

Nestlé

UN Global Compact Communication on Progress

General Information

About the self-assessment

Using this online questionnaire you will have the opportunity to assess what commonly accepted best practice your COP describes under each of the 24 GC Advanced criteria, in the following areas:

- Strategy, Governance and Engagement
- UN goals and issues
- Implementation of Global Compact principles
- Value chain implementation
- Verification and transparency

At the end of the questionnaire, you will be asked to confirm that, based on the self-assessment, your company meets all 24 GC Advanced criteria and that the COP describes implementation of all 24 criteria and relevant best practices selected in the self-assessment.

- If you confirm, your company and the COP will automatically qualify for the GC Advanced level and the results of the self assessment will be made public on the Global Compact website, alongside your COP.
- If you cannot confirm, the COP will be submitted but the company will not qualify for the GC Advanced level. However, the results of the self assessment will be made public on the Global Compact website, alongside the COP, to improve the searchability and analysis of the COPs and underlying performance. *Note: If you do not want the results to be publicly displayed, please use the regular COP submission process.*

The Communication on Progress is in the following format:

- Stand alone document
- **Part of a sustainability or corporate (social) responsibility report ☒**
- Part of an annual (financial) report

What is the time period covered by your COP?

Start date: 1 January 2010

End date: 31 December 2010

Does your COP contain a statement by the CEO (or equivalent) expressing continued support for the Global Compact and renewing your company's ongoing commitment to the initiative and its principles?

Yes

Does your COP contain a description of actions, and when relevant policies, related to the following issue areas?

- **Human Rights** ☒
- **Labour** ☒
- **Environment** ☒
- **Anti-Corruption** ☒

Does your COP identify targets, define performance indicators and measure outcomes?

Yes

How does your organisation share its COP with stakeholders?

- a) Through the UN Global Compact website only
- b) COP is easily accessible to all interested parties (e.g. via its website)
- c) COP is actively distributed to all key stakeholders (e.g. investors, employees, consumers, local community)
- d) **Both b) and c)** ☒

Strategy, Governance and Engagement

Criterion 1: Conduct C-suite and Board level discussions of strategic aspects of Global Compact implementation

Impact of broader sustainability trends on the long-term prospects and financial performance of the organisation	CSV at Nestlé > Material issues CSV at Nestlé > Challenges CSV at Nestlé > Message from Chairman and CEO
Major sustainability risks and opportunities in the near to medium term (3-5 years)	CSV at Nestlé > Material issues CSV at Nestlé > Challenges
Social and environmental impact of the organization's activities	CSV at Nestlé > Material issues CSV at Nestlé > Reporting performance > KPIs
Overall strategy to manage sustainability impacts, risks and opportunities in the near to medium term (3-5 years)	CSV at Nestlé
Key performance indicators to measure progress	CSV at Nestlé > Reporting performance > KPIs
Major successes and failures during the reporting period	CSV at Nestlé > Challenges CSV at Nestlé > Reporting performance >

	2010 highlights CSV at Nestlé > Reporting performance > KPIs
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Criterion 2: Implement effective decision-making processes and systems of governance for corporate sustainability

Involvement and accountability of management (C-suite) in corporate sustainability strategy and implementation in line with Global Compact principles	CSV at Nestlé > Message from Chairman and CEO CSV at Nestlé > Support for global principles and goals > UN Global Compact
Corporate governance structure (Board of Directors or equivalent) and its role in oversight of corporate sustainability implementation in line with Global Compact principles	CSV at Nestlé > Governance Our people > A fair workplace
Evaluation and executive incentive structures promoting sustainability strategy in line with Global Compact principles	

Criterion 3: Engage with all important stakeholders

List of stakeholder groups engaged by the organisation	CSV at Nestlé > Stakeholder engagement
Process for stakeholder identification and engagement	CSV at Nestlé > Stakeholder engagement
Outcome of stakeholder involvement	CSV at Nestlé > Stakeholder engagement
Process of incorporating stakeholder input into corporate strategy and business decision making	CSV at Nestlé > Stakeholder engagement

UN Goals and Issues

Criterion 4: Take actions in support of broader UN goals and issues

Adoption or modification of business strategy and operating procedures to maximize contribution to UN goals and issues	CSV at Nestlé > Support for global principles and goals
Development of products, services and business models that contribute to UN goals / issues	CSV at Nestlé > Support for global principles and goals
Social investments and philanthropic contributions that tie in with the company's core competencies, operating context and	CSV at Nestlé > Support for global principles and goals CSV at Nestlé > Support for global principles

sustainability strategy	and goals > UN MDGs
Public advocacy on the importance of one or more UN goals / issues	CSV at Nestlé > Support for global principles and goals
Partnership projects and collective actions in support of UN goals / issues	CSV at Nestlé > Support for global principles and goals CSV at Nestlé > Support for global principles and goals > UN Global Compact CSV at Nestlé > Support for global principles and goals > UN MDGs

Human Rights Implementation

Criterion 5: Formulate robust commitments, strategies or policies in the area of human rights

Reference to relevant international conventions and other international instruments (e.g. the Universal Declaration of Human Rights (UDHR))	CSV at Nestlé CSV at Nestlé > Support for global principles and goals > Human rights, including labour rights Our people > A fair workplace
Reflection on the relevance of human rights for the company	CSV at Nestlé > Material issues CSV at Nestlé > Support for global principles and goals Our people > A fair workplace > Human rights
Written company policy (e.g., in code of conduct) on human rights	CSV at Nestlé > Support for global principles and goals Our people > A fair workplace
Allocation of responsibilities and accountability within the organisation	CSV at Nestlé > Governance Our people > A fair workplace CSV at Nestlé > Challenges
Specific commitments and goals for specified years	Our people > A fair workplace

Criterion 6: Implement effective management systems to integrate the human rights principles

Risk and impact assessments on human rights	CSV at Nestlé > Support for global principles and goals > Human rights, including labour rights Our people > A fair workplace > Human
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	rights
Regular stakeholder consultations	Our people > A fair workplace > Human rights
Internal awareness-raising and training on human rights for management and employees	Our people > A fair workplace Our people > A fair workplace > Workplace relations
Grievance mechanisms, communication channels and other procedures (e.g. whistleblower mechanisms) for reporting concerns or seeking advice	Employee Relations Policy Human Resources Policy Code of Business Conduct
Inclusion of minimum human rights standards in contracts with suppliers and other relevant business partners	Rural development > Responsible sourcing
Audits or other steps to monitor and improve the performance of companies in your supply chain	Rural development > Responsible sourcing

Criterion 7: Implement effective monitoring and evaluation mechanisms of human rights integration

System to track and measure performance based on standardized performance metrics	Our people > A fair workplace > Compliance with sustainable business practices
Leadership review of monitoring and improvement results	Our people > A fair workplace > Compliance with sustainable business practices
Process to deal with incidents	Our people > A fair workplace > Compliance with sustainable business practices
Disclosure of main incidents involving your company	Our people > A fair workplace > Compliance with sustainable business practices

Criterion 8: The COP contains standardized performance indicators (including GRI) on human rights

Outcomes of risk and impact assessments	Our people > A fair workplace > Human rights
Outcomes of internal awareness-raising and training efforts	Our people > A fair workplace Our people > A fair workplace > Workplace relations
Outcomes of mechanisms for reporting concerns or seeking advice	
Percentage of contracts with business partners guaranteeing minimum human rights	Rural development > Responsible sourcing

standards	
Outcome of audits or other steps to monitor and improve the performance in the supply chain regarding human rights	Rural development > Responsible sourcing

Labour Principles Implementation

Criterion 9: Formulate robust commitments, strategies or policies in the area of labour

Reference to relevant international conventions and other international instruments (e.g. ILO Core Conventions)	CSV at Nestlé Our people > A fair workplace Our people > A fair workplace > Workplace relations
Reflection on the relevance of the labour principles for the company	Our people CSV at Nestlé > Material issues
Written company policy (e.g., in code of conduct) on labour	Our people > A fair workplace
Allocation of responsibilities and accountability within the organisation	CSV at Nestlé > Governance Our people > A fair workplace CSV at Nestlé > Challenges
Specific commitments and goals for specified years	CSV at Nestlé > Reporting performance > KPIs

Criterion 10: Implement effective management systems to integrate the labour

Principles

Risk and impact assessments on labour	CSV at Nestlé > Challenges Our people > A fair workplace > Human rights
Regular stakeholder consultations regarding labour	Our people > A fair workplace > Workplace relations Our people > A fair workplace > Human rights
Internal awareness-raising and training on labour principles for management and employees	Our people > A fair workplace Our people > A fair workplace > Workplace relations
Grievance mechanisms, communication channels and other procedures (e.g. whistleblower mechanisms) for reporting concerns or seeking advice	Employee Relations Policy Human Resources Policy Code of Business Conduct

Inclusion of minimum labour standards in contracts with suppliers and other relevant business partners	Rural development > Responsible sourcing
Audits or other steps to monitor and improve the performance of companies in your supply chain	Rural development > Responsible sourcing

Criterion 11: Implement effective monitoring and evaluation mechanisms of labour principles integration

System to track and measure performance based on standardized performance metrics	Our people > A fair workplace > Compliance with sustainable business practices
Leadership review of monitoring and improvement results	Our people > A fair workplace > Compliance with sustainable business practices
Process to deal with incidents	Our people > A fair workplace > Compliance with sustainable business practices
Disclosure of main incidents involving your company	Our people > A fair workplace > Compliance with sustainable business practices

Criterion 12: The COP contains standardized performance indicators (including GRI) on labour principles integration

Outcomes of risk and impact assessments	Our people > A fair workplace > Compliance with sustainable business practices Our people > A fair workplace > Human rights CSV at Nestlé > Reporting performance > KPIs
Outcomes of internal awareness-raising and training efforts	Our people > A fair workplace Our people > A fair workplace > Workplace relations
Outcomes of mechanisms for reporting concerns or seeking advice	
Percentage of contracts with business partners guaranteeing minimum labour standards	Rural development > Responsible sourcing
Outcome of audits or other steps to monitor and improve performance in the supply chain regarding the labour principles	Rural development > Responsible sourcing

Environmental Stewardship Implementation

Criterion 13: Formulate robust commitments, strategies or policies in the area of environmental stewardship

Reference to relevant international conventions and other international instruments (e.g. Rio Declaration on Environment and Development)	Water and environmental sustainability > Water : the global context > public policy engagement CSV at Nestlé > Support for global principles and goals > CEO Water Mandate
Reflection on the relevance of environmental stewardship for the company	Water and environmental sustainability
Written company policy on environmental stewardship	Water and environmental sustainability > Water : the global context > Our performance
Allocation of responsibilities and accountability within the organisation	CSV at Nestlé > Governance Our people > A fair workplace > Compliance with sustainable business practices
Specific commitments and goals for specified years	CSV at Nestlé > Reporting performance > KPIs

Criterion 14: Implement effective management systems to integrate the environmental principles

Environmental risk and impact assessments	CSV at Nestlé > Material issues CSV at Nestlé > Challenges Water and environmental sustainability > Water : the global context > Water Resources Review
Regular stakeholder consultations regarding the environment	Water and environmental sustainability > Water : the global context > Community projects Our people > A fair workplace > Compliance with sustainable business practices
Internal awareness-raising and training for management and employees regarding environmental impacts	Carbon Disclosure Project
Grievance mechanisms, communication channels and other procedures (e.g. whistleblower mechanisms) for reporting concerns or seeking advice regarding environmental impacts	Carbon Disclosure Project
Inclusion of minimum environmental standards in contracts with suppliers and	Rural development > Responsible sourcing

other relevant business partners	
Audits or other steps to monitor and improve the performance of companies in your supply chain regarding environmental impacts	Rural development > Responsible sourcing

Criterion 15: Implement effective monitoring and evaluation mechanisms for environmental stewardship

System to track and measure performance based on standardized performance metrics	CSV at Nestlé > Reporting performance > KPIs Our people > A fair workplace > Compliance with sustainable business practices
Leadership review of monitoring and improvement results	Our people > A fair workplace > Compliance with sustainable business practices
Process to deal with incidents	Our people > A fair workplace > Compliance with sustainable business practices
Disclosure of main incidents involving your company	Our people > A fair workplace > Compliance with sustainable business practices

Criterion 16: The COP contains standardized performance indicators (including GRI) on environmental stewardship

Outcomes of risk and impact assessments and measurements of environmental footprint	Carbon Disclosure Project Carbon Disclosure Project's Water Disclosure Report SAM
Outcomes of internal awareness-raising and training efforts	Carbon Disclosure Project Carbon Disclosure Project's Water Disclosure Report SAM
Outcomes of mechanisms reporting concerns or seeking advice	Carbon Disclosure Project Carbon Disclosure Project's Water Disclosure Report SAM
Percentage of contracts with business partners guaranteeing minimum environmental standards	Supplier code Carbon Disclosure Project
Outcome of audits or other steps to monitor and improve performance in the supply chain regarding environmental stewardship	Supplier code Supplier audits Carbon Disclosure Project

Anti-Corruption Implementation

Criterion 17: Formulate robust commitments, strategies or policies in the area of anti-corruption

Reference to relevant international conventions and other international instruments (e.g. UN Convention Against Corruption)	Our people > A fair workplace > Anti-corruption
Reflection on the relevance of anti-corruption for the company	Our people > A fair workplace > Anti-corruption
Written company policy on anti-corruption (e.g., in code of conduct)	Our people > A fair workplace > Anti-corruption
Allocation of responsibilities and accountability regarding corruption within the organisation	Our people > A fair workplace > Anti-corruption CSV at Nestlé > Governance
Specific commitments and goals for specified years	Our people > A fair workplace > Anti-corruption

Criterion 18: Implement effective management systems to integrate the anti-corruption principle

Risk and impact assessments regarding corruption	Our people > A fair workplace > Anti-corruption
Regular stakeholder consultations on anti-corruption efforts	
Internal awareness-raising and training for management and employees regarding corruption and anti-corruption efforts	Our people > A fair workplace > Anti-corruption
Grievance mechanisms, communication channels and other procedures (e.g. whistleblower mechanisms) for reporting concerns or seeking advice on corruption	Our people > A fair workplace > Anti-corruption
Inclusion of minimum anti-corruption standards in contracts with suppliers and other relevant business partners	Rural development > Responsible sourcing Our people > A fair workplace > Anti-corruption
Audits or other steps to monitor corruption and improve the performance of companies in your supply chain	Rural development > Responsible sourcing Our people > A fair workplace > Anti-corruption

Criterion 19: Implement effective monitoring and evaluation mechanisms for the integration of anti-corruption

System to track and measure performance on corruption based on standardized performance metrics	Our people > A fair workplace > Anti-corruption Our people > A fair workplace > Compliance with sustainable business practices
Leadership review of monitoring and improvement results	Our people > A fair workplace > Anti-corruption Our people > A fair workplace > Compliance with sustainable business practices
Process to deal with incidents	Our people > A fair workplace > Compliance with sustainable business practices
Disclosure of main incidents involving your company	Our people > A fair workplace > Compliance with sustainable business practices

Criterion 20: The COP contains standardized performance indicators (including GRI) on anti-corruption

Outcomes of risk and impact assessments	Our people > A fair workplace > Anti-corruption Our people > A fair workplace > Compliance with sustainable business practices CSV at Nestlé > Reporting performance > KPIs
Outcomes of internal awareness-raising efforts and training for management and employees	
Outcomes of mechanisms for reporting concerns or seeking advice	
Percentage of contracts with business partners guaranteeing minimum anti-corruption standards	Our people > A fair workplace > Anti-corruption Our people > A fair workplace > Compliance with sustainable business practices
Outcome of audits or other steps to monitor and improve performance in the supply chain regarding anti-corruption efforts	Rural development > Responsible sourcing

Value Chain Implementation

Criterion 21: Implement the Global Compact principles in the value chain

Raw materials and (semi-) finished products used, by country or region of origin	Rural development > Farmer programmes
Key suppliers, subcontractors and other business partners involved in the value chain	Rural development > Farmer programmes
Value chain risk assessment to identify potential issues with suppliers and other business partners	Rural development > Farmer programmes CSV at Nestlé > Challenges
Policy on value chain, including a policy for suppliers and subcontractors	Rural development > Responsible sourcing Our people > A fair workplace > Workplace relations
Communication of relevant policies/codes, positions or concerns to suppliers and other business partners	Rural development > Responsible sourcing
Audits/screenings for compliance in value chain	Rural development > Farmer programmes: other commodities Rural development > Responsible sourcing
Allocation of responsibility in the value chain and procedures to remedy any non-compliance issues	Our people > A fair workplace > Compliance with sustainable business practices

Verification and Transparency

Criterion 22: The COP provides information on the company's profile and context of operation

Legal structure, including any group structure and ownership	About us > Management Annual Report and Accounts Consolidated Financial Statements
Countries where the organisation operates, with either major operations or operations that are specifically relevant to sustainability	About us > Global Presence Annual Report and Accounts
Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries)	About us > Global Presence Annual Report and Accounts
Primary brands, products, and/or services	About us > Our Brands Brands Annual Report and Accounts

Direct and indirect economic value generated for various stakeholders (employees, owners, government, lenders, etc.)	CSV at Nestlé > Reporting performance > KPIs About us > Key figures Investors Annual Report and Accounts
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Criterion 23: The COP incorporates high standards of transparency and disclosure

COP uses the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines	About our reporting > Global reporting Initiative Index
COP qualifies for Level B or above of the GRI application levels	About our reporting > Global reporting Initiative Index
COP includes comparison of key performance indicators with peer companies	
COP includes comparison of key performance indicators for the previous 2-3 years	CSV at Nestlé > Reporting performance > KPIs

Criterion 24: The COP is independently verified by a credible third party

Independently verified against assurance standard (e.g. AA1000 Assurance Standard, ISAE 3000)	About our reporting > Assurance statement
Verified by independent auditors	About our reporting > Assurance statement
Reviewed by a multi-stakeholder panel	CSV at Nestlé > Stakeholder engagement CSV at Nestlé > CSV Advisory Board
Reviewed by peers (e.g. Global Compact Local Network)	
Verified through other form of independent verification	

Required: upload the COP as a PDF file.

Language: English

Before submitting this COP and the self-assessment, please confirm that your company meets all 24 criteria for the GC Advanced level and that the COP describes implementation of all criteria and relevant best practices selected in the self-assessment.

No

Note: The self-assessment will be made public on the Global Compact website, alongside the COP, to improve the searchability and analysis of the COPs and underlying performance. If you do not want the results to be publicly displayed, please do not proceed with this submission and use the regular COP submission process instead.

Contact Information

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