum.' [Responsible Sourcing Standard, Jul 2018: nestle.com] • Not met: Improving living wage practices of suppliers: In its Labour Rights in Agricultural Supply Chain Roadmap, The Company indicates: '2017 & 2018: Engage externally to develop a better understanding of the identification and methods that can be applied to promote and deliver living wages & incomes; undertake pilot projects in four countries and commodities to understand better both living wages and incomes; gather further data to understand where we have vulnerable workers and farmers in our supply chains; work internally and with partners and key suppliers to establish suitable measurable KPIs to measure progress to address wages and income levels. 2019: Progressively roll out this system to our major suppliers and Farmer Connect farmers (based upon a material risk analysis); Report annually upon progress (KPIs)'. However, CHRB could not find further information reporting whether this roadmap was applied. [Labour Rights in Agricultural Supply Chains: A Roadmap, Jan 2017: nestle.com] Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met: See above. • Not met: Provides analysis of trends demonstrating progress

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.1.2	Aligning purchasing decisions with human rights	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: Avoids business model pressure on HRs (purchasing practices) • Not met: Positive incentives to respect human rights (purchasing practices): In its document 'Labour Rights in Agricultural Supply Chain: A roadmap', the Company indicates: 'Suppliers and farmers in our supply chains are the main stakeholder for Nestlé to engage with to address labour practices. We will engage through our Tier 1 Auditing Programme, Responsible Sourcing and Farmer Connect operations. These programmes work closely with suppliers and farmers to assess performance, raise awareness of a wide range of topics, provide training and develop remediation plans to close gaps, often supported by Nestlé. We will favour of suppliers who are making continual improvements in labour standards, and reduce business with those that are not making progress. We will stop buying from suppliers who are not willing to respond to labour rights issues in their supply chain or operations.' However, CHRB could not find further information reporting how this roadmap was applied. [Labour Rights in Agricultural Supply Chains: A Roadmap, Jan 2017: nestle.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met
D.1.3	Mapping and disclosing the supply chain	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: Identifies suppliers back to manufacturing sites (factories or fields): The Company states in its Nestle in Society report 'within our responsible sourcing activities, Farmer Connect is our unique sourcing programme working directly with farmers. Farmer Connect helps ensure the supply of high-quality agricultural raw materials, and provides physical traceability back to farm level. Through the programme, we engage with farmers directly to develop supply chains that meet our social, environmental and ethical requirements. Farmer Connect goes beyond responsible sourcing compliance and places an emphasis on outcomes such as increasing crop yields in a sustainable way through its SAIN programme (Sustainable Agriculture Initiative at Nestlé). [Nestle in Society Report, 2017: nestle.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Discloses significant parts of SP and why: The Company has begun publicly disclosing suppliers in their palm oil supply chain. The Company discloses Tier 1 supplier's names, and a list of supplying mills. The Company states 'Palm oil is the most cost-competitive and versatile vegetable oil, and makes up the largest portion of global vegetable oil production. When produced responsibly, it can support millions of livelihoods globally and reduce pressure on forests and sensitive ecosystems. When not responsibly sourced, major environmental and social impacts occur. Nestlé is committed to using 100% responsibly sourced palm oil by 2020. ' The Company states that mapping and disclosing the supply chain is an ongoing live activity. However, it is not clear if this represents the most significant (large) part of the Company's supply chain. [Palm Oil, August 2018: nestle.com]
D.1.4.b	Prohibition on child labour: Age verification and corrective actions (in the supply chain)	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: Child Labour rules in codes or contracts: In its Responsible Sourcing Standard, the Company includes provisions related to Child Labour: '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; Young workers are not allowed to work night shifts or engage in work with hazardous conditions.' [Corporate Governance Report 2018, 2019: nestle.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Met: How working with suppliers on child labour: In its 'Cocoa Plan: Tackling Child Labour' document, the Company states: 'Since 2012, we have worked together to implement a pioneering supply chain-based monitoring and remediation system in Côte d'Ivoire.' In addition, in its 'CSV Report 2018', the Company indicates: 'Our Child Labour Monitoring and Remediation System (CLMRS), put in place with the help of the International Cocoa Initiative, continued to grow in our main cocoa supply countries of Côte d'Ivoire and Ghana in 2018. A total of 11 130 children have been helped by the scheme, and we have now built or refurbished around 45 'bridge schools,' which have helped around 3149 children who had fallen out of the school system to return.' [Labour Rights in Agricultural Supply Chains: A Roadmap, Jan 2017: nestle.com & Cocoa Plan: Tackling Child Labour - 2017 Report, 2017: nestle.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Both requirements under score 1 met • Met: Analysis of trends in progress made: 'Child labour has been reduced by 51% over a three-year period in our supply chain.' [Cocoa Plan: Tackling Child Labour - 2017 Report, 2017: nestle.com]
D.1.5.b	Prohibition on forced labour: Debt bondage and other unacceptable financial costs (in the supply chain)	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: Debt and fees rules in codes or contracts: In its Responsible Sourcing Standard, the Company includes provisions related to recruitment: 'Not charge fees or costs nor request deposits for job placement services, from jobseekers, his/her employers, agents, nor subagents. The Supplier's financial arrangements with agents and subagents shall not allow fees from job-seekers as part of the agents' or subagents' revenue for services provided. Should it become evident that recruitment fees have been paid, the supplier shall have to establish a plan to reimburse the worker of any fees, costs or deposits paid.; Disclose charges or deductions for room and board to jobseekers, where permitted or required by law and shall verify to be consistent with market rates.; [...] Have a Standard in place that requires recruitment agencies to uphold workers rights.' [Responsible Sourcing Standard, Jul 2018: nestle.com] • Not met: How working with suppliers on debt & fees: In its 'Labour rights roadmap' document, the Company indicates that in 2017 it 'Continue to address forced labour in fish & seafood in Thailand, as well as palm oil in Indonesia and Malaysia, including through collective action like CGF. Identify measurable KPIs, and work with suppliers to gather relevant data. The immediate priority is that: no worker should pay for a job; every worker should have freedom of movement; no worker should be indebted or coerced to work.' However, there is no further information explaining if this Roadmap was put in place. [Labour Rights in Agricultural Supply Chains: A Roadmap, Jan 2017: nestle.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met • Not met: Analysis of trends in progress made
D.1.5.d	Prohibition on forced labour: Restrictions on workers (in the supply chain)	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: Free movement rules in codes or contracts: 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. 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.' [Responsible Sourcing Standard, Jul 2018: nestle.com] • Not met: How working with suppliers on free movement: In its 'Labour rights roadmap' document, the Company indicates that in 2017 it 'Continue to address forced labour in fish & seafood in Thailand, as well as palm oil in Indonesia and Malaysia, including through collective action like CGF. Identify measurable KPIs, and work with suppliers to gather relevant data. The immediate priority is that: no worker should pay for a job; every worker should have freedom of movement; no worker should be indebted or coerced to work.' However, there is no further information explaining if this Roadmap was put in place. [Labour Rights in Agricultural Supply Chains: A Roadmap, Jan 2017: nestle.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met • Not met: Provides analysis of trends demonstrating progress

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.1.6.b	Freedom of association and collective bargaining (in the supply chain)	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: FoA & CB rules in codes or contracts: In its Responsible Sourcing Standard, the Company include provisions related to FA & CB: 'Uphold workers' right to freedom of association and collective bargaining, and specify grievance mechanisms and how workers can use them. [...] Supplier shall follow a non-retaliation Standard towards grievance or any employee's union activity, which includes protection for whistle blowers.' [Responsible Sourcing Standard, Jul 2018: nestle.com] • Not met: How working with suppliers on FoA and CB <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met • Not met: Provides analysis of trends demonstrating progress
D.1.7.b	Health and safety: Fatalities, lost days, injury rates (in the supply chain)	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: Sets out clear Health and Safety requirements: Its Responsible Sourcing Standard include a complete section related to Health and safety, which includes requirements related to Emergency management, Workplace Environment and Housing Conditions. [Responsible Sourcing Standard, Jul 2018: nestle.com] • Not met: Injury Rate disclosures: The recordable injury rate in 2018 was 1.6 per million hours worked, however this figure does not include contractors. [GRI Content Index 2018, 2019: nestle.com] • Not met: Lost days or near miss disclosures • Not met: Fatalities disclosure: In 2018 the Company had three fatalities among employees (Covers Nestlé employees registered in HR system (approximately 84% of all employees), however, the Company does not disclose this information for supplier's workers. [Creating Shared Value and meeting our commitments 2018, 2019: nestle.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: How working with suppliers on H&S: In relation to suppliers the Company states ' We operate a Group standard on contractor management. This outlines our expectations for each site to implement a process for selecting contractors, planning work activities and ensuring safe execution. The standard is supported by a tool for categorising contracts and determining the level of oversight required to reduce the risk of incidents. Project management on all capital projects has been improved to ensure a greater focus on safety and health. We have also enhanced our safety and health training for project managers and engineers.' [Nestle in Society Report, 2017: nestle.com] • Not met: Provides analysis of trends demonstrating progress
D.1.8.b	Land rights: Land acquisition (in the supply chain)	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: Rules on land & owners in codes or contracts: In its Responsible Sourcing Standard, the Company includes provisions related to Land Rights: '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 Standard, Jul 2018: nestle.com] • Not met: How working with suppliers on land issues <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met • Not met: Provides analysis of trends demonstrating progress
D.1.9.b	Water and sanitation (in the supply chain)	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: Rules on water stewardship in codes or contracts: In its Responsible Sourcing Standard, the Company includes provision related to Water and Sanitation: 'Provide a hygienic working environment with adequate lighting, ambient temperature, ventilation, sanitation, potable drinking water to respect human right to water, sanitary facilities and food storage. [...] Enable access to potable water, electricity, clean shower and toilet facilities respecting the right of privacy, sanitary food preparation and storage facilities.[...]. Identify, protect and avoid producing on High Conservation Values [HCV] lands in and around their territory. [such as] Sites and resources that are fundamental for satisfying the basic necessities of local communities or indigenous peoples (for livelihoods, health, nutrition, water, etc...), as identified through engagement with these communities or indigenous peoples. ' [Responsible Sourcing Standard, Jul 2018: nestle.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Met: How working with suppliers on water stewardship issues: In its website section 'Caring for water' and 'Caring for Water global initiative', the Company indicates: 'We strengthen our supply chain by helping the farmers we work with to adopt sustainable practices. Water, identified as a CSV focus area, is also at the heart of our actions and we continue to reduce withdrawals of water per tonne of product and help increase access to safe water and sanitation.' 'A guidance document, the Caring for Water playbook, will direct our specialists in the implementation of water stewardship initiatives, focusing on four key areas: in our factories, continuously improving water use efficiency; in watersheds, working with partners to protect shared water resources; across our agricultural supply chain, where water challenges are putting the sourcing of our raw materials at risk; and in the communities where we are present, to widen access to clean water and sanitation.' [Caring for Water, Mar 2019: nestle.com & Caring for Water Global Initiative, Mar 2019: nestle.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Both requirements under score 1 met: See above • Not met: Provides analysis of trends demonstrating progress
D.1.10.b	Women's rights (in the supply chain)	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: Women's rights in codes or contracts: In its Responsible Sourcing Standard, the Company includes provisions related to Women's Rights: 'recognize the unique position and needs of women, and that women are often impacted by working conditions differently than men, and that interventions will therefore need to be designed and operated accordingly; respect the rights to women on farm and ensure that any work assigned to women is properly remunerated and recognized as for men; identify opportunity for inclusion of women in farm work to promote worker diversity and equal opportunity in the community.' [Responsible Sourcing Standard, Jul 2018: nestle.com] • Met: How working with suppliers on women's rights: In its CSV Report 2018, the Company indicates: 'In Turkey, we support women workers in the hazelnut supply chain. With the Fair Labor Association, we completed a project to help 400 women through awareness raising on labor rights and financial literacy and developing leadership skills. Our Strong Women, Strong Farming program helped empower women hazelnut garden owners.' [Creating Shared Value and meeting our commitments 2018, 2019: nestle.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Both requirements under score 1 met: See above • Not met: Provides analysis of trends demonstrating progress

E. Performance: Responses to Serious Allegations (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).0	Serious allegation No 1		<ul style="list-style-type: none"> • Headline: Fire leads to death of 35 workers at Nestlé packaging supplier in Bangladesh, triggering renewed concerns over working conditions • Area: Health and Safety • Story: On September 10, 2016, 35 workers were killed and more than 50 others injured when a factory in the Tongi industrial zone in Bangladesh belonging to Tampaco Foils Limited collapsed following an explosion. Tampaco Foils Limited is a packaging supplier of Nabisco Biscuit & Bread, a unit of Mondelez International. <p>Officials suspect a gas leak and a boiler eruption caused the fire. Fire crews were reportedly unable enter the building as there were chemical containers and oil drums on various floors. The factory owner, a former member of parliament, claimed it was "fully compliant" with safety standards. However, police later said the factory owner and seven other top managers went into hiding as the death toll rose, Reuters reported. The factory's clients also include British American Tobacco and Nestlé.</p> <p>The global union confederation ITUC reported the Bangladesh government as saying global brands doing business with the factory shared responsibility for the deaths. Reuters quoted a government secretary with the ministry of labour and employment as saying that after checking the factory's design, it seemed that it was a one floor building to which floors were added later, similar to Rana Plaza. The father of one of the victims reportedly filed a lawsuit against the building's owner.</p> <ul style="list-style-type: none"> • Sources: [Reuters: reuters.com][Business Human Rights Resource Centre - September 2016][he Financial Express - 16/09/2016: financialexpress.com Forty-one]

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).1	The Company has responded publicly to the allegation	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: Public response available <p>Score 2</p> <ul style="list-style-type: none"> • Met: Response goes into detail: The Company reports in a detailed way on its position to the case. On September 14, 2016, Nestlé expressed its sadness over the events. Nestlé also stated that an audit of the Tampico factory by its partner SGS had taken place in 2011, which found a number of deficiencies. At that time, all of the findings relating to health and safety were rectified by the time of a follow up inspection in December 2012.
E(1).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 • Met: Policies apply to the type of business relationships involved: 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. <p>Score 2</p> <ul style="list-style-type: none"> • Met: Policies address the specific rights in question: The company discloses injury rates and lost time on its website along with a graph showing the number of externally reported fatalities within a 12 year period until 2017. [Injury and sickness rates.: nestle-cwa.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 • Not met: Encourages linked business to engage affected stakeholders • Not met: Provides remedies to affected stakeholders • Not met: Has reviewed management systems to prevent recurrence <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
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 amend their complaint to show the connection their claims have to the US (addressing the US Supreme Court's holding in <i>Kiobel v. Shell</i>). The court found that the plaintiffs had standing to bring an Alien Tort case because of the universal prohibition against slavery.</p> <p>In October 2015, ADM sold its cocoa business to Olam International.</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.</p>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Sources: [Reuters - 13/01/16 -: reuters.com][he Guardian, 01/02/2016 -: theguardian.com][Business and human rights resource center -: business-humanrights.org]
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: 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". <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: Score 1</p> <ul style="list-style-type: none"> • Met: Company policies address the general issues raised • Met: Policies apply to the type of business relationships involved <p>Score 2</p> <ul style="list-style-type: none"> • Met: Policies address the specific rights in question: 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.
E(2).3	The Company has taken appropriate action	0.5	<p>The individual elements of the assessment are met or not as follows: 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 disease-resistant cocoa plants by 2020. <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Remedies are satisfactory to the victims • 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	<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: 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.

Indicator Code	Indicator name	Score (out of 2)	Explanation
			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 • Met: Policies apply to the type of business relationships involved Score 2 <ul style="list-style-type: none"> • Met: Policies address the specific rights in question: 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.
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 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. Score 2 <ul style="list-style-type: none"> • Not met: Remedies are satisfactory to the victims • 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. 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. • Sources: [Inclusive Development International - 05/09/2018: inclusivedevelopment.net][BHRRRC - 05/09/2018: business-humanrights.org][Bangkok Post - 11/05/2015: bangkokpost.com][Nestle statement - 31/07/2018: business-humanrights.org]

Indicator Code	Indicator name	Score (out of 2)	Explanation
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:</p> <p>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 (BHRRC), 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 (BHRRC), 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:</p> <p>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 all applicable national laws and respect international human rights standards relating to the rights to land and natural resources. [Responsible Sourcing, Mar 2019: nestle.com & Nestle Corporate Business Principles, Jun 2010: nestle.com] • 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, Mar 2019: 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, Mar 2019: 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 (BHRRC), 31/07/2018: business-humanrights.org] <p>Score 2</p> <ul style="list-style-type: none"> • 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 (BHRRC), 31/07/2018: business-humanrights.org]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<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 (BHRRC), 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 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 (BHRRC), 31/07/2018: business-humanrights.org]
E(5).0	Serious allegation No 5		<ul style="list-style-type: none"> • Headline: US court dismisses first lawsuit against Nestlé over forced and child labour allegations at supplier for cat food in Thailand; appeal filed. • Area: Forced labour • Story: Nestle has admitted to forced labour in its seafood supply chain in Thailand. The admission followed allegations made initially in a Guardian report in 2014. The report prompted a lawsuit in a Los Angeles federal court in which four consumers filed a case against Nestle for failing to disclose to consumers that cat food it was producing contained farmed shrimp from Thailand where slave labour and human trafficking were widespread in the fishing industry. The plaintiffs sought to represent all California buyers of Fancy Feast. The court sided with Nestle saying that by disclosing its efforts to eradicate slavery and human trafficking in its supply chain, it complied with the law. The plaintiffs appealed. <p>Nestlé's admission came as a result of its own investigation into the issue. It also stated following the lawsuit that 'Forced labour has no place in our supply chain. Our mandatory Nestlé Supplier Code and Responsible Sourcing Guideline (RSG) on Fish and Seafood require all of our suppliers to respect human rights and to comply with all applicable labour laws.'</p> <ul style="list-style-type: none"> • Sources: [Business and Human Rights: business-humanrights.org][The Guardian, 10/06/2014: theguardian.com][The Guardian, 24/11/2015: theguardian.com][Legal News Online, 27/01/2016: legalnewsline.com]
E(5).1	The Company has responded publicly to the allegation	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: Public response available <p>Score 2</p> <ul style="list-style-type: none"> • Met: Response goes into detail: Following the allegation of slave labour, Nestle has published its own investigation on the issue and admitted to forced labour in its seafood supply chain in Thailand. It also launched a detailed year-long solution strategy throughout 2016 as part of efforts to protect workers
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 • Met: Policies apply to the type of business relationships involved <p>Score 2</p> <ul style="list-style-type: none"> • Met: Policies address the specific rights in question: The company has a prohibition of forced labour throughout its operation and its suppliers and identified forced labour as one of its priorities
E(5).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

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Met: Has reviewed management systems to prevent recurrence: It has promised to impose new requirements on all potential suppliers and train boat owners and captains about human rights, possibly with a demonstration vessel and rewards for altering their practices. It also plans to bring in outside auditors and assign a high-level Nestlé manager to make sure change is under way. • Not met: Denies allegations, but has engaged affected stakeholders Score 2 <ul style="list-style-type: none"> • Not met: Remedies are satisfactory to the victims • Met: Has improved systems and engaged affected stakeholders

F. Transparency (10% of Total)

Indicator Code	Indicator name	Score	Explanation
F.1	Company willingness to publish information	3.14 out of 4	Out of a total of 42 indicators assessed under sections A-D of the benchmark, Nestle made data public that met one or more elements of the methodology in 33 cases, leading to a disclosure score of 3.14 out of 4 points.
F.2	Recognised Reporting Initiatives	2 out of 2	The individual elements of the assessment are met or not as follows: Score 2 <ul style="list-style-type: none"> • Met: Company reports on GRI: The Nestle in Society report contains a GRI index. [Nestle in Society Report, 2017: nestle.com] • Not met: Company reports on SASB • Not met: Company reports on UNGPRF
F.3	Key, High Quality Disclosures	1 out of 4	Nestle met 2 of the 8 thresholds listed below and therefore gets 1 out of 4 points for the high quality disclosure indicator. Specificity and use of concrete examples <ul style="list-style-type: none"> • Not met: Score 2 for A.2.2 : Board discussions • Met: Score 2 for B.1.6 : Monitoring and corrective actions • Met: Score 2 for C.1 : Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers • Not met: Score 2 for C.3 : Users are involved in the design and performance of the channel(s)/mechanism(s) Discussing challenges openly <ul style="list-style-type: none"> • Not met: Score 2 for B.2.4 : Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts • Not met: Score 2 for C.7 : Remedying adverse impacts and incorporating lessons learned Demonstrating a forward focus <ul style="list-style-type: none"> • Not met: Score 2 for A.2.3 : Incentives and performance management • Not met: Score 2 for B.1.2 : Incentives and performance management

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

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As CHRB Ltd, we want to emphasise that the results will always be a proxy for good human rights management, and not an absolute measure of performance. This is because there are no fundamental units of measurement for human rights. Human rights assessments are therefore necessarily more subjective than objective. The Benchmark also captures only a snap shot in time. We therefore want to encourage companies, investors, civil society and governments to look at the broad performance bands that companies are ranked within rather than their precise score because, as with all measurements, there is a reasonably wide margin of error possible in interpretation. We also want to encourage a greater analytical focus on how scores improve over time rather than upon how a company compares to other companies in the same industry today. The spirit of the exercise is to promote continual improvement via an open assessment process and a common understanding of the importance of the UN Guiding Principles on Business and Human Rights.