

# GC Advanced COP Self-Assessment

*Updated 1 March 2013*

In consultation with signatories and Local Networks, the Global Compact has undertaken an update to the GC Advanced level of the COP Differentiation Programme. On the following pages, you will find the latest version of the GC Advanced COP self-assessment.

Please note that changes include:

- Modification of wording of some existing criteria to further align them with the [Blueprint for Corporate Sustainability Leadership](#)
- Cross-reference of the criteria on “Robust Human Rights Management Policies and Procedures” to specific elements of the [Human Rights COP Reporting Guidance](#)
- Exclusion of *Blueprint* Dimension 3, “Engaging with the UN Global Compact” from the self-assessment. This information will be collected in the Global Compact participant profile.
- Placement of former Criterion 24 on external verification of the COP as part of the introductory questions at the beginning of the self-assessment
- Inclusion of a question on [Business and Peace](#) in the introductory questions, along with 3 follow-up questions for companies that have operations in high-risk and/or conflict-affected areas
- New options for companies to: explain the reason(s) for omission of a given criterion from their COP; indicate plans to fulfill a given criterion that have not yet been implemented; highlight other emerging or established best practices not found in the COP self-assessment

Please enter a short title for your submission.

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 2014

End date: 31 December 2014

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? Y

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

Human Rights	Labour	Environment	Anti-Corruption
Yes	Yes	Yes	Yes

Does your COP contain, if relevant, a description of policies and practices related to your company's operations in high-risk and/or conflict-affected areas? Y

⊕ If yes, see additional questions in the Annex. You will be required to answer this question starting on 1 Jan 2014, and your answer will immediately be made visible to the public. In the interim, if you do not want your response to be visible to the public, please answer No. The Global Compact - PRI [Guidance on Responsible Business and Investment in Conflict-Affected & High-Risk Areas](#) defines "high-risk" or "conflict-affected" areas as:

- those that are not currently experiencing high levels of armed violence, but where political and social instability prevails;
- those in which there are serious concerns about abuses of human rights and political and civil liberties, but where violent conflict is not present;
- those that are currently experiencing violent conflict, including civil wars, armed insurrections and other types of organized violence, and those that are in transition from violent conflict to peace, often referred to as "post-conflict" (where there may be a risk of falling back into violent conflict).

Does your COP include qualitative and/or quantitative measurement of outcomes illustrating the degree to which targets/performance indicators were met? Y

How does your organization share its COP with stakeholders?

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

How is the accuracy and completeness of information in your COP assessed by a credible third-party?

- ⊕ Note that assessment of the accuracy and completeness of information in your COP by a credible third party will become a requirement of COPs at the GC Advanced level from 1 January 2014. The Global Compact recognizes that there are various options in terms of external assessment. High-quality external assessment should ideally encompass qualitative and quantitative information and performance data in the COP, as well as an explanation of the management systems and processes that foster their credibility. A credible third party is defined as groups or individuals external to the reporting organization who are demonstrably competent in both the subject matter and assurance practices. For optional guidance on the assurance process, companies may refer to p. 41 of the [GRI Guidelines](#) (version G3.1).

- ☐ The COP describes any action(s) that the company **plans to** undertake to have the credibility of the information in its COP externally assessed, including goals, timelines, metrics, and responsible staff
- ☐ Information is reviewed by multiple stakeholders (e.g., representatives of groups prioritized in stakeholder analysis)
- ☐ Information is reviewed by a panel of peers (e.g., members of the same industry, competitors, benchmarked leaders, others organized via Global Compact Local Network)
- ☐ Information is assured by independent assurers (e.g., accounting or consulting firm) using their own proprietary methodology
- ☒ Information is assured by independent assurers (e.g., accounting or consulting firm) against recognized assurance standard (e.g., ISAE3000, AA1000AS, other national or industry-specific standard)
- ☐ Other established or emerging best practices

**i** Please use the text box below to publicly share any other best practices. 255 characters or less, including spaces.

Information is assured by independent assurers (e.g., accounting or consulting firm) against recognized assurance standard (e.g., ISAE3000, AA1000AS, other national or industry-specific standard)

**Nestlé in society CSV full report:** Appendix: Bureau Veritas' Independent Assurance Statement p.245

**The COP incorporates the following high standards of transparency and disclosure:**

- ☒ Applies the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines
- ☐ Qualifies for Level B or higher of the GRI application levels
- ☐ Is 'in accordance-core' with GRI G4
- ☒ Is 'in accordance-comprehensive' with GRI G4
- ☒ Provides information on the company's profile and context of operation

**i** Legal, group and ownership structure. Countries of operation. Markets served (geographic/sector breakdown, types of customers/beneficiaries). Primary brands/products/services. Direct and indirect economic value generated for stakeholders.

Best practice	Page reference (to CSV full report unless otherwise noted in CAPS)
Applies the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines	<b>Nestlé in Society:</b> About this Report, p.5 GRI Index, p. 248
Is 'in accordance-comprehensive' with GRI G4	<b>Nestlé in Society:</b> About this Report, p.5 GRI Index, p. 248
Provides information on the company's profile and	<b>ANNUAL REPORT</b> <a href="http://www.nestle.com/asset-">http://www.nestle.com/asset-</a>

context of operations	<p><a href="#">library/documents/library/documents/annual_reports/2014-annual-report-en.pdf</a></p> <p>Our Brands, p34</p> <p>Geographic data: Factories, p56</p> <p>Business Review 2014, p44</p> <p>Principal key figures and sales by area, p45</p> <p>Key Figures (Consolidated)</p> <p>Letter to our shareholders, p2</p> <p><b>CONSOLIDATED FINANCIAL STATEMENTS</b></p> <p><a href="#">http://www.nestle.com/asset-library/documents/library/documents/financial_statements/2014-financial-statements-en.pdf</a></p> <p>Companies of the Nestlé Group, pp132-148</p> <p>Acquisitions and disposals, p75</p> <p><b>CORPORATE GOVERNANCE REPORT</b></p> <p><a href="#">http://www.nestle.com/asset-library/documents/library/documents/corporate_governance/corp_governance_report_2014_en.pdf</a></p> <p>Group Structure and Shareholders, p3</p> <p>Capital Structure, p4</p> <p><b>NESTLE.COM</b></p> <p>Brands: <a href="#">http://www.nestle.com/brands</a></p> <p>Legal structure and operating segments:</p> <p><a href="#">http://www.nestle.com/investors/results/financialoverview</a></p> <p><b>Nestlé in society Creating Shared Value and meeting our commitments in 2014 Full report</b></p> <p><a href="#">http://www.nestle.com/asset-library/documents/library/documents/corporate_social_responsibility/nestle-csv-full-report-2014-en.pdf</a></p> <p><b>Nestle in Society</b></p> <p>About this report, p5</p> <p>Highlights in 2014, p3</p>
-----------------------	--

	<p>Performance Summary, p6</p> <p>Materiality: The Nestlé Value Chain, p11</p> <p><b>Rural Development</b></p> <p>Responsible sourcing, p88-95</p> <p>Responsible sourcing- Our priority sourcing categories, p96</p> <p><b>Our People</b></p> <p>Our Workforce Zero Tolerance for discrimination, p231</p> <p>Labour relations - Collective bargaining and freedom of association, p229</p>
--	--

# Summary of Criteria

## *Implementing the Ten Principles into Strategies & Operations*

Criterion 1: The COP describes mainstreaming into corporate functions and business units

Criterion 2: The COP describes value chain implementation

### *Robust Human Rights Management Policies & Procedures*

Criterion 3: The COP describes robust commitments, strategies or policies in the area of human rights

Criterion 4: The COP describes effective management systems to integrate the human rights principles

Criterion 5: The COP describes effective monitoring and evaluation mechanisms of human rights integration

### *Robust Labour Management Policies & Procedures*

Criterion 6: The COP describes robust commitments, strategies or policies in the area of labour

Criterion 7: The COP describes effective management systems to integrate the labour principles

Criterion 8: The COP describes effective monitoring and evaluation mechanisms of labour principles integration

### *Robust Environmental Management Policies & Procedures*

Criterion 9: The COP describes robust commitments, strategies or policies in the area of environmental stewardship

Criterion 10: The COP describes effective management systems to integrate the environmental principles

Criterion 11: The COP describes effective monitoring and evaluation mechanisms for environmental stewardship

### *Robust Anti-Corruption Management Policies & Procedures*

Criterion 12: The COP describes robust commitments, strategies or policies in the area of anti-corruption

Criterion 13: The COP describes effective management systems to integrate the anti-corruption principle

Criterion 14: The COP describes effective monitoring and evaluation mechanisms for the integration of anti-corruption

## *Taking Action in Support of Broader UN Goals and Issues*

Criterion 15: The COP describes core business contributions to UN goals and issues

Criterion 16: The COP describes strategic social investments and philanthropy

Criterion 17: The COP describes advocacy and public policy engagement

Criterion 18: The COP describes partnerships and collective action

## *Corporate Sustainability Governance and Leadership*

Criterion 19: The COP describes CEO commitment and leadership

Criterion 20: The COP describes Board adoption and oversight

Criterion 21: The COP describes stakeholder engagement

# Criteria, Best Practices and Explanation

## Implementing the Ten Principles into Strategies & Operations

⊕ The term 'value chain', for purposes of this self-assessment, refers to an organization's business partners both upstream (including suppliers and subcontractors) and downstream (e.g. for transport of finished products).

### Criterion 1: The COP describes mainstreaming into corporate functions and business units

Indicate which of the following best practices are described in your COP:

- ☐ Any relevant policies, procedures, and activities that the company **plans to** undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff
  - ❗ *This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.*
- ☒ Place responsibility for execution of sustainability strategy in relevant corporate functions (procurement, government affairs, human resources, legal, etc) ensuring no function conflicts with company's sustainability commitments and objectives
- ☒ Align strategies, goals and incentive structures of all business units and subsidiaries with corporate sustainability strategy
- ☒ Assign responsibility for corporate sustainability implementation to an individual or group within each business unit and subsidiary
- ☒ Design corporate sustainability strategy to leverage synergies between and among issue areas and to deal adequately with trade-offs
- ☒ Ensure that different corporate functions coordinate closely to maximize performance and avoid unintended negative impacts
- ☐ Other established or emerging best practices
  - ❗ *Specify in under 255 characters, including spaces. Alternatively, indicate if your COP does not address this criterion but explains the reason for omission (e.g., criterion deemed immaterial, legal prohibitions, privacy, competitive advantage).*

Best practice	Page reference (to CSV report unless otherwise noted in CAPS)
Place responsibility for execution of sustainability strategy in relevant corporate functions (procurement, government affairs, human resources, legal, etc) ensuring no function conflicts with company's sustainability commitments and objectives	<b>Nestlé in Society:</b>  Message from Chairman & CEO (p8-9)  Our governance and advisory structure (p20)  CSV Council (p21-22)

<p>Align strategies, goals and incentive structures of all business units and subsidiaries with corporate sustainability strategy</p>	<p><b>Nestlé in Society:</b></p> <p>Creating Shared Value at Nestle (p10)</p> <p>Materiality (p11-17)</p> <p>Our commitments (p18)</p> <p>The Nestlé Corporate Business Principles (p19)</p> <p>Our governance and advisory structure (p21)</p> <p>CSV Council (p21-22)</p> <p><b>CORPORATE GOVERNANCE REPORT</b></p> <p>Compensation Report (p28-43)</p>
<p>Assign responsibility for corporate sustainability implementation to an individual or group within each business unit and subsidiary</p>	<p><b>Nestlé in Society:</b></p> <p>Our governance and advisory structure (p20-22)</p> <p><b>Nutrition:</b></p> <p>Our role in nutrition-Governance and management systems (p43)</p> <p><b>Water:</b></p> <p>Our role in water stewardship-Governance and management systems (p126)</p> <p><b>Rural development:</b></p> <p>Our role in rural development: Governance and management systems(p80)</p> <p><b>Environmental sustainability:</b></p> <p>ES: Our role in environmental sustainability-Governance and management systems (p151)</p> <p><b>Human rights and compliance:</b></p> <p>Our role in human rights and compliance-Governance and management systems (p198)</p> <p><b>Our people:</b></p> <p>Our People- Governance and management systems (p219)</p>



	Safety and health management (p222)
Design corporate sustainability strategy to leverage synergies between and among issue areas and to deal adequately with trade-offs	<b>Nestlé in Society:</b> Creating Shared Value at Nestlé (p10) Materiality (p11-17) The Nestlé Corporate Business Principles (p19) Our governance and advisory structure (p20)
Ensure that different corporate functions coordinate closely to maximize performance and avoid unintended negative impacts	<b>Nestlé in Society:</b> Our governance and advisory structure (pg 20-22)
Other established or emerging best practices: Regularly assess risks and opportunities, set commitments, report against KPIs	<b>ANNUAL REPORT</b> Principal risks and uncertainties (p.55) <b>Nestlé in Society:</b> 2014 performance summary (p6-7) A message from our Chairman and CEO (p8-9) Creating Shared Value at Nestlé (p10) Materiality - Assessing the commercial value of Creating Shared Value issues (p16) Our commitments (p18)

## Criterion 2: The COP describes value chain implementation

Indicate which of the following best practices are described in your COP:

- ☐ Any relevant policies, procedures, and activities that the company **plans to** undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff
  - i** *This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.*
- ☒ Analyze each segment of the value chain carefully, both upstream and downstream, when mapping risks, opportunities and impacts
- ☒ Communicate policies and expectations to suppliers and other relevant business partners
- ☒ Implement monitoring and assurance mechanisms (e.g. audits/screenings) for compliance within the company's sphere of influence
- ☒ Undertake awareness-raising, training and other types of capacity building with suppliers and other business partners
- ☐ Other established or emerging best practices
  - i** *Specify in under 255 characters, including spaces. Alternatively, indicate if your COP does not address this criterion but explains the reason for omission (e.g., criterion deemed immaterial, legal prohibitions, privacy, competitive advantage).*

Best practice	Page reference (to CSV report unless otherwise noted in CAPS)
Analyze each segment of the value chain carefully, both upstream and downstream, when mapping risks, opportunities and impacts	<b>Nestlé in Society:</b> Materiality (pp 11-17, esp. p.16) UNGC Principles (p33) <b>Rural Development</b> The Rural Development Framework (p81-87) Responsible sourcing – Implementing responsible sourcing (p90-91) Responsible sourcing- Our priority sourcing categories (p96) <b>Human rights and compliance:</b> Human rights – Human rights due diligence (p204-207)
Communicate policies and expectations to suppliers and other relevant business partners	<b>Rural Development</b> Responsible sourcing: Setting out our standards (p89)

Implement monitoring and assurance mechanisms (eg. audits/screenings) for compliance within the company's sphere of influence	<b>Rural Development:</b>  Implementing responsible sourcing (p90-p91)
Undertake awareness-raising, training and other types of capacity building with suppliers and other business partners	<b>Rural Development</b>  Rural Development Framework focus area: Productive and respected workers (p86)  Implementing responsible sourcing (p90-p91)  Pulp and Paper (p114-115)  Coffee – Farmer training and technical assistance (p99-100)  Coffee- Farmer training (p101-102)  The Nestlé Cocoa Plan (p103-106)  Dairy – Advice, training and assistance (p110-111)  Sugar- (p116-117)  Animal Welfare-Partnership and engagement (p123)

## Robust Human Rights Management Policies & Procedures

⊕ Criteria and best practices under human rights implementation have been modified to reflect the [Guiding Principles on Business and Human Rights: Implementing the United Nations “Protect, Respect and Remedy” Framework](#) (the Guiding Principles), as well as the [Human Rights COP Reporting Guidance](#). Best practices reflect specific reporting elements of the latter guidance, either Basic (numbers starting with BRE) or Advanced (numbers starting with ARE).

### Criterion 3: The COP describes robust *commitments, strategies or policies* in the area of human rights

Indicate which of the following best practices are described in your COP:

- ☐ Any relevant policies, procedures, and activities that the company **plans to** undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff
  - i** This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.
- ☒ Commitment to comply with all applicable laws and respect internationally recognized human rights, wherever the company operates (e.g., the Universal Declaration of Human Rights, Guiding Principles on Human Rights) (BRE1 + ARE1)
  - i** The Guiding Principles suggest that this should include a commitment to treat the risk of causing or contributing to gross human rights abuses as a legal compliance issue wherever the company operates
- ☒ Integrated or stand-alone statement of policy expressing commitment to respect and support human rights approved at the most senior level of the company (BRE 1 + BRE5 + ARE 1 + ARE 5)
- ☒ Statement of policy stipulating human rights expectations of personnel, business partners and other parties directly linked to operations, products or services (BRE 1)
- ☒ Statement of policy publicly available and communicated internally and externally to all personnel, business partners and other relevant parties (BRE 1 + BRE 5 + ARE 1 + ARE 5)
- ☐ Other established or emerging best practices
  - i** Specify in under 255 characters, including spaces. Alternatively, indicate if your COP does not address this criterion but explains the reason for omission (e.g., criterion deemed immaterial, legal prohibitions, privacy, competitive advantage).

Best practice	Page reference (to CSV report unless otherwise noted in CAPS)
Commitment to comply with all applicable laws and respect internationally recognised human rights, wherever the company operates (e.g., the Universal Declaration of Human Rights, Guiding Principles on Human Rights) (BRE1 + ARE1)	Nestlé in Society:  Business principles and governance- The Nestlé Corporate Business Principles (p19)  Our commitments (p18)  Guiding Principles (p37)  Human rights and compliance:  Our role in human rights and compliance (p196-197)  Our commitments (p198)

	<p>Our policies and standards (p198)</p> <p>Compliance (p199-201)</p>
<p>Integrated or stand-alone statement of policy expressing commitment to respect and support human rights approved at the most senior level of the company (BRE 1 + BRE5 + ARE 1 + ARE 5)</p>	<p><b>Nestlé in Society:</b></p> <p>Message from Chairman &amp; CEO (p8-9)</p> <p>Business principles and governance- The Nestlé Corporate Business Principles (p19)</p> <p>Our commitments (p18)</p> <p><b>Human rights and compliance:</b></p> <p>Our commitments (p198)</p> <p>Governance and management systems (p198)</p> <p>Our policies and standards (p198), Human Rights, Anti-corruption (p202)</p>
<p>Statement of policy stipulating human rights expectations of personnel, business partners and other parties directly linked to operations, products or services (BRE 1)</p>	<p><b>Nestlé in Society:</b></p> <p>Business principles and governance- The Nestlé Corporate Business Principles (p19)</p> <p><b>Human rights and compliance:</b></p> <p>Our commitments (p198)</p> <p>Our policies and standards (p198)</p> <p>Human rights due diligence (p204-208)</p> <p>Child labour (p209-215)</p> <p>Child labour – Applying a comprehensive strategy (p209)</p> <p>Consumer privacy (p203)</p> <p><b>Responsible sourcing:</b></p> <p>Our commitments (p80)</p> <p>Our policies and standards (p80)</p> <p>Setting out our standards (p89)</p>

<p>Statement of policy publicly available and communicated internally and externally to all personnel, business partners and other relevant parties (BRE 1 + BRE 5 + ARE 1 + ARE 5)</p>	<p><b>Nestlé in Society:</b></p> <p>Business principles and governance- The Nestlé Corporate Business Principles (p19)</p> <p><b>Human rights and compliance:</b></p> <p>Our policies and standards (p198)</p> <p>Child labour – Applying a comprehensive strategy (p209)</p> <p><b>Responsible sourcing:</b></p> <p>Our policies and standards (p80)</p> <p>Setting out our standards (p89)</p>
---	--

#### Criterion 4: The COP describes effective *management systems* to integrate the human rights principles

Indicate which of the following best practices are described in your COP:

- ☐ Any relevant policies, procedures, and activities that the company **plans to** undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff
  - i** *This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.*
- ☒ Process to ensure that internationally recognized human rights are respected
- ☒ On-going due diligence process that includes an assessment of actual and potential human rights impacts (BRE 2 + BRE 3 + ARE 2 + ARE 3)
  - i** *The Guiding Principles suggest that the assessment:*
    - Include the risk of impacts the business enterprise may be involved in through its own activities, business relationships, and country and/or industry context
    - Involve meaningful consultation with potentially affected groups and other relevant stakeholders to assess actual and potential impacts as well as risks
    - Be ongoing and evolving, adapted to size and complexity
    - Be included in risk management systems
  - The Guiding Principles also suggest that risks should not be limited to the risks to the company itself (material) but should also include risks to right-holders. Lastly the Guiding Principles suggest that findings from impact assessments should be integrated across relevant internal functions and processes.*
- ☒ Internal awareness-raising and training on human rights for management and employees
- ☒ Operational-level grievance mechanisms for those potentially impacted by the company's activities (BRE 4 + ARE 4)
- ☒ Allocation of responsibilities and accountability for addressing human rights impacts
- ☒ Internal decision-making, budget and oversight for effective responses to human rights impacts
- ☒ Processes to provide for or cooperate in the remediation of adverse human rights impacts that the company has caused or contributed to (BRE 3+ BRE 4 + ARE3 + ARE 4)
- ☒ Process and programs in place to support human rights through: core business; strategic philanthropic/social investment; public policy engagement/advocacy; partnerships and/or other forms of collective action (BRE 6 + ARE 6)
- ☐ Other established or emerging best practices

- ❶ Specify in under 255 characters, including spaces. Alternatively, indicate if your COP does not address this criterion but explains the reason for omission (e.g., criterion deemed immaterial, legal prohibitions, privacy, and competitive advantage).

<b>Best practice</b>	<b>Page reference (to CSV report unless otherwise noted in CAPS)</b>
Process to ensure that internationally recognized human rights are respected	<b>Human rights and compliance</b> Human rights due diligence (p205-208) Child labour – Applying a comprehensive strategy (p209)
On-going due diligence process that includes an assessment of actual and potential human rights impacts (BRE 2 + BRE 3 + ARE 2 + ARE 3)	<b>Human rights and compliance:</b> Compliance (p199-201) The CARE audit programme (p200-201) Human rights due diligence (p204-208)
Internal awareness-raising and training on human rights for management and employees	<b>Human rights and compliance:</b> Compliance (p199-201) Compliance – Employee training and engagement (p201) Human rights – Human rights due diligence programme – Pillar 3: Training (p206)
Operational-level grievance mechanisms for those potentially impacted by the company's activities (BRE 4 + ARE 4)	<b>Human rights and compliance:</b> Compliance: The Nestlé Integrity Reporting System (internal) (p199) Compliance: 'Tell us' – our external compliance to reporting system (p200)
Allocation of responsibilities and accountability for addressing human rights impacts	<b>Human rights and compliance:</b> Governance and management systems (p198) Human rights – Pillar 6: Internal Coordination (p206) Child labour – Applying a comprehensive strategy (p209)

<p>Internal decision-making, budget and oversight for effective responses to human rights impacts</p>	<p><b>Nestle in society:</b></p> <p>Our governance and advisory structure (p20)</p> <p><b>Human rights and compliance:</b></p> <p>Governance and management systems (p198)</p> <p>Human rights due diligence – Pillar 6: Internal Coordination (p206)</p> <p>Child labour – Applying a comprehensive strategy (p209)</p>
<p>Processes to provide for or co-operate in the remediation of adverse human rights impacts that the company has caused or contributed to (BRE 3+ BRE 4 + ARE3 + ARE 4)</p>	<p><b>Rural development:</b></p> <p>Tier Auditing (p91-93)</p> <p><b>Human rights and compliance:</b></p> <p>Governance and management systems (p198)</p> <p>Human rights due diligence (p205-208)</p> <p>Child labour – Applying a comprehensive strategy (pp209-213)</p>
<p>Process and programs in place to support human rights through:</p> <p>core business; strategic philanthropic/social investment; public</p> <p>policy engagement/advocacy; partnerships and/or other forms of collective action (BRE 6 + ARE 6)</p>	<p><b>Human rights and compliance:</b></p> <p>Engagement and collaboration (p198)</p> <p>Human rights due diligence-Pillar 2: Stakeholder engagement (p205)</p> <p>Human rights due diligence-Pillar 7: Partnerships (p206)</p> <p>Child labour – Applying a comprehensive strategy (p209)</p> <p>Action plan for cocoa (pp209-212)</p> <p>Action plan for hazelnuts (p212)</p> <p>Action plan for vanilla (p213)</p>



## Criterion 5: The COP describes effective *monitoring and evaluation mechanisms* of human rights integration

Indicate which of the following best practices are described in your COP:

- ☐ Any relevant policies, procedures, and activities that the company **plans to** undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff
  - i** *This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.*
- ☒ System to monitor the effectiveness of human rights policies and implementation with quantitative and qualitative metrics, including in the supply chain (BRE3 + ARE3)
  - i** *The Guiding Principles also suggest that such monitoring should be based on qualitative and quantitative indicators*
- ☒ Monitoring drawn from internal and external feedback, including affected stakeholders
- ☒ Leadership review of monitoring and improvement results
- ☒ Process to deal with incidents the company has caused or contributed to for internal and external stakeholders (BRE 4 + ARE 4)
- ☒ Grievance mechanisms that are legitimate, accessible, predictable, equitable, transparent, rights-compatible, a source of continuous learning, and based on engagement and dialogue (BRE4 + ARE4)
- ☒ Outcomes of integration of the human rights principles
  - i** - **Outcomes of due diligence process**  
*Suggested GRI Indicators: HR2 Percentage of significant suppliers, contractors, and other business partners that have undergone human rights screening, and actions taken. HR10 Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.)*  
 - **External and formal reporting of operations or operating contexts that pose risks of severe human rights impacts.** *The Guiding Principles suggest that communications should:*
    - (a) Be of a form and frequency that reflect an enterprise's human rights impacts and that are accessible to its intended audiences;
    - (b) Provide information that is sufficient to evaluate the adequacy of an enterprise's response to the particular human rights impact involved;
    - (c) In turn not pose risks to affected stakeholders, personnel or to legitimate requirements of commercial confidentiality.
  - **Disclosure of main incidents involving the company.** *The Global Compact Office acknowledges that providing such details may be counterproductive for various reasons related to the protection of human rights, and that confidentiality may, at times, be more effective in alleviating human rights abuses.*
  - **Outcomes of remediation processes of adverse human rights impacts** *(Suggested GRI Indicator: HR11 Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms.)*
- ☐ Other established or emerging best practices
  - i** *Specify in under 255 characters, including spaces. Alternatively, indicate if your COP does not address this criterion but explains the reason for omission (e.g., criterion deemed immaterial, legal prohibitions, privacy, competitive advantage).*

Best practice	Page reference (to CSV report unless otherwise noted in CAPS)
System to monitor the effectiveness of human rights policies and	Rural development: Complaints handling and resolution (p87)

<p>implementation with quantitative and qualitative metrics, including in the supply chain (BRE3 + ARE3)</p>	<p>Tier Auditing (p91-93)</p> <p><b>Human rights and compliance:</b></p> <p>Compliance: The Nestlé Integrity Reporting System (internal) (p199)</p> <p>Compliance: 'Tell us' – our external compliance to reporting system (p200)</p> <p>Compliance- The CARE audit programme (p200-201)</p> <p>Human rights - Human rights due diligence – Pillar 4: Risk evaluation (p206)</p> <p>Human rights - Human rights due diligence – Pillar 5: Impact assessment (p206)</p>
<p>Monitoring drawing from internal and external feedback, including affected stakeholders</p>	<p><b>Human rights and compliance:</b></p> <p>Engagement and collaboration (p198)</p> <p>Compliance: The Nestlé Integrity Reporting System (internal) (p199)</p> <p>Compliance: 'Tell us' – our external compliance to reporting system (p200)</p> <p>Compliance- The CARE audit programme (p200-201)</p> <p>Human rights due diligence-Pillar 2: Stakeholder engagement (p205)</p> <p>Human rights- Human rights due diligence-Pillar 5: Impact assessment (p206)</p> <p>Human rights – Human rights due diligence programme – Pillar 8: Monitoring and reporting (p207)</p> <p>Child labour – The main actors of the CLMRS (p211)</p>
<p>Leadership review of monitoring and improvement results</p>	<p><b>Nestlé in society:</b></p> <p>Our governance and advisory structure (p20)</p> <p><b>Human rights and compliance:</b></p> <p>Governance and management systems (p198)</p> <p>Human rights: human rights due diligence- Pillar 6: Internal coordination (p206)</p>

Process to deal with incidents the company has caused or contributed to for internal and external stakeholders (BRE4 + ARE4)	<b>Human rights and compliance:</b>  Compliance: The Nestlé Integrity Reporting System (internal) (p199) Compliance: 'Tell us' – our external compliance to reporting system (p200)
Grievance mechanisms that are legitimate, accessible, predictable, equitable, transparent, rights-compatible, a source of continuous learning, and based on engagement and dialogue (BRE4 + ARE4)	<b>Human rights and compliance:</b>  Compliance: The Nestlé Integrity Reporting System (internal) (p199) Compliance: 'Tell us' – our external compliance to reporting system (p200)  The CARE audit programme (p200-201)  Human rights- Human rights due diligence – Impact assessment (p206)
Outcomes of integration of the human rights principles	<b>Rural development:</b>  Responsible sourcing, Traceability & Assessments (pp93-95)  Responsible sourcing, Our priority sourcing categories (p96)  <b>Human rights and compliance:</b>  Compliance (pp199-201)  The CARE audit programme (pp200-201)

## Robust Labour Management Policies & Procedures

### Criterion 6: The COP describes robust *commitments, strategies or policies* in the area of labour

Indicate which of the following best practices are described in your COP:

- ☐ Any relevant policies, procedures, and activities that the company **plans to** undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff
  - i** This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.
- ☒ Reference to principles of relevant international labour standards (ILO Conventions) and other normative international instruments in company policies
  - i** While the 10 Global Compact principles are based on international conventions, organizations are encouraged to reference these documents explicitly to show detailed understanding of the Global Compact principles' underlying meaning.
- ☒ Reflection on the relevance of the labour principles for the company
  - i** The company should reflect on (1) significant labour-related social and economic impacts of the enterprise and (2) whether such impact could substantively influence the assessments and decisions of the organization's stakeholders.
- ☒ Written company policy to obey national labour law, respect principles of the relevant international labour standards in company operations worldwide, and engage in dialogue with representative organization of the workers (international, sectoral, national).
- ☒ Inclusion of reference to the principles contained in the relevant international labour standards in contracts with suppliers and other relevant business partners
- ☒ Specific commitments and Human Resources policies, in line with national development priorities or decent work priorities in the country of operation
  - i** Examples: Inclusion of vulnerable/discriminated groups in the workforce (e.g., women, disabled, migrant, HIV/AIDS, older/younger workers); equal pay for work of equal value; contribution to national strategies to eliminate child/forced labour, etc.
- ☒ Participation and leadership in wider efforts by employers' organizations (international and national levels) to jointly address challenges related to labour standards in the countries of operation, possibly in a tripartite approach (business – trade union – government).
- ☒ Structural engagement with a global union, possibly via a Global Framework Agreement
- ☐ Other established or emerging best practices
  - i** Specify in under 255 characters, including spaces. Alternatively, indicate if your COP does not address this criterion but explains the reason for omission (e.g., criterion deemed immaterial, legal prohibitions, privacy, competitive advantage).

Best practice	Page reference (to CSV report unless otherwise noted in CAPS)
Reference to principles of relevant international labour standards (ILO Conventions) and other normative international instruments	<b>Nestlé in Society:</b>  Business principles and governance- The Nestlé Corporate Business Principles (p19)  Guiding principles, International human rights standards (p37)

	<p><b>Human rights and compliance:</b></p> <p>Child labour – Applying a comprehensive strategy (p209)</p> <p>Our policies and standards (p198)</p> <p><b>Our people:</b></p> <p>Our role with our people- Our policies and standards (p219-220)</p> <p><b>Rural development</b></p> <p>Framework focus area: Productive and respected workers (p86)</p> <p>Labour conditions in our supply chains (p86)</p> <p>Supply chain assessments (p118-119)</p>
Reflection on the relevance of the labour principles for the company	<p><b>Human rights and compliance:</b></p> <p>Our role in human rights and compliance, Material issues (p196-197)</p> <p>Our commitments (p198)</p> <p><b>Our People:</b></p> <p>Our role with our people, Material issues (pp217-218)</p> <p>Our commitments (p219)</p>
<p>Written company policy to obey national labour law, respect principles of the relevant international labour</p> <p>standards in company operations worldwide, and engage in dialogue with representative organization of the workers (international, sectoral, national)</p>	<p><b>Nestlé in Society:</b></p> <p>Business principles and governance- The Nestlé Corporate Business Principles (p19)</p> <p><b>Human rights and compliance:</b></p> <p>Our role in human rights and compliance- Our commitments (p198), Our policies and standards (p198)</p> <p><b>Our people:</b></p> <p>Our role with our people – Our Commitments (p219), Our policies and standards (p219)</p>

	Labour relations – Our workforce (p228)
Inclusion of reference to the principles contained in the relevant international labour standards in contracts with suppliers and other relevant business partners	<p><b>Rural Development:</b></p> <p>Our role in rural development, Our policies and standards (p80)</p> <p>Framework focus area: Productive and respected workers (p86)</p> <p>Responsible sourcing, Setting out our standards (p89)</p>
Specific commitments and Human Resources policies, in line with national development priorities or decent work priorities in the country of operation	<p><b>Nestlé in Society:</b></p> <p>Business principles and governance- The Nestlé Corporate Business Principles (p19)</p> <p><b>Human rights and compliance:</b></p> <p>Our commitments (p198), Our policies and standards (p198)</p> <p>Child labour – Applying a comprehensive strategy (p209)</p> <p><b>Our people:</b></p> <p>Our commitments (p219), Our policies and standards (p219)</p> <p>Labour relations – Our workforce (p228)</p>
Participation and leadership in wider efforts by employers’ organizations (international and national levels) to jointly address challenges related to labour standards in the countries of operation, possibly in a tripartite approach (business – trade union – government)	<p><b>Nestlé in Society:</b></p> <p>Industry alliances (p32)</p> <p><b>Human rights and compliance:</b></p> <p>Human rights due diligence (p205-208, esp. Pillar 2:Stakeholder engagement and Pillar 7:Partnerships)</p> <p><b>Our people:</b></p> <p>Fostering relations with trade unions (p230)</p>

<p>Structural engagement with a global union, possibly via a Global Framework Agreement</p>	<p><b>Human rights and compliance:</b></p> <p>Human rights due diligence (p205-208, esp. Pillar 2:Stakeholder engagement and Pillar 7:Partnerships)</p> <p><b>Our people:</b></p> <p>Fostering positive relations with trade unions (p230)</p>
<p>Other established or emerging best practices: Specific commitments and goals for specified years</p>	<p><b>Nestlé in Society:</b></p> <p>Our Commitments (p18)</p> <p><b>Human rights and compliance:</b></p> <p>Our commitments (p198)</p> <p>Human rights – Human rights due diligence programme – Pillar 3: Training (p206)</p> <p>Child labour –Action plan for Cocoa (p209-211)</p> <p>Child labour –Action plan for hazelnuts (p212-213)</p> <p>Child labour- Action plan for vanilla (p213)</p> <p><b>Our People:</b></p> <p>Our commitments (p219)</p> <p>Delivering a living wage (p229)</p>

### Criterion 7: The COP describes effective *management systems* to integrate the labour principles

Indicate which of the following best practices are described in your COP:

- ☐ Any relevant policies, procedures, and activities that the company **plans to** undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff
  - i** *This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.*
- ☒ Risk and impact assessments in the area of labour
- ☒ Dialogue mechanism with trade unions to regularly discuss and review company progress in addressing labour standards
- ☒ Allocation of responsibilities and accountability within the organization
- ☒ Internal awareness-raising and training on the labour principles for management and employees
- ☒ Active engagement with suppliers to address labour-related challenges

- ☒ Grievance mechanisms, communication channels and other procedures (e.g., whistleblower mechanisms) available for workers to report concerns, make suggestions or seek advice, designed and operated in agreement with the representative organization of workers
- ☐ Other established or emerging best practices
- i** *Specify in under 255 characters, including spaces. Alternatively, indicate if your COP does not address this criterion but explains the reason for omission (e.g., criterion deemed immaterial, legal prohibitions, privacy, competitive advantage).*

<b>Best practice</b>	<b>Page reference (to CSV report unless otherwise noted in CAPS)</b>
Risk and impact assessments in the area of labour	<p><b>Human rights and compliance:</b></p> <p>Material issues (p197)</p> <p>Human rights - Human rights due diligence – Pillar 4: Risk evaluation (p206)</p> <p>Human rights - Human rights due diligence – Pillar 5: Impact assessment (p206)</p> <p><b>Rural development:</b></p> <p>The Rural Development Framework (p81)</p> <p>Responsible sourcing (pp88-95)</p> <p><b>Our People:</b></p> <p>Material issues (p218)</p>
Dialogue mechanism with trade unions to regularly discuss and review company progress in addressing labour standards	<p><b>Human rights and compliance:</b></p> <p>Human rights – Human rights due diligence programme – Pillar 2: Stakeholder engagement (p205)</p> <p><b>Our people:</b></p> <p>Fostering positive relations with trade unions (p230)</p>
Allocation of responsibilities and accountability within the organisation	<p><b>Our people:</b></p> <p>Our role with our people – Governance and management systems (p219)</p>
Internal awareness-raising and training on labour principles for management and	<p><b>Human rights and compliance:</b></p> <p>Human rights – Human rights due diligence programme – Pillar 3: Training (p206)</p>



employees	<p>Compliance –Employee training and engagement (p201)</p> <p><b>Our people:</b></p> <p>Training our people (p237-240)</p>
Active engagement with suppliers to address labour-related challenges	<p><b>Rural development:</b></p> <p>Our role in rural development: Engagement and collaboration (p80)</p> <p>Framework focus area: Productive and respected workers (p86)</p> <p>Responsible sourcing, The results (p92), Value for suppliers (93)</p>
<p>Grievance mechanisms, communication channels and</p> <p>other procedures (e.g., whistleblower mechanisms) available for workers to report concerns, make suggestions or seek advice, designed and operated in</p> <p>agreement with the representative organization of workers</p>	<p><b>Rural Development:</b></p> <p>Complaints handling and resolution (p87)</p> <p>Responsible sourcing, Tier auditing (p91)</p> <p><b>Human rights and compliance:</b></p> <p>Compliance: The Nestlé Integrity Reporting System (internal) (p199)</p> <p>Compliance: ‘Tell us’ – our external compliance to reporting system (p200)</p> <p>The CARE audit programme (p200-201)</p>

**Criterion 8: The COP describes effective monitoring and evaluation mechanisms of labour principles integration**

Indicate which of the following best practices are described in your COP:

- ☐ Any relevant policies, procedures, and activities that the company **plans to** undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff
  - i** *This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.*
- ☒ System to track and measure performance based on standardized performance metrics
- ☒ Dialogues with the representative organization of workers to regularly review progress made and jointly identify priorities for the future

- ☑ Audits or other steps to monitor and improve the working conditions of companies in the supply chain, in line with principles of international labour standards
- ☑ Process to positively engage with the suppliers to address the challenges (i.e., partnership approach instead of corrective approach) through schemes to improve workplace practices
- ☑ Outcomes of integration of the Labour principles
  - ❗ *To report main incidents involving the company, disclosure that your organization had no labour-related abuses in the past year satisfies this best practice where providing details may be counterproductive. Suggested GRI Indicators: LA4, HR4-7.*
- ☐ Other established or emerging best practices
  - ❗ *Specify in under 255 characters, including spaces. Alternatively, indicate if your COP does not address this criterion but explains the reason for omission (e.g., criterion deemed immaterial, legal prohibitions, privacy, competitive advantage).*

Best practice	Page reference (to CSV report unless otherwise noted in CAPS)
System to track and measure performance based on standardized performance metrics	<b>Human rights and compliance:</b>  The CARE audit programme (p200-201)  Human rights due diligence (p205-208)  Child labour – The main actors of the CLMRS (p211)  <b>Our people:</b>  Our role with our people-Measuring and sharing our progress (p220)  Safety and health management (p222)
Dialogues with the representative organization of workers to regularly review progress made and jointly identify priorities for the future	<b>Human rights and compliance:</b>  Human rights - Human rights due diligence – Pillar 5: Impact assessment (p206)  Human rights - Human rights due diligence – Pillar 7: Partnerships (p206)  Child labour- Applying a comprehensive strategy (p209)  <b>Our people:</b>  Fostering positive relations with trade unions (p230)
Audits or other steps to monitor and improve the working conditions of companies in the supply chain, in line with principles of	<b>Rural Development</b>  The role of RISE (P84)  Responsible sourcing – Auditing (p91)

international labour standards	<p>Responsible sourcing – Traceability &amp; Assessments (p93)</p> <p>Responsible sourcing – Partnerships for assurance and verification (p94-95)</p> <p>Our priority sourcing categories (pp96-123, sub-sections on Supply chain issues &amp; assessments)</p> <p><b>Our people:</b></p> <p>Our role with our people- Governance and management systems (p219)</p> <p><b>Human rights and compliance</b></p> <p>Human rights due diligence- Pillar 8: Monitoring and reporting (p207)</p>
Process to positively engage with the suppliers to address the challenges (i.e., partnership approach instead of corrective approach) through schemes to improve workplace practices	<p><b>Human rights and compliance:</b></p> <p>Child Labour – Applying a comprehensive strategy (p209)</p> <p>Child Labour – The main actors of the CLMRS (p211-212)</p> <p>Action plan for hazelnuts (p212)</p> <p>Action plan for vanilla (p212)</p> <p><b>Rural Development</b></p> <p>Responsible sourcing – Supply chain assessments (p112-113)</p> <p>The Nestlé Cocoa Plan (p103)</p>
Outcomes of integration of the Labour principles	<p><i>Freedom of association and right to collective bargaining</i></p> <p><b>Our people:</b></p> <p>Collective bargaining and freedom of association (p229)</p> <p><i>Discrimination</i></p> <p><b>Our people:</b></p> <p>Zero tolerance for discrimination (pp230-232)</p> <p><i>Disclosure of main incidents involving the company</i></p> <p><b>Our people:</b></p> <p>Fostering positive relations with trade unions (p230)</p>

	<p><i>Child Labour</i></p> <p><b>Human rights and compliance:</b></p> <p>Child labour – Action plans (p209-213)</p> <p>Human rights- Human rights due diligence- Pillar 8: Monitoring and reporting (p207-208)</p> <p><b>Rural Development:</b></p> <p>Responsible sourcing - Cocoa – The Nestlé Cocoa Plan (p103-104)</p>
--	--

## Robust Environmental Management Policies & Procedures

### Criterion 9: The COP describes robust *commitments, strategies or policies* in the area of environmental stewardship

Indicate which of the following best practices are described in your COP:

- ☐ Any relevant policies, procedures, and activities that the company **plans to** undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff
  - i** This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.
- ☒ Reference to relevant international conventions and other international instruments (e.g. Rio Declaration on Environment and Development)
  - i** While the 10 Global Compact principles are based on international conventions, organisations are encouraged to reference these documents explicitly to show detailed understanding of the Global Compact principles' underlying meaning.
- ☒ Reflection on the relevance of environmental stewardship for the company
  - i** In making that determination, the company should consider (1) if it has potentially significant environmental impacts and (2) whether such impact could substantively influence the assessments and decisions of the organisation's stakeholders.
- ☒ Written company policy on environmental stewardship
- ☒ Inclusion of minimum environmental standards in contracts with suppliers and other relevant business partners
- ☒ Specific commitments and goals for specified years
- ☐ Other established or emerging best practices
  - i** Specify in under 255 characters, including spaces. Alternatively, indicate if your COP does not address this criterion but explains the reason for omission (e.g., criterion deemed immaterial, legal prohibitions, privacy, competitive advantage).

Best practice	Page reference (to CSV report unless otherwise noted in CAPS)
Reference to relevant international conventions and other international instruments (e.g. Rio Declaration on Environment and Development)	<b>Environmental sustainability:</b> Our policies and standards (p152) Multi-stakeholder collaboration (p152) Promoting cooperation in agriculture (p161) Providing climate change leadership (p184) <b>Water</b> Public policy engagement and collective action (p133)
Reflection on the relevance of environmental stewardship for the	<b>Environmental sustainability:</b>

company	<p>Our role in environmental sustainability (p149)</p> <p>Material issues (p149-150)</p> <p>Our commitments (p151)</p> <p>Strategic master planning (p151)</p> <p>Providing climate change leadership (p184)</p> <p>Safeguarding natural capital (p191)</p> <p>Protecting and enhancing biodiversity (p190)</p> <p>Raw materials (p160)</p> <p><b>Water</b></p> <p>Our role in water stewardship (p125)</p> <p>Material issues (p. 125)</p> <p>Our commitments (p126)</p> <p>Understanding our impacts (p127)</p>
Written company policy on environmental stewardship	<p><b>Environmental sustainability:</b></p> <p>Our policies and standards (p152)</p> <p>The Nestlé Environmental Management System (p153)</p> <p>Environmental life cycle of products (p156)</p> <p><b>Water:</b></p> <p>Our policies and standards (p127)</p>
Inclusion of minimum environmental standards in contracts with suppliers and other relevant business partners	<p><b>Environmental sustainability:</b></p> <p>Raw materials – Sourcing raw materials (p160)</p> <p><b>Rural Development</b></p> <p>Responsible sourcing – Setting out our standards (p89)</p> <p><b>Water:</b></p> <p>Water in our supply chain (p140-143)</p>

Specific commitments and goals for specified years	<p><b>Nestlé in Society:</b></p> <p>Our commitments (p18)</p> <p>Key performance indicators (p154)</p> <p><b>Environmental sustainability:</b></p> <p>Using LCA (p158)</p> <p>EcodEx (p158)</p> <p>Sourcing raw materials (p160)</p> <p>Zero waste for disposal (p180)</p> <p>Reducing our energy consumption (p163)</p> <p>Packaging- Packaging eco design (p.165)</p> <p>Reducing GHG emissions (p185)</p> <p>Promoting sustainable consumption- Going 'beyond the label' (p177)</p> <p>Protecting and enhancing biodiversity (p190)</p>
--	--

**Criterion 10: The COP describes effective *management systems* to integrate the environmental principles**

Indicate which of the following best practices are described in your COP:

- ☐ Any relevant policies, procedures, and activities that the company **plans to** undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff

**i** *This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.*

- ☒ Environmental risk and impact assessments
- ☒ Assessments of lifecycle impact of products, ensuring environmentally sound management policies
- ☒ Allocation of responsibilities and accountability within the organisation
- ☒ Internal awareness-raising and training on environmental stewardship for management and employees
- ☒ Grievance mechanisms, communication channels and other procedures (e.g. whistleblower mechanisms) for reporting concerns or seeking advice regarding environmental impacts
- ☒ Other established or emerging best practices

**i** *Specify in under 255 characters, including spaces. Alternatively, indicate if your COP does not address this criterion but explains the reason for omission (e.g., criterion deemed immaterial, legal prohibitions, privacy, competitive advantage).*

<b>Best practice</b>	<b>Page reference (to CSV report unless otherwise noted in CAPS)</b>
Environmental risk and impact assessments	<b>Environmental sustainability:</b>  The Nestlé Environmental Management System (p153)  Managing environmental sustainability (p156)
Assessments of lifecycle impact of products, ensuring environmentally sound management policies	<b>Environmental sustainability:</b>  Environmental life cycle of products (p156)  Our policies and standards (p152)  The Nestlé Environmental Management System (p153)
Allocation of responsibilities and accountability within the organization	<b>Environmental sustainability:</b>  Our policies and standards (p152)  Governance and management systems (p151)  The Nestlé Environmental Management System (p153)
Internal awareness-raising and training on environmental stewardship for management and employees	<b>Environmental sustainability:</b>  The Nestlé Environmental Management System – Training our employees (p153)  <b>Our People:</b>  Training our people, Environmental awareness (238)
Grievance mechanisms, communication channels and other procedures (e.g. whistleblower mechanisms) for reporting concerns or seeking advice regarding environmental impacts	<b>Environmental sustainability:</b>  Our policies and standards (p152)  The Nestlé Environmental Management System - Monitoring and auditing (p153)  <b>Human Rights and compliance:</b>  Compliance- 'Tell us'- our external compliance to reporting system (p200)



	Compliance-The Nestlé Integrity Reporting System (internal) (p199)
--	--

**Criterion 11: The COP describes effective *monitoring and evaluation mechanisms* for environmental stewardship**

Indicate which of the following best practices are described in your COP:

- ☐ Any relevant policies, procedures, and activities that the company **plans to** undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff
  - i** *This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.*
- ☒ System to track and measure performance based on standardized performance metrics
- ☒ Leadership review of monitoring and improvement results
- ☒ Process to deal with incidents
- ☒ Audits or other steps to monitor and improve the environmental performance of companies in the supply chain
- ☒ Outcomes of integration of the environmental principles
  - i** *To report main incidents involving the company, disclosure that your organization had no environmental incidents in the past year satisfies this best practice. Suggested GRI Indicators: EN 1-3, 5-6, 8, 10, 13, 16, 18-20, 26-27.*
- ☐ Other established or emerging best practices
  - i** *Specify in under 255 characters, including spaces. Alternatively, indicate if your COP does not address this criterion but explains the reason for omission (e.g., criterion deemed immaterial, legal prohibitions, privacy, competitive advantage).*

Best practice	Page reference (to CSV report unless otherwise noted in CAPS)
System to track and measure performance based on standardized performance metrics	<b>Environmental sustainability:</b>  Our commitments (p151)  Our policies and standards (p152)  The Nestlé Environmental Management System - Monitoring and auditing (p153)  Key performance indicators for Environmental Sustainability (p154)
Leadership review of monitoring and improvement results	<b>Environmental sustainability:</b>  Our policies and standards (p152)  Governance and management systems (p151)

Process to deal with incidents	<b>Environmental sustainability:</b> Monitoring and auditing (p153)
Audits or other steps to monitor and improve the environmental performance of companies in the supply chain	<b>Environmental sustainability:</b> Our commitments (p151) Our policies and standards (p152) Raw materials –Sourcing raw materials (p160) <b>Rural Development</b> Responsible sourcing – Implementing responsible sourcing (p90) Responsible sourcing – Auditing (p91)
Outcomes of integration of the environmental principles	<i>Materials and energy</i> <b>Environmental sustainability:</b> Raw materials – RISE: Promoting environmentally sustainable agriculture (p160-161) Manufacturing (p162) Packaging, Our approach (p166) Transportation and Distribution – Distribution networks (p172) Transportation and Distribution – Route optimisation and technology (p172) <b>Water:</b> Water in our operations (p129) <i>Emissions, effluents and waste</i> <b>Environmental sustainability:</b> Transportation and Distribution – Reducing fuel consumption and emissions (p172) Waste and recovery (p179-183) Providing climate change leadership (p184-189)

	<p><b>Water:</b></p> <p>Water treatment and quality (p138)</p> <p><i>Initiatives to promote greater environmental responsibility</i></p> <p><b>Environmental sustainability:</b></p> <p>Packaging, The Positive cup (p167)</p> <p>Packaging, Recycling used packaging (p168)</p> <p>Promoting sustainable consumption (pp175-178)</p> <p>Reducing food wastage (p181)</p> <p><b>Water:</b></p> <p>Community engagement (p144)</p> <p><i>Development and diffusion of environmentally friendly technology</i></p> <p><b>Environmental sustainability:</b></p> <p>Packaging, The Positive cup (p167)</p> <p>Promoting sustainable consumption- Going 'beyond the label' (p177)</p> <p>Reducing our energy consumption (p163-164)</p> <p>Switching to cleaner fuels (p186)</p> <p><b>Water:</b></p> <p>Achieving water efficiency and sustainability (p129)</p> <p><i>Disclosure of main incidents</i></p> <p><b>Environmental sustainability:</b></p> <p>Monitoring and auditing (p153)</p>
--	---

## Robust Anti-Corruption Management Policies & Procedures

**i** Criteria and best practices under Anti-Corruption implementation have been modified to reflect the [Anti-Corruption Reporting Guidance](#). Best practices reflect specific reporting elements of the guidance, either Basic (numbers starting with B) or desired (numbers starting with D).

### Criterion 12: The COP describes robust *commitments, strategies or policies* in the area of anti-corruption

Indicate which of the following best practices are described in your COP:

- ☐ Any relevant policies, procedures, and activities that the company **plans to** undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff
  - i** This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.
- ☒ Publicly stated formal policy of zero-tolerance of corruption (D1)
- ☒ Commitment to be in compliance with all relevant anti-corruption laws, including the implementation of procedures to know the law and monitor changes (B2)
- ☒ Statement of support for international and regional legal frameworks, such as the UN Convention against Corruption (D2)
- ☒ Detailed policies for high-risk areas of corruption (D4)
- ☒ Policy on anti-corruption regarding business partners (D5)
- ☐ Other established or emerging best practices
  - i** Specify in under 255 characters, including spaces. Alternatively, indicate if your COP does not address this criterion but explains the reason for omission (e.g., criterion deemed immaterial, legal prohibitions, privacy, competitive advantage).

Best practice	Page reference (to CSV report unless otherwise noted in CAPS)
Publicly stated formal policy of zero-tolerance of corruption (D1)	<b>Human Rights and compliance:</b> Our commitments (p198) Our policies and standards (p198) Anti-corruption (p202-203)
Commitment to be in compliance with all relevant anticorruption laws, including the implementation of procedures to know the law and monitor changes (B2)	<b>Nestlé in Society:</b> Business principles and governance- The Nestlé Corporate Business Principles (p19) <b>Human Rights and compliance:</b> Anti-corruption, Committing to cultural change (p202)

Statement of support for international and regional legal frameworks, such as the UN Convention against Corruption (D2)	<p><b>Nestlé in Society:</b></p> <p>Business principles and governance- The Nestlé Corporate Business Principles (p19)</p> <p><b>Human Rights and compliance:</b></p> <p>Anti-corruption (p202-203)</p>
Detailed policies for high-risk areas of corruption (D4)	<p><b>Nestlé in Society:</b></p> <p>Business principles and governance- The Nestlé Corporate Business Principles (p19)</p> <p><b>Human Rights and compliance:</b></p> <p>Our policies and standards (p198)</p> <p>Anti-corruption (p202-203)</p>
Policy on anti-corruption regarding business partners (D5)	<p><b>Human Rights and compliance:</b></p> <p>Anti-corruption- Committing to cultural change (p202)</p> <p><b>Rural development:</b></p> <p>Responsible sourcing, Setting out our standards (p89)</p>

**Criterion 13: The COP describes effective *management systems* to integrate the anti-corruption principle**

Indicate which of the following best practices are described in your COP:

- ☐ Any relevant policies, procedures, and activities that the company **plans to** undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff
  - i** *This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.*
- ☒ Support by the organization's leadership for anti-corruption (B4)
- ☒ Carrying out risk assessment of potential areas of corruption (D3)
- ☒ Human Resources procedures supporting the anti-corruption commitment or policy, including communication to and training for all employees (B5 + D8)
- ☒ Internal checks and balances to ensure consistency with the anti-corruption commitment (B6)
- ☒ Actions taken to encourage business partners to implement anti-corruption commitments (D6)

- ☒ Management responsibility and accountability for implementation of the anti-corruption commitment or policy (D7)
- ☒ Communications (whistleblowing) channels and follow-up mechanisms for reporting concerns or seeking advice (D9)
- ☒ Internal accounting and auditing procedures related to anticorruption (D10)
- ☐ Other established or emerging best practices
  - i** *Specify in under 255 characters, including spaces. Alternatively, indicate if your COP does not address this criterion but explains the reason for omission (e.g., criterion deemed immaterial, legal prohibitions, privacy, competitive advantage).*

Best practice	Page reference (to CSV report unless otherwise noted in CAPS)
Support by the organisation's leadership for anti-corruption (B4)	<b>Nestlé in society:</b> Our governance and advisory structure (p20) <b>Human Rights and compliance:</b> Our role in human rights and compliance- Governance and management systems (p198)
Carrying out risk assessment of potential areas of corruption (D3)	<b>Human Rights and compliance:</b> Human rights – Human rights due diligence programme – Pillar 4: Risk Assessment (p206) Compliance-The Care audit programme (200) Monitoring anti-corruption (p202)
Human Resources procedures supporting the anti-corruption commitment or policy, including communication to and training for all employees (B5 + D8)	<b>Human Rights and compliance:</b> Our role in human rights and compliance- Governance and management systems (p198) Anti-corruption training for our employees (p202)
Internal checks and balances to ensure consistency with the anti-corruption commitment (B6)	<b>Human Rights and compliance:</b> Anti-corruption- monitoring anti-corruption (p202-203) Compliance , The Nestlé Integrity Reporting System (p199) Compliance, 'Tell us' (p200)

Actions taken to encourage business partners to implement anti-corruption commitments (D6)	<b>Human Rights and compliance:</b> Anti-corruption – Committing to cultural change (p202) <b>Rural development:</b> Responsible sourcing, Setting out our standards (p89)
Management responsibility and accountability for implementation of the anti-corruption commitment or policy (D7)	<b>Human Rights and compliance:</b> Governance and management systems (p198)
Communications (whistleblowing) channels and follow-up mechanisms for reporting concerns or seeking advice (D9)	<b>Human Rights and compliance:</b> Compliance- ‘Tell us’- our external compliance to reporting system (p200) Compliance-The Nestlé Integrity Reporting System (internal) (p199) Anti-corruption – Monitoring anti-corruption (p202-203)
Internal accounting and auditing procedures related to anticorruption (D10)	<b>Human Rights and compliance:</b> Compliance-The Care audit programme (200) Anti-corruption – Monitoring anti-corruption (p202-203)

**Criterion 14: The COP describes effective *monitoring and evaluation mechanisms* for the integration of anti-corruption**

Indicate which of the following best practices are described in your COP:

- ☐ Any relevant policies, procedures, and activities that the company **plans to** undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff
  - i** *This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.*
- ☒ Leadership review of monitoring and improvement results (D12)
- ☒ Process to deal with incidents (D13)
- ☒ Public legal cases regarding corruption (D14)
- ☒ Use of independent external assurance of anti-corruption programmes (D15)
- ☒ Outcomes of integration of the anti-corruption principle
  - i** *Outcomes of assessments of potential corruption (D3) and mechanisms for seeking advice /reporting (D9). Procedures supporting anti-corruption policy. Disclosure that your organization had no incidents suffices where providing details is counterproductive. GRI indicators SO2-4.*

□ Other established or emerging best practices

❶ Specify in under 255 characters, including spaces. Alternatively, indicate if your COP does not address this criterion but explains the reason for omission (e.g., criterion deemed immaterial, legal prohibitions, privacy, competitive advantage).

Best practice	Page reference (to CSV report unless otherwise noted in CAPS)
Leadership review of monitoring and improvement results (D12)	<p><b>Nestlé in society:</b></p> <p>Our governance and advisory structure (p20)</p> <p><b>Human Rights and compliance:</b></p> <p>Our role in human rights and compliance- Governance and management systems (p198)</p> <p>Human rights- Human rights due diligence – Pillar 6: Internal Coordination</p>
Process to deal with incidents (D13)	<p><b>Human Rights and compliance:</b></p> <p>Anti-corruption – Monitoring anti-corruption (p202-203)</p>
Public legal cases regarding corruption (D14)	<p><b>Human Rights and compliance:</b></p> <p>Anti-corruption – Monitoring anti-corruption (p202-203)</p>
Use of independent external assurance of anti-corruption programmes (D15)	<p><b>Human Rights and compliance:</b></p> <p>Compliance-The Care audit programme (200)</p>
Outcomes of integration of the anticorruption principle	<p><b>Human Rights and compliance:</b></p> <p>Human rights and compliance-The year in brief (p195)</p> <p>Anti-corruption – Monitoring anti-corruption (p202-203)</p>



## Taking Action in Support of Broader UN Goals and Issues

⊕ "Broader UN Goals and Issues" refers to an array of global issues - based on the most acute or chronic global challenges - including:

Peace & Security  
Millennium Development Goals  
Human Rights  
Children's Rights  
Gender Equality  
Health  
Education  
Humanitarian Assistance

Migration  
Food Security  
Sustainable Ecosystems and Biodiversity  
Climate Change Mitigation and Adaptation  
Water Security and Sanitation  
Employment and Decent Working Conditions  
Anti-Corruption

For a list of further Global Issues that are relevant to the work of the UN as well as business, please refer to [business.un.org](http://business.un.org)

### Criterion 15: The COP describes core business contributions to UN goals and issues

Indicate which of the following best practices are described in your COP:

- ☐ Any relevant policies, procedures, and activities that the company **plans to** undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff
  - i** This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.
- ☒ Align core business strategy with one or more relevant UN goals/issues
- ☒ Develop relevant products and services or design business models that contribute to UN goals/issues
- ☒ Adopt and modify operating procedures to maximize contribution to UN goals/issues
- ☐ Other established or emerging best practices
  - i** Specify in under 255 characters, including spaces. Alternatively, indicate if your COP does not address this criterion but explains the reason for omission (e.g., criterion deemed immaterial, legal prohibitions, privacy, competitive advantage).

Best practice	Page reference (to CSV report unless otherwise noted in CAPS)
Align core business strategy with one or more relevant UN goals/issues	<b>Nestlé in Society:</b>  A message from our Chairman and CEO (Page 8-9)  Business principles and governance- The Nestlé Corporate Business Principles (p19)  United Nations Global Compact – Our communication on progress, including Millenium Development Goals (p33-34)
Develop relevant products and services or design business models that contribute to UN	<b>Nestlé in Society:</b>  A message from our Chairman and CEO (Page 8-9)

goals/issues	<p>Business principles and governance- The Nestlé Corporate Business Principles (p19)</p> <p>How we are meeting the UN's Millennium Development Goals (p34)</p> <p><b>Environmental sustainability:</b></p> <p>Managing environmental sustainability – Environmental product improvements (p20-21)</p> <p>Managing environmental sustainability-The environmental life cycle of products (p156-158)</p> <p><b>Rural Development</b></p> <p>Rural Development Framework (p81)</p> <p>The Nestlé Cocoa Plan (p103-107)</p> <p>Responsible sourcing: Milk – Our Milk District Model (p108-111)</p>
Adopt and modify operating procedures to maximize contribution to UN goals/issues	<p><b>Nestlé in Society:</b></p> <p>A message from our Chairman and CEO (Page 8-9)</p> <p>Business principles and governance- The Nestlé Corporate Business Principles (p19)</p> <p><b>Rural Development:</b></p> <p>Responsible sourcing, Setting our standards (p89)</p> <p><b>Human rights and compliance:</b></p> <p>Our role in human rights and compliance- The year in brief (p195)</p> <p>Our role in human rights and compliance (p196)</p> <p>Child labour (p209)</p>

**Criterion 16: The COP describes strategic social investments and philanthropy**

Indicate which of the following best practices are described in your COP:

- ☐ Any relevant policies, procedures, and activities that the company **plans to** undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff
- ☒ *This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.*

- ☒ Pursue social investments and philanthropic contributions that tie in with the core competencies or operating context of the company as an integrated part of its sustainability strategy
- ☒ Coordinate efforts with other organizations and initiatives to amplify—and not negate or unnecessarily duplicate—the efforts of other contributors
- ☒ Take responsibility for the intentional and unintentional effects of funding and have due regard for local customs, traditions, religions, and priorities of pertinent individuals and groups
- ☐ Other established or emerging best practices
  - i** *Specify in under 255 characters, including spaces. Alternatively, indicate if your COP does not address this criterion but explains the reason for omission (e.g., criterion deemed immaterial, legal prohibitions, privacy, competitive advantage).*

Best practice	Page reference (to CSV report unless otherwise noted in CAPS)
Pursue social investments and philanthropic contributions that tie in with the core competencies or operating context of the company as an integrated part of its sustainability strategy	<p><b>Nestlé in society:</b></p> <p>Partnerships and collective action, Key partnership highlights 2014 – IFRC (p30 and p145)</p> <p><b>Nutrition;</b></p> <p>Addressing malnutrition (p54)</p> <p>Nutrition education, Start Healthy Stay Healthy (p62)</p> <p>Promoting healthy lifestyles for children, Nestlé Healthy Kids (p49-50)</p> <p><b>Rural development:</b></p> <p>Focus areas for rural development (p81)</p> <p>Framework focus area: Successful farmers(p82-83)</p> <p>Farmer Connect (p83)</p> <p>Framework focus area: Prospering communities (p86)</p> <p>Responsible sourcing-Coffee – Our initiatives (p97)</p> <p>Responsible sourcing-The positive cup: Coffee sourcing (p100)</p> <p>Responsible sourcing- Coffee –</p>

	<p>Nespresso AAA Sustainable Quality <sup>TM</sup> Program(p100)</p> <p>Responsible sourcing-Farmer Connect for the Nescafé Plan (p98)</p> <p><b>Water:</b></p> <p>Community engagement (p144-147)</p>
Coordinate efforts with other organizations and initiatives to amplify—and not negate or unnecessarily duplicate—the efforts of other contributors	<p><b>Nestlé in Society:</b></p> <p>Public policy and advocacy (p29)</p> <p>Partnerships and industry alliances (p30-38)</p> <p><b>Water:</b></p> <p>Public policy and engagement and collective action (p133)</p>
Take responsibility for the intentional and unintentional effects of funding and have due regard for local customs, traditions, religions, and priorities of pertinent individuals and groups	<p><b>Nutrition:</b></p> <p>Addressing malnutrition (p54-56)</p> <p><b>Rural development:</b></p> <p>The rural development framework (p81-82)</p> <p>Framework focus area: Prospering communities (p86)</p> <p><b>Water:</b></p> <p>Community engagement (p144-147)</p>

**Criterion 17: The COP describes advocacy and public policy engagement**

*Indicate which of the following best practices are described in your COP:*

- ☐ Any relevant policies, procedures, and activities that the company **plans to** undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff
  - i** *This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.*
- ☒ Publicly advocate the importance of action in relation to one or more UN goals/issues
- ☒ Commit company leaders to participate in key summits, conferences, and other important public policy interactions in relation to one or more UN goals/issues
- ☐ Other established or emerging best practices

- ❶ Specify in under 255 characters, including spaces. Alternatively, indicate if your COP does not address this criterion but explains the reason for omission (e.g., criterion deemed immaterial, legal prohibitions, privacy, competitive advantage).

Best practice	Page reference (to CSV report unless otherwise noted in CAPS)
Publicly advocate the importance of action in relation to one or more UN goals/issues	<p><b>Nestlé in Society:</b></p> <p>Public policy and advocacy (p29)</p> <p>Partnerships and industry alliances (p30-38)</p> <p><b>Environmental Sustainability:</b></p> <p>Providing climate change leadership (184)</p> <p><b>Water:</b></p> <p>Public policy and engagement and collective action (p133)</p> <p>The water challenge blog (p134)</p>
Commit company leaders to participate in key summits, conferences, and other important public policy interactions in relation to one or more UN goals/issues	<p><b>Nestlé in Society:</b></p> <p>CSV Council (p21)</p> <p>Stakeholder engagement (25)</p> <p>Public policy and advocacy (p29)</p> <p>Partnerships and industry alliances (p30-38)</p> <p>Our work with the United Nations (33-37)</p> <p><b>Environmental Sustainability:</b></p> <p>Providing climate change leadership (184)</p> <p><b>Water:</b></p> <p>Public policy and engagement and collective action (p133)</p> <p>The water challenge blog (p134)</p>

## Criterion 18: The COP describes partnerships and collective action

Indicate which of the following best practices are described in your COP:

- ☐ Any relevant policies, procedures, and activities that the company **plans to** undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff
  - i** *This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.*
- ☒ Develop and implement partnership projects with public or private organizations (UN entities, government, NGOs, or other groups) on core business, social investments and/or advocacy
- ☒ Join industry peers, UN entities and/or other stakeholders in initiatives contributing to solving common challenges and dilemmas at the global and/or local levels with an emphasis on initiatives extending the company's positive impact on its value chain
- ☐ Other established or emerging best practices
  - i** *Specify in under 255 characters, including spaces. Alternatively, indicate if your COP does not address this criterion but explains the reason for omission (e.g., criterion deemed immaterial, legal prohibitions, privacy, competitive advantage).*

Best practice	Page reference (to CSV report unless otherwise noted in CAPS)
Develop and implement partnership projects with public or private organizations (UN entities, government, NGOs, or other groups) on core business, social investments and/or advocacy	<b>Nestlé in Society:</b> Public policy and advocacy (p29) Partnerships and industry alliances (p30-38)
Join industry peers, UN entities and/or other stakeholders in initiatives contributing to solving common challenges and dilemmas at the global  and/or local levels with an emphasis on initiatives extending the company's positive impact on its value chain	<b>Nestlé in Society:</b> Public policy and advocacy (p29) Partnerships and industry alliances (p30-38)

## Corporate Sustainability Governance and Leadership

### Criterion 19: The COP describes CEO commitment and leadership

Indicate which of the following best practices are described in your COP:

- ☐ Any relevant policies, procedures, and activities that the company **plans to** undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff
  - i** *This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.*
- ☒ CEO publicly delivers explicit statements and demonstrates personal leadership on sustainability and commitment to the UN Global Compact
- ☒ CEO promotes initiatives to enhance sustainability of the company's sector and leads development of industry standards
- ☒ CEO leads executive management team in development of corporate sustainability strategy, defining goals and overseeing implementation
- ☒ Make sustainability criteria and UN Global Compact principles part of goals and incentive schemes for CEO and executive management team
- ☐ Other established or emerging best practices
  - i** *Specify in under 255 characters, including spaces. Alternatively, indicate if your COP does not address this criterion but explains the reason for omission (e.g., criterion deemed immaterial, legal prohibitions, privacy, competitive advantage).*

Best practice	Page reference (to CSV report unless otherwise noted in CAPS)
CEO publicly delivers explicit statements and demonstrates personal leadership on sustainability and commitment to the UN Global Compact	<b>Nestlé in Society:</b> A message from our Chairman and CEO (Page 8-9) Business principles and governance- The Nestlé Corporate Business Principles (p19)
CEO promotes initiatives to enhance sustainability of the company's sector and leads development of industry standards	<b>Nestlé in Society:</b> Public policy and advocacy (p29) Partnerships and industry alliances (p30-38) UNGC CEO Water Mandate (p35) <b>Water:</b> Public policy and engagement and collective action (p133)
CEO leads executive management team in development of corporate sustainability strategy, defining goals	<b>Nestlé in Society:</b> Our governance and advisory structure (p20-24)

and overseeing implementation	
Make sustainability criteria and UN Global Compact principles part of goals and incentive schemes for CEO and executive management team	<p><b>Nestlé in Society:</b></p> <p>Our governance and advisory structure (p20-24)</p> <p><b>CORPORATE GOVERNANCE REPORT</b></p> <p><a href="http://www.nestle.com/asset-library/documents/library/documents/corporate_governance/corp_governance_report_2014_en.pdf">http://www.nestle.com/asset-library/documents/library/documents/corporate_governance/corp_governance_report_2014_en.pdf</a></p> <p>Compensation Report (p28-43)</p>

## Criterion 20: The COP describes Board adoption and oversight

Indicate which of the following best practices are described in your COP:

- ☐ Any relevant policies, procedures, and activities that the company **plans to** undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff
  - i** *This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.*
- ☒ Board of Directors (or equivalent) assumes responsibility and oversight for long-term corporate sustainability strategy and performance
- ☒ Board establishes, where permissible, a committee or assigns an individual board member with responsibility for corporate sustainability.
- ☒ Board (or committee), where permissible, approves formal reporting on corporate sustainability (Communication on Progress)
- ☐ Other established or emerging best practices
  - i** *Specify in under 255 characters, including spaces. Alternatively, indicate if your COP does not address this criterion but explains the reason for omission (e.g., criterion deemed immaterial, legal prohibitions, privacy, competitive advantage).*

Best practice	Page reference (to CSV report unless otherwise noted in CAPS)
Board of Directors (or equivalent) assumes responsibility and oversight for long-term corporate sustainability strategy and performance	<p><b>Nestlé in Society:</b></p> <p>A message from our Chairman and CEO (Page 8-9)</p> <p><b>Nestlé in Society:</b></p> <p>Our governance and advisory structure (p20-22)</p> <p>Chairman Peter Brabeck-Letmathe and CEO Paul Bulcke are on the Board of Directors and have</p>



	responsibility for Creating Shared Value
Board establishes, where permissible, a committee or assigns an individual board member with responsibility for corporate sustainability.	<b>Nestlé in Society:</b> Our governance and advisory structure (p20-22) Chairman Peter Brabeck-Letmathe and CEO Paul Bulcke are on the Board of Directors and have responsibility for Creating Shared Value Nestlé Creating Shared Value Council (p21-22)
Board (or committee), where permissible, approves formal reporting on corporate sustainability (Communication on Progress)	<b>Nestlé in Society:</b> Our governance and advisory structure (p20-22) Chairman Peter Brabeck-Letmathe and CEO Paul Bulcke are on the Board of Directors and have responsibility for Creating Shared Value

## Criterion 21: The COP describes stakeholder engagement

Indicate which of the following best practices are described in your COP:

- ☐ Any relevant policies, procedures, and activities that the company **plans to** undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff
  - i** This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.
- ☒ Publicly recognize responsibility for the company's impacts on internal and external stakeholders
- ☒ Define sustainability strategies, goals and policies in consultation with key stakeholders
  - i** Regular stakeholder consultations in the area of human rights, labour, environment and anti-corruption. List of stakeholder groups engaged by the organization. Develop process for identifying key stakeholders and report on outcomes of consultation.
- ☒ Consult stakeholders in dealing with implementation dilemmas and challenges and invite them to take active part in reviewing performance
- ☒ Establish channels to engage with employees and other stakeholders to hear their ideas and address their concerns, and protect 'whistle-blowers'
- ☐ Other established or emerging best practices
  - i** Specify in under 255 characters, including spaces. Alternatively, indicate if your COP does not address this criterion but explains the reason for omission (e.g., criterion deemed immaterial, legal prohibitions, privacy, competitive advantage).

Best practice	Page reference (to CSV report unless
---------------	--------------------------------------

	<b>otherwise noted in CAPS)</b>
Publicly recognize responsibility for the company's impacts on internal and external stakeholders	<b>Nestlé in Society:</b> A message from our Chairman and CEO (Page 8-9) Materiality (p11-16)
Define sustainability strategies, goals and policies in consultation with key Stakeholders	<b>Nestlé in Society:</b> Our governance and advisory structure (p20-24) Nestlé Creating Shared Value Council (p21-22) The Nestlé Nutrition Council (p23-24) Stakeholder engagement (p25-28) Public policy and advocacy (p29) Partnerships and collective action (p30-38) <b>Water:</b> Public policy and engagement and collective action (p133) Community engagement (p144-146) <b>Responsible sourcing:</b> Partnerships for assurance and verification (p94-95) Rural development –engagement and collaboration (p80) <b>Human rights and compliance:</b> Human rights – Humans rights due diligence programme – Stakeholder engagement (p205) Addressing stakeholder concerns (p74) Aligning Wyeth Nutrition marketing practices (p73) <b>Our people:</b> Labour relations – Fostering positive relations with trade unions (p230)
Consult stakeholders in dealing with implementation dilemmas and challenges and invite them to take active part in reviewing	<b>Nestlé in Society:</b> Nestlé Creating Shared Value Council (p21-22)

performance	<p>The Nestlé Nutrition Council (p23-24)</p> <p>Stakeholder engagement (p25-28)</p>
<p>Establish channels to engage with employees and other stakeholders to hear their ideas and address their concerns, and protect 'whistle-blowers'</p>	<p><b>Nestlé in Society:</b></p> <p>Stakeholder engagement (p25-28)</p> <p><b>Human rights and compliance:</b></p> <p>Compliance-The Nestlé Integrity Reporting System (internal) (p199)</p> <p>Compliance- 'Tell us' – our external compliance to reporting system (p200)</p> <p><b>Nutrition</b></p> <p>Addressing stakeholder concerns (p74)</p> <p><b>Our people:</b></p> <p>The 'Nestlé &amp; I' employee engagement survey (p220)</p>

## ANNEX: Business & Peace

**The COP describes policies and practices related to the company's core business operations in high-risk or conflict-affected areas**

*Indicate which of the following best practices are described in your COP:*

- ☐ Any relevant policies, procedures, and activities that the company **plans to** undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff
  - i** *This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.*
- ☒ Information on how policies, strategies and operating practices have been adapted to the specific high-risk/conflict context based on due diligence
- ☒ Adherence to best practices even where national law sets a lower standard, including in the management of security services
- ☒ Management of the supply chain to avoid contributing to conflict through purchasing decisions and practices
- ☐ Other established or emerging best practices
  - i** *Specify in under 255 characters, including spaces. Alternatively, indicate if your COP does not address this criterion but explains the reason for omission (e.g., criterion deemed immaterial, legal prohibitions, privacy, competitive advantage).*

Best practice	Page reference (to CSV report unless otherwise noted in CAPS)
Information on how policies, strategies and operating practices have been adapted to the specific high-risk/ conflict context based on due diligence	<b>Human rights and compliance:</b>  Human rights – Humans rights due diligence programme – Risk assessment (p206)  Compliance –Security (p201)
Adherence to best practices even where national law sets a lower standard, including in the management of security services	<b>Human rights and compliance:</b>  Our role in human rights and compliance- Our commitments (p198)  Human rights – Humans rights due diligence (p204-208)  Compliance –Security (p201)
Management of the supply chain to avoid contributing to conflict through purchasing decisions and practices	<b>Rural development:</b>  Land acquisition: Respecting the rights of local and indigenous peoples (p87)

**The COP describes policies and practices related to the company's government relations in high-risk or conflict-affected areas**

Indicate which of the following best practices are described in your COP:

- ☐ Any relevant policies, procedures, and activities that the company **plans to** undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff
  - i** *This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.*
- ☒ Assessment of opportunities for constructive engagement with government actors in order to support peace
- ☒ Measures undertaken to avoid complicity in human rights violations by government actors
- ☒ Management practices aimed at preventing corrupt relationships with government officials
- ☐ Other established or emerging best practices
  - i** *Specify in under 255 characters, including spaces. Alternatively, indicate if your COP does not address this criterion but explains the reason for omission (e.g., criterion deemed immaterial, legal prohibitions, privacy, competitive advantage).*

Best practice	Page reference (to CSV report unless otherwise noted in CAPS)
Assessment of opportunities for constructive engagement with government actors in order to support peace	<b>Human rights and compliance:</b> Human rights due diligence – Pillar 5: Impact Assessment (p206)
Measures undertaken to avoid complicity in human rights violations by government actors	<b>Nestlé in Society</b> Public policy and advocacy (p29) <b>Human rights and compliance</b> Human rights due diligence (p204-208) Anti-corruption (p202-203)
Management practices aimed at preventing corrupt relationships with government officials	<b>Nestlé in Society</b> Public policy and advocacy (p29) <b>Human rights and compliance</b> Human rights due diligence (p204-208) Anti-corruption (p202-203)

**The COP describes local stakeholder engagement and strategic social investment activities of the company in high-risk or conflict-affected areas**

Indicate which of the following best practices are described in your COP:

- ☐ Any relevant policies, procedures, and activities that the company **plans to** undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff
  - i** *This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.*
- ☒ Assessment of opportunities for constructive engagement with government actors in order to support peace
- ☒ Stakeholder engagement mechanisms across company and contractor operations
- ☒ Approaches to stakeholder engagement involving civil society, international organizations, etc
- ☒ Actions toward constructive and peaceful company-community engagement
- ☒ Sustainable social investment projects
- ☐ Other established or emerging best practices
  - i** *Specify in under 255 characters, including spaces. Alternatively, indicate if your COP does not address this criterion but explains the reason for omission (e.g., criterion deemed immaterial, legal prohibitions, privacy, competitive advantage).*

Best practice	Page reference (to CSV report unless otherwise noted in CAPS)
Assessment of opportunities for constructive engagement with government actors in order to support peace	<b>Human rights and compliance:</b> Human rights due diligence – Pillar 2:Stakeholder engagement (p205)  <b>Rural development:</b> Reviving coffee production in South Sudan (p101)
Stakeholder engagement mechanisms across company and contractor operations	<b>Nestlé in Society:</b> Stakeholder engagement (p25-28)  <b>Human rights and compliance:</b> Human rights – Humans rights due diligence programme – Stakeholder engagement (p205)  <b>Rural development:</b> Responsible sourcing: Partnerships for assurance and verification (p94-95)
Approaches to stakeholder engagement involving civil society, international	<b>Nestlé in Society:</b>

organizations, etc	<p>Stakeholder engagement (p25-26)</p> <p>Partnerships and collective action (p30-38)</p> <p><b>Human rights and compliance:</b></p> <p>Human rights – Humans rights due diligence programme – Stakeholder engagement (p205)</p> <p><b>Rural development:</b></p> <p>Responsible sourcing: Partnerships for assurance and verification (p94-95)</p>
Actions toward constructive and peaceful company community engagement	<p><b>Human rights and compliance:</b></p> <p>Child labour – Action plans (p209-213)</p> <p><b>Water:</b></p> <p>Community engagement (p144-146)</p> <p><b>Rural development:</b></p> <p>Framework focus area: Prospering communities (p86)</p> <p>The rural development impacts of our factories (p87)</p> <p>Land acquisition: Respecting the rights of local and indigenous peoples (p87)</p>
Sustainable social investment projects	<p><b>Water:</b></p> <p>Community engagement (p144-146)</p> <p><b>Rural development:</b></p> <p>Framework focus area: Prospering communities (p86)</p> <p>The rural development impacts of our factories (p87)</p>

## Women's Empowerment

As of 1 October 2014, all UN Global Compact participants that have signed the CEO Statement of Support for the [Women's Empowerment Principles](#) will have the opportunity to answer 4 new gender specific questions, aligned with the WEPs, as part of their self-assessment when submitting their Communication on Progress (COP). For questions or concerns, please contact [womens-empowerment-principles@unglobalcompact.org](mailto:womens-empowerment-principles@unglobalcompact.org).

The following gender related COP Self-Assessment questions encourage and support companies to report on their progress towards implementing the Women's Empowerment Principles.

[Women's Empowerment Principle 7](#) highlights the importance of using sex-disaggregated data to measure and report on progress. The final question on sex-disaggregated data refers to data that is collected and presented separately on women and men. It is quantitative statistical information on the differences and inequalities between men and women.

### **The COP describes policies and practices related to supporting women's empowerment and advancing gender equality in the workplace**

- ☒ Achieving and maintaining gender equality in senior management and board positions
- ☒ Achieving and maintaining gender equality in middle management positions
- ☒ Equal pay for work of equal value
- ☒ Flexible work options
- ☒ Access to child and dependent care
- ☒ Support for pregnant women and those returning from maternity leave
- ☒ Recruitment and retention, including training and development, of female employees
- ☒ Gender-specific health and safety issues
- ☒ Gender-based violence and harassment
- ☒ Education and training opportunities for women workers
- ☒ Creating and maintaining workplace awareness of gender equality and, inclusion and non-discrimination for all workers
- ☒ Mentoring and sponsorship opportunities for women workers
- ☐ No practice for this criterion has been reported



☐ Other established or emerging best practices ⓘ

☐ Any relevant policies, procedures, and activities that the company plans to undertake by its next COP to address this area, including goals, timelines, metrics, and responsible staff ⓘ

<b>Best practice</b>	<b>Page reference (to CSV report unless otherwise noted in CAPS)</b>
Achieving and maintaining gender equality in senior management and board positions	<b>Our People</b> Materiality (p218) Our commitment to Enhance gender balance in our workforce (p219, pp233-236)
Achieving and maintaining gender equality in middle management positions	<b>Our People</b> Gender Balance Initiative (p233)
Equal pay for work of equal value	<b>Our People</b> Our policies and standards (p219)
Flexible work options	<b>Our People</b> Encouraging work-life balance (p227)
Access to child and dependent care	<b>Nutrition</b> Responsible marketing of breastmilk substitutes (p71) <b>Our People</b> Flexible work arrangements and parental support initiatives (p234)
Support for pregnant women and those returning from maternity leave	<b>Our People</b> Flexible work arrangements and parental support initiatives (p234)
Recruitment and retention, including training and development, of female employees	<b>Our People</b> Diversity – Gender Balance Initiative (pp233-236)
Gender-specific health and safety issues	<b>Our People</b> Safety, Health and Wellness (pp222-227)

	Appendix, GRI Index, G4-LA6 (p269)
Gender-based violence and harassment	<b>Nestlé in Society</b>  Business principles and governance, The Nestlé Corporate Business Principles (p19)  <b>Human Rights and Compliance</b>  Compliance, Reporting of compliance violations (p199)
Education and training opportunities for women workers	<b>Our People</b>  Gender Balance Initiative (p233)  Developing talent (pp237-240)
Creating and maintaining workplace awareness of gender equality and, inclusion and non-discrimination for all workers	<b>Our People</b>  Diversity (p233)
Mentoring and sponsorship opportunities for women workers	<b>Our People</b>  Gender Balance Initiative (p233)  Developing talent (pp237-240)
Other established or emerging best practices – Actively encouraging breastfeeding at our facilities, with breastfeeding rooms at 192 sites around the world.	<b>Nutrition</b>  Responsible marketing of breastmilk substitutes (p71)

**The COP describes policies and practices related to supporting women's empowerment and advancing gender equality in the marketplace**

- ☒ Supplier diversity programme
- ☒ Composition of supplier base by sex
- ☒ Support for women business owners and women entrepreneurs
- ☒ Supplier monitoring and engagement on women's empowerment and gender equality including promotion of the Women's Empowerment Principles to suppliers
- ☒ Gender-sensitive marketing

- ☒ Gender-sensitive product and service development
- ☐ No practice for this criterion has been reported
- ☐ Other established or emerging best practices ⓘ
- ☐ Any relevant policies, procedures, and activities that the company plans to undertake by its next COP to address this area, including goals, timelines, metrics, and responsible staff ⓘ

Best practice	Page reference (to CSV report unless otherwise noted in CAPS)
Supplier diversity programme	<b>Rural development</b> Materiality (p79) Women farmers (p85) Gender equality, Empowering women in the cocoa supply chain (p107)
Composition of supplier base by sex	<b>Nestlé in Society</b> UNGC-led initiatives, Women's Empowerment Principles (pp36-37) <b>Rural development</b> Farmer training (p84) Women farmers (p85) Gender equality, Empowering women in the cocoa supply chain (p107)
Support for women business owners and women entrepreneurs	<b>Nestlé in Society</b> UNGC-led initiatives, Women's Empowerment Principles (pp36-37) <b>Rural development</b> The Rural Development Framework (p81) Women farmers (p85) Gender equality, Empowering women in the cocoa supply chain (p107)

	<b>Our people</b> Beyond the Gender Balance Initiative (p234)
Supplier monitoring and engagement on women's empowerment and gender equality including promotion of the Women's Empowerment Principles to suppliers	<b>Rural development</b> Farmer training (p84) Women farmers (p85)
Gender-sensitive marketing	<b>Nutrition</b> Supporting healthy nutrition from infancy, Start Healthy Stay Healthy (p47) Responsible marketing of our products (p71)
Gender-sensitive product and service development	<b>Nutrition</b> Supporting healthy nutrition from infancy, Start Healthy Stay Healthy (p47) Addressing malnutrition (p54) Micronutrient fortification (p55) Responsible marketing of our products (p71)

**The COP describes policies and practices related to supporting women's empowerment and advancing gender equality in the community**

- ☒ Designing community stakeholder engagements that are free of gender discrimination/stereotyping and sensitive to gender issues
- ☒ Gender impact assessments or consideration of gender-related impacts as part of its social and/or human rights impact assessments
- ☒ Ensuring female beneficiaries of community programmes
- ☒ Community initiatives specifically targeted at the empowerment of women and girls
- ☒ Strategies to ensure that community investment projects and programmes (including economic, social and environmental) positively impact women and girls
- ☒ Strategies to ensure that community investment projects and programmes (including economic, social and environmental) include the full participation of women and girls

- ☐ No practice for this criterion has been reported
- ☐ Other established or emerging best practices ⓘ
- ☐ Any relevant policies, procedures, and activities that the company plans to undertake by its next COP to address this area, including goals, timelines, metrics, and responsible staff ⓘ

<b>Best practice</b>	<b>Page reference (to CSV report unless otherwise noted in CAPS)</b>
Designing community stakeholder engagements that are free of gender discrimination/stereotyping and sensitive to gender issues	<p><b>Nestlé in Society</b></p> <p>Partnerships and collective action (p30)</p> <p>UNGC-led initiatives, Women's Empowerment Principles (pp36-37)</p> <p><b>Water</b></p> <p>Community engagement (pp144-147)</p>
Gender impact assessments or consideration of gender-related impacts as part of its social and/or human rights impact assessments	<p><b>Nestlé in Society</b></p> <p>Our governance and advisory structure, Child Labour &amp; Women's Empowerment Task Force (p20)</p> <p><b>Human rights and compliance</b></p> <p>Human rights due diligence (pp205-207)</p>
Ensuring female beneficiaries of community programmes	<p><b>Nestlé in Society</b></p> <p>UNGC-led initiatives, Women's Empowerment Principles (pp36-37)</p> <p><b>Rural development</b></p> <p>Our commitments (p80)</p> <p>The Rural Development Framework (p81)</p> <p>Farmer training (p84)</p> <p>Women Farmers (p85)</p> <p>Empowering women in the cocoa supply chain (p107)</p>

	<p><b>Water</b></p> <p>The Nestlé Waters Community Relations programme (p147)</p> <p><b>Human rights &amp; compliance</b></p> <p>Empowering women to combat child labour (p212)</p>
Community initiatives specifically targeted at the empowerment of women and girls	<p><b>Nestlé in Society</b></p> <p>UNGC-led initiatives, Women's Empowerment Principles (pp36-37)</p> <p><b>Rural development</b></p> <p>Farmer training (p84)</p> <p>Women Farmers (p85)</p> <p>Empowering women in the cocoa supply chain (p107)</p> <p><b>Water</b></p> <p>Local partnerships, Access to clean water in South Asia (p145)</p> <p>The Nestlé Waters Community Relations programme (p147)</p> <p><b>Human rights &amp; compliance</b></p> <p>Child labour, Applying a comprehensive strategy (p209-212)</p> <p>Empowering women to combat child labour (p212)</p>
Strategies to ensure that community investment projects and programmes (including economic, social and environmental) positively impact women and girls	<p><b>Rural development</b></p> <p>The Rural Development Framework, Core areas (p81)</p> <p><b>Human rights and compliance</b></p> <p>Human rights due diligence (pp205-207)</p>
Strategies to ensure that community investment projects and programmes (including economic,	<p><b>Rural development</b></p> <p>The Rural Development Framework, Core</p>

social and environmental) include the full participation of women and girls	areas (p81) <b>Human rights and compliance</b> Human rights due diligence (pp205-207)
---	---

### The COP contains or refers to sex-disaggregated data

- ☒ Achieving and maintaining gender equality in senior management and board positions
- ☒ Achieving and maintaining gender equality in middle management positions
- ☒ Equal pay for work of equal value
- ☒ Flexible work options
- ☒ Access to child and dependent care
- ☒ Support for pregnant women and those returning from maternity leave
- ☒ Recruitment and retention, including training and development, of female employees
- ☒ Gender-specific health and safety issues
- ☒ Gender-based violence and harassment
- ☒ Education and training opportunities for women workers
- ☒ Creating and maintaining workplace awareness of gender equality and, inclusion and non-discrimination for all workers
- ☒ Mentoring and sponsorship opportunities for women workers
- ☐ No practice for this criterion has been reported
- ☐ Other established or emerging best practices ⓘ
- ☐ Any relevant policies, procedures, and activities that the company plans to undertake by its next COP to address this area, including goals, timelines, metrics, and responsible staff ⓘ

<b>Best practice</b>	<b>Page reference (to CSV report unless otherwise noted in CAPS)</b>
----------------------	--

Achieving and maintaining gender equality in senior management and board positions	<b>Our People</b> Materiality (p218) Our commitment to Enhance gender balance in our workforce (p219, pp233-236)
Achieving and maintaining gender equality in middle management positions	<b>Our People</b> Gender Balance Initiative (p233)
Equal pay for work of equal value	<b>Our People</b> Our policies and standards (p219)
Flexible work options	<b>Our People</b> Encouraging work-life balance (p227)
Access to child and dependent care	<b>Nutrition</b> Responsible marketing of breastmilk substitutes (p71) <b>Our People</b> Flexible work arrangements and parental support initiatives (p234)
Support for pregnant women and those returning from maternity leave	<b>Our People</b> Flexible work arrangements and parental support initiatives (p234)
Recruitment and retention, including training and development, of female employees	<b>Our People</b> Diversity – Gender Balance Initiative (pp233-236)
Gender-specific health and safety issues	<b>Our People</b> Safety, Health and Wellness (pp222-227) Appendix, GRI Index, G4-LA6 (p269)
Gender-based violence and harassment	<b>Nestlé in Society</b> Business principles and governance, The Nestlé Corporate Business Principles (p19) <b>Human Rights and Compliance</b>



	Compliance, Reporting of compliance violations (p199)
Education and training opportunities for women workers	<b>Our People</b> Gender Balance Initiative (p233) Developing talent (pp237-240)
Creating and maintaining workplace awareness of gender equality and, inclusion and non-discrimination for all workers	<b>Our People</b> Diversity (p233)
Mentoring and sponsorship opportunities for women workers	<b>Our People</b> Gender Balance Initiative (p233) Developing talent (pp237-240)