



Nestlé Good food, Good life

NESTLÉ HUMAN RIGHTS SALIENT ISSUE ACTION PLANS

First published in February 2023.
Updated in January 2025.

[nestle.com/sustainability/humanrights](https://www.nestle.com/sustainability/humanrights)



CONTENTS

Child labor and access to education

Forced labor and responsible recruitment

Living income

Living wage

Gender equity, non-discrimination and
non-harassment

Safety and health at work

Freedom of association and
collective bargaining

Right to water and sanitation

Indigenous peoples and local communities'
land rights

Data protection and privacy

Right to food and access to nutritious,
affordable and adequate diets



Nestlé Good food, Good life

Nestlé's' Salient Issue Action Plan:

CHILD LABOR AND ACCESS TO EDUCATION

First published in February 2023.
Updated in January 2025.

[nestle.com/sustainability/humanrights](https://www.nestle.com/sustainability/humanrights)



This action plan is one of a series that forms part of our [Human Rights Framework and Roadmap](#). You can find all our action plans, which address Nestlé's salient issues, on our [dedicated human rights webpage](#).

These plans guide our due diligence approach and enable us to act as a force for good. They articulate our strategy for embedding, assessing, addressing and reporting on each salient issue, defining what we need to do across our value chain, as well as what collective action can be taken.

We harnessed the strengths and capacities of each Nestlé department to define the action areas we will focus on in the years to come, in consultation with external partners and stakeholders. With collaboration built into each action plan, we hope to spark new engagement and inspire collective action with peers, business partners, civil society, non-governmental organizations (NGOs) and governments. This way, we can work together to tackle the root causes of our salient issues and create positive impact at scale.

We want these action plans to be dynamic and reflect the evolution of stakeholders' expectations and of the contexts in which we operate. Input and feedback are welcome and can be sent to us by email: humanrights@nestle.com.

We will report on progress against the indicators identified in each action plan by the end of 2025.



¹ Nestlé throughout this document refers to the Nestlé Group.

EXECUTIVE SUMMARY

Definition of the issue

Child labor refers to work that deprives children of their childhood, their potential and their dignity, and that is harmful to their physical and mental development. It is defined as work that is mentally, physically, socially or morally dangerous and harmful to children; and/or work that interferes with their schooling.¹

Why it matters

Approximately 160 million children are estimated to be in child labor around the world, 70% of which is estimated to be in agriculture and other industries characterized by informality, low levels of regulation and high levels of manual labor.

Geographical priority

Brazil, Cameroon, Colombia, Côte d'Ivoire, Ecuador, Ghana, Guatemala, Honduras, India, Indonesia, Mexico, Nigeria, Pakistan, Philippines, Thailand, Türkiye, Uganda, United States and Vietnam



Child labor is unacceptable and heartbreaking. We are driven by the fundamental principle that all children deserve the chance to learn and grow in a safe and healthy environment, without having to undertake work that is dangerous in any way or that interferes with education.

Key actions

- Strengthen Nestlé's commitments on child labor and access to education in line with existing and emerging best practices
- Train relevant employees and staff on child labor risks

Value chain priority



We recognize the importance of listening to and consulting children and their parents or caregivers on issues that affect them. As we implement this action plan, we will identify and engage with them to strengthen our understanding of risk and the impact and sustainability of our actions.

- Strengthen direct suppliers' capacity to uphold Nestlé's requirements on child labor and access to education as part of our Supplier Human Rights and Environmental Due Diligence Assurance Framework
- Engage and support prioritized direct suppliers in taking action to address child labor risks and impacts in their own operations and supply chain
- Identify and prioritize specific interventions addressing child labor risks at national and subnational levels
- Engage in collaborative approaches to develop community-based or government-based grievance mechanisms

Contribution to Sustainable Development Goals (SDGs)

The actions laid out in this action plan will contribute – directly and indirectly – to SDGs 4, 5, 8, 16 and 17.



BACKGROUND

What we are talking about

The International Labour Organization (ILO) defines child labor as work that deprives children of their childhood, their potential and their dignity, and that is harmful to physical and mental development.ⁱⁱ It refers to work that is mentally, physically, socially or morally dangerous and harmful to children; and/or work that interferes with their schooling.

Not all work by children is defined to be child labor. It depends on the child's age, the type and hours of work performed, the conditions under which it is performed and individual countries' legislation. Some types of light work are considered acceptable, and different restrictions exist for different ages of children.

The ILO has also defined the 'worst forms of child labor' to mean:

- All forms of slavery or practices similar to slavery.
- The use, procuring or offering of a child for prostitution or pornography.
- The use, procuring or offering of a child for illicit activities, such as the production and trafficking of drugs.
- Hazardous work.

Why it matters

Approximately 160 million children are estimated to be involved in some form of child labor around the world, with nearly half of those (approximately 79 million) in hazardous work. An estimated 70% of child labor occurs in agriculture and other industries characterized by informality, low levels of regulation and high levels of manual labor – for example, street vending and trash picking.ⁱⁱⁱ

In part, this is because factors such as poverty, political instability, and social and gender inequities limit access to education. According to UNICEF,^{iv} over 600 million children worldwide are unable to attain basic proficiency in reading and mathematics, and one third of these are not even in school. Even where schools are available, poor-quality instruction and lack of infrastructure, educational materials and internet connectivity undermine the value of school attendance.

In many countries producing agricultural commodities, the poverty in rural communities and lack of government resourcing for educational systems can negatively impact the ability or willingness of families to send their children to school. Families may then consider having their children work on the family farm instead. For children who are in child labor, loss of education compounds the other violations of their fundamental rights as children.

Why this issue is relevant and important for us

Child labor is unacceptable and heartbreaking. We are driven by the fundamental principle that all children deserve the chance to learn and grow in a safe and healthy environment, without having to undertake work that is dangerous in any way or that interferes with education.

Unfortunately, child labor can be a systemic risk in non-mechanized farming, such as cocoa or coffee. We have long worked to help address child labor risks and impacts and improve children's access to education in some of our supply chains. We seek to address the drivers of child labor by collaborating with our suppliers, producers and their communities, civil society and industry peers, so that child labor cases can be swiftly and effectively remediated where they occur.

Access to education is a key element of a just transition to a fairer food system. To be successful, the transition to regenerative agriculture needs to take into account the potential risks and impacts on children and be able to drive equity throughout the value chain.



BACKGROUND CONTINUED

The challenges in addressing this issue

The root causes of child labor risk are varied and often systemic in nature. Community and household poverty, including a lack of sustainable and sufficient income for parents, is a primary driver. Gender roles, age and cultural norms also play a role in determining the type of work performed, the hours worked and which children have access to education.

In agriculture, the majority of child labor occurs within a familial context. This work often occurs on family subsistence and smallholder farms. However, it can also take place on commercial farms and in other agribusiness operations where children accompany their parents or caregivers to work. Families may be driven to send their children to participate in economic labor outside the home for a number of reasons, most of which are closely associated with poverty, such as the need to supplement household income to meet basic requirements or the need to support adult production in order to meet volume quotas required by employers.^v In situations where families lack viable childcare or educational opportunities, parents may prefer to bring their children with them to work instead of leaving them unsupervised.

Certain characteristics of the agricultural sector – including informality, low resources, traditions of children’s participation in agricultural activities and institutional capacity of regulatory agents such as labor inspectors – can act as further barriers to addressing child labor in some countries and regional contexts. Supply chains with low mechanization that rely on labor-intensive production methods or that require a rapid influx of labor to meet seasonal cultivation or harvest demands are also more likely to rely on child workers.^{vi}

While some cases of child labor are straightforward to detect, determining whether an individual child is in a situation of child labor or the worst forms of child labor under international and national law typically requires a nuanced assessment and a cross check of gathered information against multiple sources using various methods. This often includes information that can only be collected via culturally sensitive, on-the-ground engagement with children, families and communities. Such engagement requires trust-building and in-depth conversations with workers and their community. In addition, in many agricultural sectors, children and their families live and work in relatively remote, isolated settings where they have multiple dependencies on their employers. This can also make it hard for them to convey information about exploitation, due to fear of reprisals.



NESTLÉ'S VISION AND APPROACH

Our vision and approach

We believe that addressing the risk of child labor and promoting access to education in a holistic way is key to contributing to a fairer food system and a just transition.

We aim to address child labor risks and help provide access to education throughout our value chain. If we identify actual or potential adverse child labor impacts in our agricultural supply chains or other relevant parts of our value chain, we will act to address those impacts.

Together with our partners, we will focus on helping address the complex factors that contribute to the risk of child labor, such as widespread rural poverty, increasing climate risks and a lack of access to financial services and basic infrastructure like water, health care and education.

To realize this vision, we will work on two complementary levels by:

1. Taking action in our raw materials and recycled packaging supply chains, to assess child labor risks, take steps to address those risks and adverse impacts, and monitor and report on activities and their outcomes.
2. Using leverage and collaboration actively support collective engagement to help address widespread, systemic child labor issues and promote access to education.

This approach builds on the work that has been done to date to assess and prioritize child labor risks, develop, pilot and implement solutions to address those risks in our value chain, as well as help address root causes and systemic issues.

How we are currently addressing this issue

Child labor and access to education are governed through the Nestlé ESG and Sustainability Council (see also the *Governance* section for this issue).

Nestlé has a long-standing commitment to help address child labor risks and promote access to education. This commitment is integrated in several of our policies:

- Our Corporate Business Principles state that we take action against any violations of human rights in our operations and value chain, with zero tolerance to child labor, forced labor and modern slavery.
- Our Responsible Sourcing Core Requirements include requirements related to child labor, including clauses on the minimum age for employment as well as specific conditions to be met for family farm work.

Through our Sustainable Sourcing Tier 1 program, we verify compliance with our Responsible Sourcing Core Requirements by

our direct suppliers via independent audits that follow the Sedex Members Ethical Trade Audit (SMETA) Best Practice Guidance. These audits include requirements related to child labor.

In addition to verifying compliance with our direct suppliers, we have identified 14 raw materials that present higher human rights and environmental risks, as well as recycled materials for packaging purpose. For those 14 raw materials², we also work closely with our direct suppliers and partners to conduct a mapping of our upstream agricultural supply chains and carry out site assessments with partner organizations.

We also support different tools and programs that assess and address child labor risks in our supply chain and provide access to education. These include:

- The implementation of a Child Labor Monitoring and Remediation System

(CLMRS) in our cocoa supply chain in Côte d'Ivoire and Ghana, in collaboration with the International Cocoa Initiative. This has been extended to our coffee supply chain in Côte d'Ivoire.

- Helping cocoa farmers to reach a living income through our Income Accelerator Program.
- Working with our direct hazelnut suppliers in Türkiye to run summer schools that provide a safe space for the children of seasonal migrant workers during the harvest season.
- Providing training to coffee farmers and mills on child labor risks, and conducting independent monitoring of coffee farms during harvesting season in Mexico, Brazil, Vietnam and Honduras.
- Supporting Earthworm Foundation to develop Child Risk Assessment Frameworks for the palm oil sector and to provide risk assessment training to palm oil companies in Malaysia and Indonesia.

² These are the 14 raw materials under the scope of our *Sustainable Sourcing Program*: cereals and grains; cocoa; coconut; coffee; dairy; fish and seafood; hazelnuts; meat, poultry and eggs; palm oil; pulp and paper; soya; spices; sugar; and vegetables. In addition, recycled materials for packaging purpose were added to the scope of this action plan.

NESTLÉ'S ACTION PLAN (2023–2025)³

Embed: Policies and processes

Objectives

- Mainstream the protection of children's rights and access to education in our governance structure, policies and control systems.
- Clarify and strengthen Nestlé's commitments on the protection of children's rights and access to education in line with existing and emerging best practices, and in consultation with rights holders and stakeholders.

Action

Scope

Governance, capacity building and incentives

| | |
|--|--------|
| Leverage Nestlé's Human Rights Community, ESG and Sustainability Council, Nestlé Cocoa Plan Steering Committee and Nescafé Plan Council to foster cross-departmental exchange, coordination of efforts and alignment on approaches and objectives. | Global |
|--|--------|

| | |
|--|--------|
| Identify and train all relevant employees and staff on child labor risks to increase their participation in risk-prevention and mitigation decisions and activities. | Global |
|--|--------|

| | |
|---|-------------------------|
| Develop specific training for Nestlé agronomists to raise awareness on child labor risks. | Coffee, cocoa and dairy |
|---|-------------------------|

| | |
|--|--------|
| Reflect the actions laid out in the action plan in relevant employees' objectives. | Global |
|--|--------|

Policies and control systems

| | |
|--|--------|
| Review and update our public policies, commitments and standards on child labor and access to education, including the <i>Nestlé Responsible Sourcing Core Requirements</i> , as needed. | Global |
|--|--------|

| | |
|--|--------|
| Review and actively support the adoption of robust sector-level commitments on child labor and access to education, as relevant. | Global |
|--|--------|

³ Our action plan will be reviewed and updated as necessary as we increase our understanding of impacts and risks, and monitor the effectiveness of actions taken in delivering on our vision and approach.

Assess: Our risk exposure

Prevention and mitigation of actual or potential child labor risks and adverse impacts in our value chain starts with understanding the nature and scale of risks.

Because our approach to child labor due diligence is risk-based, the measures we take to help address child labor risks need to be prioritized and should be commensurate with the severity of the impacts on people.

The lenses through which we assess child labor risk

Our risk assessment approach comprises four interrelated lenses, each currently at varying levels of maturity. Through this approach, we seek to assess both future and current child labor and human rights impacts. Our assessment approach therefore seeks to understand how we can take steps to prevent and mitigate risks and how to help remediate harms that may already be occurring.

We understand the value of multiple tools to assess our exposure to child labor issues and the importance of a dynamic system that periodically updates our understanding of risks and issues.

Informed by global datasets such as Verisk Maplecroft, assessments carried out by the Nestlé Sustainable Sourcing team for specific raw materials and information from stakeholders.

We generate a global-level overview of priority countries

We use this data to prioritize:

- 1 Countries for more granular assessments.
- 2 Business activities, direct suppliers and raw materials, for engagement.
- 3 Support to our relevant staff and suppliers.

Informed by subnational datasets, desk-based risk assessments, information from rights holders or their credible representatives, grievance information, data from our *Sustainable Sourcing Program* (e.g. landscape initiatives or site assessments).

We generate country- or location-specific risk information

We use this data to make decisions about where and what action to take at national, subnational, landscape or site levels within priority countries.

Informed by data sets that include raw material-specific risks, desk-based risk assessments, information from and consultations with rights holders or credible representatives, grievance information and data from our *Sustainable Sourcing Program* (e.g. landscape initiatives or site assessments).

We generate raw material- or business activity-specific risk information

We use this data to refine our list of priority countries for specific raw materials or business activities and to inform decisions about how and why to engage with sectoral actions, whether at global, country or regional levels.

Informed by our Supplier Human Rights and Environmental Due Diligence (HREDD) Assurance Framework, grievance information and site assessments.

We generate supplier-specific risk information

We use this data to prioritize suppliers for engagement or support based on the maturity of suppliers' systems for carrying out HREDD.

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Results of our initial global assessment for child labor risks and issues

Based on global datasets, such as those provided by [Verisk Maplecroft](#), [UNICEF](#) and the [US Department of Labor \(DoL\)](#), information from stakeholders and raw material-specific risk assessments on child labor, we have identified 20 priority countries for this 2023–2025 phase of the action plan (see list of priority countries).

The following steps informed our prioritization of countries:

1. Identification of countries categorized as 'priority' for the combined results of the [Verisk Maplecroft's Child Labor Index](#), [UNICEF Children's Rights in the Workplace Index](#), as well as the [US DoL's list of goods produced by child labor or forced labor](#).⁴
2. Analysis of the number of relevant raw materials under our [Sustainable Sourcing Program](#) and recycled materials that were at high or very high risk for child labor and for which we source medium or high volumes from these countries. This provides us with the scale of the footprint Nestlé has in the countries categorized as 'priority'.
3. Addition of countries considered 'priority' in relation to one or more of the raw or recycled materials we source, for which we had information available.

⁴ Note that Verisk Maplecroft and the US DoL's list of goods produced by child labor or forced labor include risk data specific to raw materials.

Our list of priority countries does not imply that action will be limited to these countries. Although some of the actions we have listed in this plan (see *Address: Our priority actions on page 10*) will focus on priority countries, many of the actions are raw material-wide (e.g. our Supplier HREDD Assurance Framework).

Priority countries

- Brazil
- Cameroon
- Colombia
- Côte d'Ivoire
- Ecuador
- Ghana
- Guatemala
- Honduras
- India
- Indonesia
- Mexico
- Nigeria
- Pakistan
- Philippines
- Thailand
- Türkiye
- Uganda
- United States
- Vietnam



NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Risk assessment going forward

As we are still improving our understanding of child labor risks, we will gradually improve the information we have related to child labor through the following different risk lenses.

| Lens | Actions |
|---|--|
| Global-level overview of priority countries | <ul style="list-style-type: none"> • Refine the existing global risk assessment methodology with additional external and internal sources of data and information. |
| Country- or location-specific risk information | <ul style="list-style-type: none"> • Further improve our understanding of risks on the ground, including through rapid appraisal research and regional stakeholder consultations in priority countries – with, among others, rights holders and their representatives – as well as grievance mechanisms and landscape information. • Use grievance and landscape information to inform our understanding of country- and location-specific risk. • Explore how to support community-based monitoring, reporting and verification of social and environmental impacts in high-risk landscapes. |
| Raw material- or business activity-specific risk information | <ul style="list-style-type: none"> • Further improve the level of traceability of raw materials in scope for this action plan. • Engage with certification and verification schemes to receive aggregated information and data on child labor cases identified and remediation activities. • Expand our assessment of risk to include our waste-management activities. |
| Supplier-specific risk information | <ul style="list-style-type: none"> • Enhance direct supplier selection process, including a pre-sourcing risk assessment that gives strong consideration to human rights risks, including child labor. • Engage and support prioritized direct suppliers to assess risks and impacts on their own suppliers and farming communities by integrating child labor requirements in our Supplier HREDD Assurance Framework. • Track direct suppliers' links to child labor grievances through improved supply chain grievance mechanisms and management systems. |

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Address: Our priority actions

Nestlé: Taking action within our value chain

Our actions will focus on areas of our supply chain that have been identified as posing the most severe risk of child labor. We will work with our direct suppliers to ensure they are also committed to respecting children's rights and access to education in their own operations and supply chains, and they have the adequate Human Rights Due Diligence systems in place.

Supply chains

Objectives

- Engage direct suppliers on Nestlé's requirements on child labor and access to education as part of our Supplier HREDD Assurance Framework.
- Engage and support prioritized direct suppliers in taking actions to help address child labor risks and impacts in their own operations and supply chain.
- Effectively use and help strengthen voluntary certification as a tool for suppliers to demonstrate the assessment, mitigation, remediation and monitoring of child labor issues.

Action

Scope

Strengthen supplier engagement and capacity building

Engage and support direct suppliers prioritized through our Supplier HREDD Assurance Framework process on improving practices and addressing risks, impacts and grievances on child labor (e.g. action plan development, capacity building, project co-funding).

Priority suppliers

Through our direct suppliers, engage and support indirect/upstream suppliers to help address child labor risks at production level. Examples include:

Priority suppliers

- Implementation of the *Child risk assessment framework* and *Guidelines on mitigating the risks in child labor in oil palm plantations* (Indonesia and Malaysia).
- Piloting a *Child protection policy implementation manual* on palm oil plantations together with our suppliers (Malaysia).
- Expand child labor trainings to coffee farmers and mills supplying Nescafé, and conduct independent monitoring of farms in Colombia and Indonesia.

Review and help strengthen relevant certification and verification schemes

Review to what level different certification and verification schemes can provide assurance that child labor risks have been mitigated or addressed.

Relevant raw materials⁵

Contribute to improving the certification schemes already used by certain raw materials as part of our sustainable sourcing strategy for these raw materials.

Relevant raw materials

Use review findings to inform raw materials' sourcing strategies (e.g. increasing certified volumes if it is determined to have a positive impact on tackling child labor risk).

Relevant raw materials

⁵ Palm oil, cocoa, coffee, soya, and pulp and paper are the raw materials that currently use certification schemes as part of their sustainable sourcing strategy.

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Collective action: Helping tackle root causes with relevant stakeholders

Many of the issues and challenges around child labor and access to education are complex and linked to a wide range of factors (as outlined in *The challenges in addressing this issue* section on [page 4](#)) that cannot be addressed by Nestlé on our own.

Tackling these issues and their root causes requires collaboration between many different stakeholders, including children and their families or caregivers, companies, governments, and multilateral, non-governmental and civil society organizations. We are therefore committed to collaborating with rights holders and stakeholders both in specific landscapes in production countries as well as at global and sectoral levels to promote access to education and help strengthen actions to tackle child labor.

Production country and on-the-ground initiatives

| Objective | |
|--|--------------------|
| Support the respect and strengthening of children's rights and access to education in production areas. | |
| Action | Scope |
| Scale up our Child Labor Monitoring and Remediation Systems (CLMRS) in Central and West Africa and pilot it in Indonesia. | Cocoa |
| Pilot CLMRS in Uganda. | Coffee (Nespresso) |
| Scale up childcare initiatives in Central America. | Coffee (Nespresso) |
| Identify and prioritize specific interventions addressing child labor risks at national and subnational levels where the raw materials we source are produced by: <ul style="list-style-type: none"> • Leveraging, where relevant, our existing landscape initiatives to address child labor risks and promote access to education. • Supporting sectoral-, landscape- or jurisdictional-level initiatives with the explicit purpose of addressing child labor risks and promoting access to education. • Engaging in policy dialogue at national or regional levels. | Priority countries |
| Assess effectiveness of existing projects and initiatives aimed at addressing child labor risks and promoting responsible recruitment to identify and scale up best practices. | Priority countries |

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Global and sectoral collaboration and advocacy

Objectives

- Collaborate with peers and stakeholders at global and sector levels to help address systemic issues and develop common approaches aimed at tackling child labor and improving access to education.
- Raise awareness of child labor risks and advocate for the strengthening of approaches to tackle child labor and provide access to education within the sectors Nestlé is involved in.

| Action | Scope |
|---|--------|
| Identify and prioritize sector initiatives where Nestlé can advocate for or support the strengthening of approaches to tackle child labor and provide access to education (e.g. certification schemes or sector collaboration groups). | Global |
| Identify and actively participate in collaborative initiatives that are developing common approaches and tools on child labor in order to promote and support the development and uptake of strong, effective tools to mitigate, address and remediate child labor risks (see <i>Key partners</i> section on page 17). | Global |

Grievance mechanisms

Objectives

- Support access to remedy via safe and effective grievance mechanisms for children and their families affected by child labor.
- Address child labor grievances and help remediate such grievances when relevant.

| Action | Scope |
|---|--------------------|
| Ask direct suppliers to have grievance mechanisms and management systems in place. | Global |
| Engage in collaborative approaches to develop or strengthen community-based or government-based grievance mechanisms for use within our supply chains and on-the-ground projects (e.g. landscapes) as well as establishment of protocols to assist vulnerable children and their families (e.g. referrals to local services when needed). | Priority countries |

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Monitor and report on indicators, overall performance and challenges

We are committed to transparently communicating our progress on implementing this action plan, as well as sharing our learnings and the challenges we face.

We will publicly report on the following indicators in relation to this action plan by the end of 2025.

Cross-cutting indicators:

1. Audit performance

- Number of material non-conformities related to child labor identified through third-party audits of our own operations and addressed.
- Number of material non-conformities related to child labor identified through third-party audits of our direct suppliers and addressed.

2. Grievance mechanism performance

- Number of material grievances received through Speak Up related to child labor, of which number of material grievances substantiated and addressed.
- Number of material grievances received through other channels related to child labor, of which number of material grievances under investigation and number addressed.

3. Sustainable sourcing

- Number of direct suppliers with mature Human Rights and Environmental Due Diligence (HREDD) systems.
- Percentage of volumes of key ingredients produced sustainably.

4. Impact on people

- Number of cases farmers and workers in our supply chains benefited from our interventions on child labor and access to education.

Issue-specific indicators:

- Percentage of volume of cocoa covered by the CLMRS or other dedicated due diligence systems, including mass balance.⁶
- Number of households covered by the CLMRS to prevent and address child labor risks.
- Total number of children who have received support through prevention and remediation actions as part of the CLMRS.⁷
- Number of children identified who reported no longer engaging in potentially hazardous activities as part of the CLMRS.

⁶ Mass balance traceability ensures that the volumes of certified cocoa bought for our products equals the volumes grown on certified farms. Certified cocoa is then mixed with other cocoa during transport or processing, [see this link for a full explanation](#).

⁷ Prevention actions include awareness-raising sessions delivered to cocoa-growing communities, households, and individuals, including children. Remediation actions refer to a range of activities tailored to the needs identified at the community, household, or individual level. These include, among others, the establishment of birth certificates, the distribution of school kits, the registration for tutoring courses or bridging classes, the registration for a formal school built or renovated by Nestlé, the registration for apprenticeship schemes, the distribution of bicycles to facilitate access to school, the creation of income generating activities for household members benefitting children directly, other remediation activities benefitting children directly.




CONNECTION WITH OTHER SALIENT ISSUE ACTION PLANS



Child labor and access to education are closely inter-connected to other human rights risks. They are intrinsically linked to other salient issues we have identified and for which we have published action plans, in particular:

| | |
|---|--|
| Forced labor and responsible recruitment | Child labor and forced labor are closely linked. They often occur in the same geographical areas and the same industries and are mainly caused by poverty. The ILO estimates that 12% of all those in forced labor are children. |
| Gender equity, non-discrimination and non-harassment | Empowering women is an important means of reducing child labor. When women are educated, it is less likely that their children are involved in child labor. Education can also help women earn a better income, thereby reducing household poverty, which is one of the main drivers of child labor. |
| Living income and living wage | Poverty is one of the root causes of child labor. When the household does not have access to a living income or living wage, they are more likely to rely on children to contribute to the family's overall earnings. |
| Safety and health at work | Hazardous child work is considered a form of child labor. In this context, safety and health go beyond how these concepts are applied to adult workers. |

CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS (SDGs)

The actions laid out in this action plan will contribute – directly or indirectly – to SDGs 4, 5, 8, 16 and 17 as follows:

| Goal | |
|--|---|
|  | <p>Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</p> <p>Target 4.1: By 2030, ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and effective learning outcomes.</p> <p>Target 4.2: By 2030, ensure that all girls and boys have access to quality early childhood development, care and pre-primary education so that they are ready for primary education.</p> <p>Target 4.6: By 2030, ensure that all youth and a substantial proportion of adults, both men and women, achieve literacy and numeracy.</p> |
|  | <p>Achieve gender equality and empower all women and girls</p> <p>Target 5.5: Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.</p> |
|  | <p>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</p> <p>Target 8.6: By 2020, substantially reduce the proportion of youth not in employment, education or training.</p> <p>Target 8.7: Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms.</p> |

| Goal | |
|---|---|
|  | <p>Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels</p> <p>Target 16.2: End abuse, exploitation, trafficking and all forms of violence against and torture of children.</p> <p>Target 16.9: By 2030, provide legal identity for all, including birth registration.</p> <p>Target 16.a: Strengthen relevant national institutions, including through international cooperation, for building capacity at all levels, in particular in developing countries, to prevent violence and combat terrorism and crime.</p> |
|  | <p>Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development</p> <p>Target 17.17: Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships.</p> |

GOVERNANCE FOR THIS ISSUE

Nestlé Executive Board

Approves all the salient issue action plans.

Nestlé ESG and Sustainability Council

Provides strategic leadership and execution support on the topic of child labor and access to education.

Nestlé Advocacy Coordination Group

Provides strategic leadership and execution on the engagement and advocacy strategy related to this action plan.

Nestlé ESG Climate and Sustainable Sourcing Workstream, the Nestlé Cocoa Plan Council and the Nescafé Plan Council

Are responsible for the implementation of this action plan.

Nestlé Human Rights Community

Leads the human rights agenda throughout the company. It coordinates the implementation of *Nestlé's Human Rights Framework and Roadmap* throughout the value chain, including this action plan. Finally, it monitors the implementation of the framework and roadmap, and the efficiency of the program.

Nestlé Markets

Support the implementation of this action plan in relation to our country operations, in alignment with the global team.



KEY PARTNERS

Main global implementing partners

| Partner | Activities |
|--|---|
| Earthworm Foundation | <ul style="list-style-type: none">• Implementing landscape initiatives we support that help address child labor risks in our palm oil supply chain.• Developing industry-wide due diligence tools we support. |
| Fair Labor Association (FLA) | <ul style="list-style-type: none">• Assessment of our programs aimed at tackling child labor and other human rights risks in cocoa, coffee and hazelnuts. |
| International Labour Organization (ILO) | <ul style="list-style-type: none">• Providing technical support for our capacity-building programs aimed at assessing and addressing child labor risks in our coffee supply chain in Vietnam. |
| International Cocoa Initiative | <ul style="list-style-type: none">• Implementing our Child Labor Monitoring and Remediation System (CLMRS) in cocoa. |
| Proforest | <ul style="list-style-type: none">• Implementation of landscape initiatives we support and collaborative initiatives that help address child labor risks.• Supporting implementation of our action plan within our agricultural supply chains, including through risk assessment, supplier engagement and capacity building. |
| Terre des hommes | <ul style="list-style-type: none">• Nespresso's global partner on child protection.• Piloting a digital and multi-sectoral child labor monitoring and remediation system in Nespresso's Ugandan supply chain. |
| Verité | <ul style="list-style-type: none">• Provision of capacity building and technical assistance to help address child labor risks in our palm oil and coffee supply chains. |

KEY PARTNERS CONTINUED

Main industry and multi-stakeholder collaborations

| Platform | Workstreams | Nestlé's involvement |
|--|---|--|
| Child Labour Platform (convened by the ILO) | | <ul style="list-style-type: none"> We are active members of this platform together with companies and stakeholders from other sectors in order to advance the child labor agenda at the global level, as well as design and implement collaborative projects on the ground. |
| Global Coffee Platform | Collective Action Initiative on Social Well-Being | <ul style="list-style-type: none"> We participate in this initiative that aims, among other objectives, to address child labor risks. |
| FLA's Harvesting the Future | | <ul style="list-style-type: none"> We participate in this multi-sector, multi-stakeholder and multi-geography initiative in Türkiye, which aims to collaborate on labor migration, child protection and responsible recruitment. |
| Verité's COFFEE project | | <ul style="list-style-type: none"> We participate in this multi-stakeholder initiative that aims to improve labor conditions in the coffee sector by developing tools and training modules and implementing pilot projects in Brazil, Colombia and Mexico. We have contributed to a pilot project in Mexico, focused on building key stakeholders' capacity to identify and address labor issues, including child labor. |

REFERENCES

- i [What is child labour \(IPEC\) \(ilo.org\)](#)
- ii [What is child labour \(IPEC\) \(ilo.org\)](#)
- iii [Report: Child Labour: Global estimates 2020, trends and the road forward \(ilo.org\)](#)
- iv <https://www.unicef.org/education>
- v [Report: Child Labour: Global estimates 2020, trends and the road forward \(ilo.org\)](#)
- vi [Child labour in agriculture \(IPEC\) \(ilo.org\)](#)

Disclaimer

This action plan is dynamic by essence and subject to change. Any reliance placed on this action plan is done solely at the risk of the person placing such reliance. To the maximum extent permitted by applicable law and regulation, Nestlé disclaims all representations, warranties, conditions and guarantees, whether express, implied, statutory or of other kind, nor does it accept any duty to any person, in connection with this action plan. To the maximum extent permitted by applicable law and regulation, Nestlé shall not be liable for any loss, damage or expense whatsoever, whether direct or indirect, howsoever arising, whether in contract, tort (including negligence), strict liability or otherwise, for direct, indirect, incidental, consequential, punitive or special damages arising out of or in connection with this action plan, including (without limitation) any course of action taken on the basis of the same.



Nestlé Good food, Good life

Nestlé's Salient Issue Action Plan:

FORCED LABOR AND RESPONSIBLE RECRUITMENT

First published in February 2023.
Updated in January 2025.

[nestle.com/sustainability/humanrights](https://www.nestle.com/sustainability/humanrights)

This action plan is one of a series that forms part of our [Human Rights Framework and Roadmap](#). You can find all our action plans, which address Nestlé's salient issues, on our [dedicated human rights webpage](#).

These plans guide our due diligence approach and enable us to act as a force for good. They articulate our strategy for embedding, assessing, addressing and reporting on each salient issue, defining what we need to do across our value chain, as well as what collective action can be taken.

We harnessed the strengths and capacities of each Nestlé department to define the action areas we will focus on in the years to come, in consultation with external partners and stakeholders. With collaboration built into each action plan, we hope to spark new engagement and inspire collective action with peers, business partners, civil society, non-governmental organizations (NGOs) and governments. This way, we can work together to tackle the root causes of our salient issues and create positive impact at scale.

We want these action plans to be dynamic and reflect the evolution of stakeholders' expectations and of the contexts in which we operate. Input and feedback are welcome and can be sent to us by email: humanrights@nestle.com.

We will report on progress against the indicators identified in each action plan by the end of 2025.



¹ Nestlé throughout this document refers to the Nestlé Group.

EXECUTIVE SUMMARY

Definition of the issue

Forced labor is any work or service that is exacted from any person under threat of any penalty and for which that person has not offered themselves voluntarily.

Why it matters

More than 27 million people are estimated to be trapped in forced labor around the world, mostly in unregulated industries dependent on large numbers of manual laborers, such as agriculture. Forced labor is illegal and a grave human rights violation wherever it occurs. Nestlé can play an important role in helping address this issue. For example, we can use our influence to promote fair and equitable recruitment practices.

Geographical priority

Brazil, Colombia, Côte d'Ivoire, Ecuador, Egypt, Guatemala, Honduras, India, Indonesia, Malaysia, Mexico, Nigeria, Pakistan, Philippines, Thailand, Türkiye, United States and Vietnam



Key actions

- Strengthen Nestlé's commitments on forced labor and responsible recruitment in line with existing and emerging best practice
- Train relevant employees and staff on forced labor risks
- Strengthen direct suppliers' capacity to uphold Nestlé's requirements on forced labor and responsible recruitment as part of our Supplier Human Rights and Environmental Due Diligence (HREDD) Assurance Framework
- Engage and support prioritized direct suppliers in taking actions to address forced labor risks and impacts in their own operations and supply chain
- Identify and prioritize specific interventions addressing forced labor risks at national and subnational levels
- Engage in collaborative approaches to develop community-based or government-based grievance mechanisms

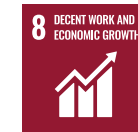
Value chain priority



We recognize the importance of listening to and consulting workers, local communities and farmers on issues that affect them. As we implement this action plan, we will identify and engage with them to strengthen our understanding of risk and the impact and sustainability of our actions.

Contribution to Sustainable Development Goals (SDGs)

The actions laid out in this action plan will contribute – directly and indirectly – to SDGs 8, 16 and 17.



BACKGROUND

What we are talking about

Forced labor is any work or service that is exacted from any person under threat of any penalty and for which that person has not offered themselves voluntarily. It can manifest itself as abuse of vulnerability, deception, restriction of movement, isolation, physical and sexual violence, intimidation and threats, retention of identity documents, withholding of wages, debt bondage, inhumane working and living conditions, and excessive overtime.ⁱ

Why it matters

According to the International Labour Organization (ILO), more than 27 million people globally are estimated to be trapped in forced labor in the private sector. Forced labor mostly occurs in unregulated industries dependent on large numbers of manual laborers, such as agriculture and other industries characterized by informality – for example, street vending and trash picking. Women are particularly vulnerable, as they are more likely to be coerced through wage non-payment and abuse of vulnerability. They are also more likely to be subjected to physical and sexual violence and threats against family members.ⁱⁱ

Forced labor does not typically conform to popular conceptions. While observable physical confinement is sometimes seen – from fishers kept on boats for months or years to harvesters restricted from leaving remote plantations – these situations are rare compared to the hidden norm of workers becoming locked into a spiral of debt or dependence that confines them and their families to situations of exploitation.ⁱⁱⁱ

Why this issue is relevant and important for us

Forced labor is illegal and a grave human rights violation wherever it occurs. The issue is complex, and an endemic risk in non-mechanized farming.

Preventing and mitigating the risk of forced labor in our operations and supply chains is a key element of a [just transition to a regenerative food system](#). To be successful, the transition to regenerative agriculture needs to take into account the potential risks and impacts on workers and drive equity throughout the value chain.

We seek to address forced labor risks by collaborating with workers and their organizations, governments, civil society, industry peers, suppliers and producers. This will involve using our influence and acting to protect workers in our operations or in our supply chains and enabling them to work freely and fairly, without deception or menace of penalty.

The challenges in addressing this issue

The root causes of forced labor are varied and often deeply engrained in historic ways of doing business. Poverty and the need for work are the main drivers of vulnerability for jobseekers. This may lead them to accept practices such as informal employment arrangements, end-of-season payments, piece-rate and in-kind payment schemes, and sharecropping, or to be exploited by recruiters with unethical practices. In some cases, workers are tricked into working for little or no money to repay a debt, a practice called bondage labor.

Indicators of forced labor, such as debt bondage, deceptive recruitment, forced overtime, low and withheld wages, degrading living conditions, limits on freedom to

terminate contracts, threats and violence, restrictions on freedom of movement, and retention of identity documents, are often hard to detect. This requires trust-building and in-depth conversations with workers, who are often the only people who can provide information about these issues. Confidential reporting mechanisms that reach the workers who are most at risk are rare. Adding to these challenges, in many agricultural sectors, workers often live and work on-site in relatively remote, isolated settings where they have multiple dependencies on their employers. This can make it hard for them to complain or convey information about unfree working conditions to monitors, due to fear of reprisals.

In addition, in countries that lack regulation or where government enforcement is weak, the use of forced labor may be perceived by employers or recruiters as a low-risk practice.^{iv} There are also a variety of legal gaps and employer practices that may obstruct workers' ability to organize and advocate for their rights. At the same time, budgets for effective preventative programming and social services for case management and remediation for victims are often lacking in countries where problems are most endemic.

NESTLÉ'S VISION AND APPROACH

Our vision and approach

Forced labor is an abhorrent, unacceptable practice. Across our own operations and business relationships, we aim to address forced labor risks and promote responsible recruitment practices. In high-risk landscapes, we will work to help address forced labor indicators and strengthen responsible recruitment practices. If we identify actual or potential risks of forced labor in our own operations, agricultural supply chains and other relevant parts of our value chain, we will take action to address those risks.

We believe that addressing the risk of forced labor in a holistic way is key to contributing to a fairer food system and a just transition.

To realize this vision, we will work on two complementary levels by:

1. Taking action in our raw materials and recycled packaging supply chains² to assess forced labor risks, address those risks and any adverse impacts, and monitor and report on activities and their outcomes.
2. Using leverage and collaboration, actively support collective engagement to address widespread, systemic forced labor issues and their root causes; in particular, unethical recruitment practices.

This approach builds on the work that has been done to date to assess and prioritize forced labor risks, develop, pilot and implement solutions to address those risks in our value chain, as well as help address root causes and systemic issues.

How we are currently addressing this issue

Forced labor and responsible recruitment are governed through the Human Resources Leadership Team and the ESG and Sustainability Council (see also the *Governance* section for this issue).

Nestlé has a long-standing commitment to address forced labor risks and promote responsible recruitment practices. This commitment is integrated in several of our policies:

- Our *Corporate Business Principles* state that we take action against any violations of human rights in our operations and value chain, with zero tolerance to child labor, forced labor and modern slavery.
- The *Nestlé Employee Relations Policy* provides a frame of reference for the collective relationships with trade unions and other employee representatives.
- Our Policy on Conditions of Work and Employment sets aspirational goals and minimum requirements regarding work arrangements and working conditions.
- Our *Responsible Sourcing Core Requirements* include requirements related to forced labor and responsible recruitment, such as not charging fees or costs to workers for a job.

We verify compliance with our policies through:

- Our *CARE audit program*, which covers all the Nestlé sites we operate in the world.
- Our *Sustainable Sourcing Program*, which covers our prioritized direct suppliers, as relevant.
- *Speak Up*, our grievance mechanism that provides Nestlé employees and external stakeholders with a dedicated, confidential communication channel for reporting non-compliance concerns, anonymously if they wish.

Through our Sustainable Sourcing Tier 1 program, we verify compliance with our Responsible Sourcing Core Requirements by our direct suppliers through independent audits that follow the *Sedex Members Ethical Trade Audit (SMETA) Best Practice Guidance*. These audits include requirements related to forced labor.

In addition to verifying compliance with our direct suppliers, we have identified that present higher human rights and environmental risks, as well as recycled materials for packaging purposes. For the raw materials, we also work closely with our direct suppliers and partners to conduct a

mapping of our upstream agricultural supply chains and carry out site assessments with partner organizations.

We also support different tools and programs that assess and address forced labor risks in our supply chain, including:

- The implementation of a confidential hotline and the piloting of broker certification in the Thai seafood sector.
- Sponsoring the development of an open-source due diligence toolkit for palm oil suppliers globally and seeding a third-party worker hotline in one of our palm oil supplier's plantations in Malaysia that enables workers to safely report on working conditions, recruitment, safety and other rights abuses.
- Providing training to coffee farmers and mills on forced labor indicators, and conduct independent monitoring of coffee farms during harvesting season in Mexico, Brazil, Vietnam and Honduras.
- Supporting sugarcane mills to implement responsible recruitment initiatives to address child and forced labor risks and improve health and safety conditions as well as living conditions in Mexico.

² These are the 14 raw materials under the scope of our *Sustainable Sourcing Program*: cereals and grains; cocoa; coconut; coffee; dairy; fish and seafood; hazelnuts; meat, poultry and eggs; palm oil; pulp and paper; soya; spices; sugar; and vegetables. In addition, recycled materials for packaging purpose were added to the scope of this action plan.

NESTLÉ'S ACTION PLAN (2023–2025)³

Embed: Policies and processes

Objectives

- Mainstream the topic of forced labor and responsible recruitment in our governance structure, policies and control systems.
- Clarify and strengthen Nestlé's commitments regarding forced labor and responsible recruitment in line with existing and emerging best practices, and in consultation with rights holders and stakeholders.

| Action | Scope |
|--|-------------------------|
| Governance, capacity building and incentives | |
| Leverage Nestlé Human Rights Community and Human Resources Leadership Team to foster cross-departmental exchange, coordination of efforts and alignment on approaches and objectives. | Global |
| Identify and train all relevant Nestlé employees and staff on forced labor risks and responsible recruitment practices to increase their participation in risk-prevention and mitigation decisions and activities. | Global |
| Develop specific training for Nestlé agronomists to raise their awareness on forced labor indicators. | Coffee, cocoa and dairy |
| Reflect the actions laid out in the action plan in relevant employees' objectives. | Global |
| Policies and control systems | |
| Review and update our public policies, commitments and standards on forced labor and responsible recruitment, including the <i>Nestlé Responsible Sourcing Core Requirements</i> , as needed. | Global |
| Review and, if needed, strengthen contractual clauses on responsible recruitment in the contracts with our temporary labor suppliers. | Global |
| Review and actively support the adoption of robust sector-level commitments on forced labor and responsible recruitment practices, as relevant. | Global |

³ Our action plan will be reviewed and updated as necessary as we increase our understanding of impacts and risks, and monitor the effectiveness of actions taken in delivering on our vision and approach.

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Assess: Our risk exposure

Prevention and mitigation of actual or potential forced labor risks and adverse impacts in our value chain starts with understanding the nature and scale of risks and impacts we may cause or contribute to through our own activities, or which may be directly linked to our operations or products by our business relationships.

Because our approach to forced labor due diligence is risk-based, the measures we take to prevent and mitigate forced labor risks and impacts need to be prioritized and commensurate with the severity and the likelihood that our activities or those of our suppliers and business partners will result in an adverse impact on people.

The lenses through which we assess forced labor risk

Our risk assessment approach comprises four interrelated lenses, each currently at varying levels of maturity. Through this approach, we seek to assess both *potential* and *actual* adverse human rights impacts. Our assessment approach therefore seeks to understand both future risks (in order to prevent and mitigate such risks) and present risks (that may need to be stopped and remediated).

We understand the value of using multiple tools to assess our exposure to forced labor issues and the importance of a dynamic system that periodically updates our understanding of risks and issues.

Informed by global datasets such as Verisk Maplecroft, assessments carried out by the Nestlé Sustainable Sourcing team for specific raw materials and information from stakeholders.

We generate a global-level overview of priority countries

We use this data to prioritize:

- 1 Countries for more granular assessments.
- 2 Business activities, direct suppliers and raw materials, for engagement.
- 3 Support to our relevant staff and suppliers.

Informed by subnational datasets, desk-based risk assessments, information from rights holders or their credible representatives, grievance information and data from our *Sustainable Sourcing Program* (e.g. landscape initiatives or site assessments).

We generate country- or location-specific risk information

We use this data to make decisions about where and what action to take at national, subnational, landscape or site levels within priority countries.

Informed by desk-based risk assessments, information from and consultations with rights holders or credible representatives, grievance information and data from our *Sustainable Sourcing Program* (e.g. landscape initiatives or site assessments).

We generate raw material- or business activity-specific risk information

We use this data to refine our list of priority countries for specific raw materials or business activities and to inform decisions about how and why to engage with sectoral actions, whether at global, country or regional levels.

Informed by our Supplier HREDD Assurance Framework, grievance information and site assessments.

We generate supplier-specific risk information

We use this data to prioritize suppliers for engagement or support based on the maturity of suppliers' systems for carrying out HREDD.

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Results of our initial global assessment for forced labor risks and issues

Based on global datasets, such as those provided by Verisk Maplecroft and the US Department of Labor (US DoL), information from stakeholders and raw material-specific risk assessments on forced labor and responsible recruitment, we have identified 19 priority countries for the 2023–2025 phase of this action plan (see list of priority countries). The following steps informed our prioritization of countries:

1. Identification of countries categorized as 'priority' for the combined results of the [Verisk Maplecroft's Forced Labor, Migrant Workers, Modern Slavery and Trafficking in Person indices](#) as well as [US DoL's list of goods produced by child labor or forced labor](#).
2. Analysis of the number of relevant raw materials under our [Sustainable Sourcing Program](#) and recycled materials that were at high or very high risk for forced labor⁴ and for which we source medium or high volumes from these countries. This provides us with the scale of the footprint Nestlé has in the countries categorized as 'priority'.
3. Addition of countries considered 'priority' in relation to one or more of the raw or recycled materials we source, for which we had information available.

⁴ Note that Verisk Maplecroft and the US DoL's list of goods produced by child labor or forced labor include risk data specific to raw materials.

Our list of priority countries does not imply that action will be limited to these countries. Although some of the actions we have listed in this plan (see [Address: Our priority actions](#) on page 9) will focus on priority countries, many of the actions are business-wide (e.g. deployment of forced labor-focused HREDD systems throughout our own operations) or raw material-wide (e.g. our Supplier HREDD Assurance Framework).

Priority countries

- Brazil
- Colombia
- Côte d'Ivoire
- Ecuador
- Egypt
- Guatemala
- Honduras
- India
- Indonesia
- Malaysia
- Mexico
- Nigeria
- Pakistan
- Philippines
- Thailand
- Türkiye
- United States
- Vietnam



NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Risk assessment going forward

As we are still improving our understanding of forced labor risks, there may be actual and potential adverse impacts on forced labor and responsible recruitment in countries not included in our priority list.

To this end, we will gradually improve the information we have through the following different risk lenses.

| Lens | Actions |
|---|---|
| Global-level overview of priority countries | <ul style="list-style-type: none">• Refine the existing global risk assessment methodology with additional external and internal sources of data and information. |
| Country- or location-specific risk information | <ul style="list-style-type: none">• Further improve our understanding of risks on the ground, including through rapid appraisal research and regional stakeholder consultations in priority countries, including rights holders and their representatives.• Use grievance and landscape information to inform our understanding of country- and location-specific risk.• Explore how to support community-based monitoring, reporting and verification of social and environmental impacts in high-risk landscapes. |
| Raw material- or business activity-specific risk information | <ul style="list-style-type: none">• Further improve the level of traceability of raw materials in scope for this action plan.• Map where there is a high prevalence of migrant and seasonal workers in our supply chains.• Expand our assessment of risk to include our temporary labor suppliers and our waste management activities. |
| Supplier-specific risk information | <ul style="list-style-type: none">• Assess the temporary labor suppliers used for our own operations in priority countries against the IRIS Standard or equivalent assessment.• Use information gathered through our Supplier HREDD Assurance Framework to better understand direct suppliers' risks related to forced labor and responsible recruitment and prioritize those we need to engage and support.• Use direct suppliers' links to forced labor grievances to better understand supplier-specific risk. |

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Address: Our priority actions

Nestlé: Taking action within our value chain

Our actions will focus on different levels of our value chain:

- **Our own operations**, where we will address forced labor risks and potential unethical recruitment practices of the labor recruitment suppliers we work with for our temporary workforce.
- **Our agricultural and recycled materials supply chains**, which have been identified as the area of highest forced labor risk and impact. We will work with our direct suppliers to ensure they are also committed to addressing forced labor risks in their own operations and supply chains, and that they have the adequate Human Rights Due Diligence (HRDD) systems in place.

Own operations

Objective

Establish and deploy forced labor-focused HRDD systems in our own operations using the tools developed by the [Consumer Goods Forum's Human Rights – Working to End Forced Labour Coalition](#).

Action

Complete HRDD self-assessments and develop action plans for identified functions in own operations in two pilot countries.

Scope

Brazil and Malaysia

Scale up learnings from pilot countries to establish and deploy forced labor-focused HRDD systems throughout our own operations.

Global



NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Supply chains

Objectives

- Engage direct suppliers on Nestlé's requirements on forced labor and responsible recruitment as part of our Supplier HREDD Assurance Framework.
- Engage and support prioritized direct suppliers in taking actions to address forced labor risks and impacts in their operations and supply chains.
- Effectively use and help strengthen voluntary certification as a tool for suppliers to demonstrate the assessment, mitigation, remediation and monitoring of forced labor and responsible recruitment issues.

Action

Scope

Strengthen supplier engagement and capacity building

Engage and support temporary labor suppliers prioritized through the IRIS Standard assessment or equivalent assessment on improving practices and addressing risks, impacts and grievances on forced labor and responsible recruitment (e.g. action plan development or capacity building).

Priority suppliers

Engage and support direct suppliers prioritized through our Supplier HREDD Assurance Framework process on improving practices and addressing risks, impacts and grievances on forced labor and responsible recruitment (e.g. action plan development, capacity building, project co-funding).

Priority suppliers

Through our direct suppliers, engage and support indirect/upstream suppliers on respecting forced labor human rights and responsible recruitment at production level. Examples include:

Priority suppliers

- Expand trainings on forced labor indicators to coffee farmers and mills supplying Nescafé and conduct independent monitoring of farms in Colombia and Indonesia.
- Develop more targeted support for our direct palm oil suppliers to strengthen their own management systems to tackle forced labor risks at refinery level, starting in Indonesia and Malaysia.
- Assess our seafood suppliers' HRDD systems.

Review and help strengthen relevant certification and verification schemes

Review to what level different certification and verification schemes can provide assurance that forced labor risks have been prevented or mitigated and responsible recruitment practices have been respected.

Relevant raw materials

Contribute to strengthening certification schemes already used by certain raw materials as part of our sustainable sourcing strategy for these raw materials.

Relevant raw materials

Review findings to inform raw materials' sourcing strategies (e.g. increasing certified volumes if it is determined to have a positive impact on mitigating or preventing forced labor risks).

Relevant raw materials

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Collective action: Helping tackle root causes with relevant stakeholders

Many of the issues and challenges around forced labor and responsible recruitment are complex and linked to a wide range of factors (as outlined in *The challenges in addressing this issue* section on [page 3](#)) that cannot be addressed by Nestlé on our own.

Tackling these issues and their root causes requires collaboration between many different stakeholders, including workers and their representatives, companies, governments, and multilateral, non-governmental and civil society organizations. We are, therefore, committed to collaborating with rights holders and stakeholders both in specific landscapes in production countries as well as at global and sectoral levels to promote and help strengthen workers' rights to decent work.

Production country and on-the-ground initiatives

Objective

Strengthen the way we address forced labor risks and promote responsible recruitment in production areas.

Action

Identify and prioritize specific interventions to address forced labor risks and promote responsible recruitment at national and subnational levels where the raw materials we source are produced by:

- Leveraging, where relevant, our existing landscape initiatives to address forced labor risks and promote responsible recruitment practices.
- Supporting sectoral-, landscape- or jurisdictional-level initiatives that aim to address the systemic causes of forced labor risks for migrant or seasonal workers.
- Engaging in policy dialogue at national or regional levels.

Scope

Priority countries

Support collaborative pilots to address forced labor risks in our cocoa supply chain.

Côte d'Ivoire

Assess the effectiveness of existing projects and initiatives addressing forced labor risks and promoting responsible recruitment to identify and scale up best practices.

Priority countries

Global and sectoral collaboration and advocacy

Objectives

- Raise awareness of, and advocate for, responsible recruitment practices within the sectors Nestlé is involved in.
- Collaborate with peers and stakeholders at global and sector levels to address systemic issues of forced labor and develop common approaches to the development of responsible recruitment markets.

Action

Participate in collaborative initiatives that are developing common approaches and tools to remediate forced labor issues, including repayment of worker recruitment fees and certification of recruitment agencies (see *Key partners* section on [page 15](#)).

Scope

Global

Engage with the global recruitment sector to promote uptake of responsible recruitment practices through collaborative initiatives (see *Key partners* section on [page 15](#)).

Global

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Grievance mechanisms

Objectives

- Support access to remedy via safe and effective grievance mechanisms for our employees and workers affected by forced labor.
- Address forced labor grievances and help remediate such grievances when relevant.

| Action | Scope |
|---|--------------------|
| Ensure our employees and workers potentially affected by our operations can raise grievances and have access to remedy, including through Speak Up (Nestlé's grievance mechanism). | Global |
| Ask direct suppliers to have grievance mechanisms and management systems in place. | Global |
| Ensure workers can raise grievances and have access to remedy in the landscape/jurisdictional initiatives and on-the-ground projects of which we are a part. | Global |
| Engage in collaborative approaches to manage and address grievances at sector-wide level, including supporting the development of common tools and approaches for identifying and engaging suppliers on grievances. | Priority countries |
| Engage in collaborative approaches to develop community-based or government-based grievance mechanisms for use within our supply chains and on-the-ground projects (e.g. landscapes) | Priority countries |
| Engage in collaborative approaches to develop protocols to assist vulnerable workers (e.g. referrals to local services when needed). | Priority countries |
| Assess effectiveness of existing external grievance mechanisms we are supporting to identify and scale up best practices. | Priority countries |

Monitor and report on indicators, overall performance and challenges

We are committed to transparently communicating our progress on implementing this action plan, as well as sharing our learnings and the challenges we face.

We will publicly report on the following indicators in relation to this action plan by the end of 2025.

Cross-cutting indicators:

1. Audit performance

- Number of material non-conformities related to forced labor identified through third-party audits of our own operations and addressed.
- Number of material non-conformities related to forced labor identified through third-party audits of our direct suppliers and addressed.

2. Grievance mechanism performance

- Number of material grievances received through Speak Up related to forced labor, of which number of material grievances substantiated and addressed.
- Number of material grievances received through other channels related to forced labor, of which number of material grievances under investigation and number addressed.

3. Sustainable sourcing

- Number of direct suppliers with mature Human Rights and Environmental Due Diligence (HREDD) systems.
- Percentage of volumes of key ingredients produced sustainably.

4. Impact on people

- Number of cases employees, on-site contractors and workers in our supply chains benefited from our interventions on forced labor and responsible recruitment.

Issue-specific indicator:

- To be defined, approved and released in 2025.

As we progress toward implementation of this plan, we will develop more impact-focused indicators.

CONNECTION WITH OTHER SALIENT ISSUE ACTION PLANS

Forced labor indicators, including debt bondage, deceptive recruitment, forced overtime, low and withheld wages, degrading living conditions, threats and violence, or restrictions on freedom of movement, are closely interconnected to other human rights risks. As such, forced labor is intrinsically linked to several of our salient issue action plans, in particular:

| | |
|---|---|
| Child labor and access to education | Forced labor and child labor are closely linked. They often occur in the same geographical areas and the same industries, and are mainly caused by poverty. Of all those in forced labor, 12% are children. |
| Freedom of association and collective bargaining | Freedom of association and collective bargaining are enabling rights, allowing workers and their representatives to negotiate for better working conditions. Often, however, vulnerable workers, like migrants or casual workers, are refused the right to form unions. |
| Living income and living wage | Workers living in poverty are more likely to experience forced labor. Without a living wage, workers may be compelled to work excessive overtime hours or multiple jobs, or fall into bonded labor. |
| Safety and health at work | Migrant and casual workers, including piece-rate workers and seasonal workers, are more likely to be employed through informal arrangements and lack access to national social security and public health services. The lack of formal work contracts may also lead to illegal deductions from workers' salaries for Personal Protective Equipment (PPE). |
| Gender equity, non-discrimination and non-harassment | Paying particular attention to women is essential, as women are more likely to be coerced through wage non-payment and abuse of vulnerability. They are also more likely to be subjected to physical and sexual violence and threats against family members. |

CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS (SDGs)

The actions laid out in this action plan will contribute – directly or indirectly – to SDGs 8, 16 and 17 as follows:

Goal



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Target 8.5: By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.

Target 8.7: Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms.

Target 8.8: Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.



Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

Target 16.3: Promote the rule of law at the national and international levels and ensure equal access to justice for all.



Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development

Target 17.17: Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships.

GOVERNANCE FOR THIS ISSUE

Nestlé Executive Board

Approves this action plan.

Nestlé Human Resources Leadership Team

Provides strategic leadership and execution support on the topic of forced labor and responsible recruitment in relation to our own operations.

Nestlé ESG and Sustainability Council

Provides strategic leadership and execution support on this topic in relation to our supply chain.

Nestlé Advocacy Coordination Group

Provides strategic leadership and execution on the engagement and advocacy strategy related to this action plan.

The Nestlé Employee Relations Team

Is responsible for the implementation of the action plan in our own operations.

Nestlé ESG Climate and Sustainable Sourcing Workstream, the Nestlé ESG Packaging Workstream, the Nescafé Plan Council and the Nestlé Cocoa Plan Council

Are responsible for the implementation of the action plan in our supply chains.

Nestlé Human Rights Community

Leads the human rights agenda throughout the company. It coordinates the implementation of *Nestlé's Human Rights Framework and Roadmap* throughout the value chain. Finally, it monitors the implementation of the framework and roadmap, and the efficiency of the program.

Nestlé Markets

Support the implementation of this action plan in relation to our country operations, in alignment with the global team.

KEY PARTNERS

Main global implementing partners

| Partner | Activities |
|--|--|
| Earthworm Foundation | <ul style="list-style-type: none">• Implementation of landscape initiatives we support as well as interventions within our supply chains that help address forced labor risks and promote responsible recruitment.• Development of industry-wide due diligence tools we support. |
| Fair Labor Association (FLA) | <ul style="list-style-type: none">• Assessment of our programs to address forced labor indicators and other human rights risks in cocoa, coffee and hazelnuts. |
| International Labour Organization (ILO) | <ul style="list-style-type: none">• Provides technical support for our capacity-building programs aimed at helping improve living and working conditions for coffee growers and workers in our supply chain in Vietnam and contribute to the elimination of unacceptable forms of work. |
| Proforest | <ul style="list-style-type: none">• Implementation of landscape initiatives we support and collaborative initiatives that help address forced labor risks and promote responsible recruitment.• Implementation of our commitment within our agricultural supply chains, including through risk assessment, supplier engagement and capacity building. |
| Verité | <ul style="list-style-type: none">• Provision of research and technical assistance to help address forced labor risks and promote responsible recruitment in our seafood, palm oil, coffee, and cocoa supply chains. |

KEY PARTNERS CONTINUED

Main industry and multi-stakeholder collaborations

| Platform | Workstreams | Nestlé's involvement |
|---|---|---|
| Consumer Goods Forum's Human Rights – Working to End Forced Labour Coalition | Own operations | We actively participate in this working group, which aims to align action on the development and expansion of HRDD coverage among Coalition members' own operations through the creation of a set of common guidelines and approaches, as well as through sharing key challenges and good practices. |
| | People Positive Palm Project | We support this project that aims to foster collective action and advocacy on forced labor risks in the palm oil industry in Malaysia, including understanding, addressing and preventing recruitment fees, with the support of the Fair Labour Association (FLA), the International Organization for Migration (IOM) and The Remedy Project. |
| International Cocoa Initiative (ICI) | | We participate in their collaborative pilots to address forced labor risks in the cocoa sector in Côte d'Ivoire. |
| FLA's Harvesting the Future | | We participate in this multi-sector, multi-stakeholder and multi-geography initiative in Türkiye, which aims to collaborate on labor migration, child protection and responsible recruitment. |
| Global Coffee Platform | Collective Action Initiative on Social Well-Being | We participate in this initiative that aims, among other objectives, to improve living and working conditions for coffee growers and workers and contribute to the elimination of unacceptable social practices at farm level. |
| IHRB Leadership Group for Responsible Recruitment | Action Group – The Global Recruitment Industry | We actively participate in this multi-stakeholder group that aims to promote a responsible recruitment market. |
| InPacto | Pacto Setorial para Sustentabilidade do Café | We are members of this initiative that seeks to address forced labor risks and promote decent working conditions in Brazil. |
| Palm Oil Collaboration Group (POCG) | Social Issues Working Group | We actively participate in this working group that fosters collaboration to address human rights issues on the ground. |
| Seafood Task Force | | We actively participate in the Seafood Task Force to assess and address recruitment practices by sending labor brokers in neighboring nations and receiving labor brokers in Thailand. |
| Verité's COFFEE project | | <ul style="list-style-type: none"> We participate in this multi-stakeholder initiative that aims to improve labor conditions in the coffee sector by developing tools and training modules and implementing pilot projects in Brazil, Colombia and Mexico. We have contributed to a pilot project in Mexico, focused on building key stakeholders' capacity to identify and address labor issues, including forced labor. |

REFERENCES

- i [What is forced labour, modern slavery and human trafficking \(Forced labour, modern slavery and human trafficking\) \(ilo.org\)](#)
- ii [The exploitation of adolescent girls and young women in modern slavery: Evidence for action \(Plan International\)](#)
- iii [Forced labour, modern slavery and human trafficking \(Forced labour, modern slavery and human trafficking\) \(ilo.org\)](#)
- iv [ICCR: Best Practice Guidance on Ethical Recruitment of Migrant Workers \(business-humanrights.org\)](#)

Disclaimer

This action plan is dynamic by essence and subject to change. Any reliance placed on this action plan is done solely at the risk of the person placing such reliance. To the maximum extent permitted by applicable law and regulation, Nestlé disclaims all representations, warranties, conditions and guarantees, whether express, implied, statutory or of other kind, nor does it accept any duty to any person, in connection with this action plan. To the maximum extent permitted by applicable law and regulation, Nestlé shall not be liable for any loss, damage or expense whatsoever, whether direct or indirect, howsoever arising, whether in contract, tort (including negligence), strict liability or otherwise, for direct, indirect, incidental, consequential, punitive or special damages arising out of or in connection with this action plan, including (without limitation) any course of action taken on the basis of the same.



Nestlé Good food, Good life

Nestlé's Salient Issue Action Plan:

LIVING INCOME

First published in February 2023.
Updated in January 2025.

[nestle.com/sustainability/humanrights](https://www.nestle.com/sustainability/humanrights)

This action plan is one of a series that forms part of our [Human Rights Framework and Roadmap](#). You can find all our action plans, which address Nestlé's salient issues, on our [dedicated human rights webpage](#).

These plans guide our due diligence approach and enable us to act as a force for good. They articulate our strategy for embedding, assessing, addressing and reporting on each salient issue, defining what we need to do across our value chain, as well as what collective action can be taken.

We harnessed the strengths and capacities of each Nestlé department to define the action areas we will focus on in the years to come, in consultation with external partners and stakeholders. With collaboration built into each action plan, we hope to spark new engagement and inspire collective action with peers, business partners, civil society, non-governmental organizations (NGOs) and governments. This way, we can work together to tackle the root causes of our salient issues and create positive impact at scale.

We want these action plans to be dynamic and reflect the evolution of stakeholders' expectations and of the contexts in which we operate. Input and feedback are welcome and can be sent to us by email: humanrights@nestle.com.

We will report on progress against the indicators identified in each action plan by the end of 2025.



¹ Nestlé throughout this document refers to the Nestlé Group.

EXECUTIVE SUMMARY

Definition of the issue

Living income defines the net income a household needs to earn in order to enable all members of the household to afford a dignified and decent standard of living, including basic needs (food, water, housing, education, health care, transportation, clothing, other essential needs and a provision for unexpected events).¹

Why it matters

Globally, approximately 500 million smallholder farmers (85% of the world's total farmers) produce raw materials that they sell through formal and informal markets, and which end up in local and global supply chains. Living income is key for farmer investment, yet globally, smallholder farmers have difficulty earning a living income. Many of Nestlé's commitments rely on progress at the farm and community levels, and as such we rely on farming households to help fulfill our commitments. The ability of farming households to earn a living income is an important outcome in and of itself, but it is

also a critical driver of our plans to support and accelerate the transition to a regenerative food system that is just and fair.

Key actions

- Strengthen our risk assessment approach
- Implement dedicated living income programs in cocoa, coffee and dairy as priority raw materials for this action plan

- Align our approach to living income across priority raw materials
- Collaborate with peers and stakeholders to help address systemic issues and develop common approaches and tools for supporting a living income
- Raise awareness of and advocate for a living income within the sectors Nestlé is involved in, starting with priority raw materials

Contribution to Sustainable Development Goals (SDGs)

The actions laid out in this action plan will contribute – directly and indirectly – to SDGs 1, 2, 10 and 17.



Value chain priority



We recognize the importance of listening to and consulting workers, local communities and farmers on issues that affect them. As we implement this action plan, we will identify and engage with them to strengthen our understanding of risk and the impact and sustainability of our actions.

Geographical priority

Colombia, Côte d'Ivoire, Ethiopia, Ghana, Guatemala, Honduras, India, Indonesia, Kenya, Mexico, Peru, Sri Lanka and Uganda



BACKGROUND

What we are talking about

A living income is the benchmark income level that allows people to enjoy a decent standard of living as stated in Article 25 of the Universal Declaration of Human Rights (UDHR).

It defines the net income a household needs to earn in order to enable all members of the household to afford a dignified and decent standard of living.ⁱ This includes basic needs (food, water, housing, education, health care, transportation, clothing and other essential needs).ⁱⁱ

Living income has gained considerable traction across the food and beverage industry. It is increasingly recognized by donors, industry, researchers and civil society as a credible and

The difference between living income and living wage

“The concepts of living wage and living income are both about achieving a decent standard of living for households. The idea of a living wage, however, is applied in the context of hired workers (in factories, on farms, etc.), whereas living income is discussed in the context of any income earner, such as self-employed farmers.”ⁱⁱⁱ

Living income is used in agriculture to consider decent standards of living for farmers’ households, particularly smallholder farmers.

practical framework to address the incomes of smallholder farmers.^{iv}

Living wage, a separate but related topic based on a worker’s ability to afford a decent standard of living, has its own [Living wage salient issue action plan](#).

Why it matters

Globally, there are approximately 500 million smallholder farmers (85% of the world’s total farmers),^v many of whom have difficulty earning a living income. A large number of these smallholder farming households produce raw materials – cocoa, coffee, milk, hazelnuts, palm oil, etc. – selling through formal and informal markets into local and global supply chains, often in developing areas of Africa, Asia and Latin America.^{vi}

Today, as many as 24 million small-scale farming households may be living in poverty.^{vii} They all face immense challenges, including widespread rural poverty, increasing climate risks and a lack of access to financial services and basic infrastructure like water, health care and adequate food and education.^{viii} This lack of access, in turn, affects those households’ children, as they are challenged with learning difficulties, poor health, lower productivity and lower earnings over their lifetime.^{ix} There is also a strong link between poverty and child labor that encourages a cycle of poverty across generations as children are kept out of school, minimizing their likelihood to break out of poverty through education.^x

Why this issue is relevant and important for us

Poverty is one of the root causes of numerous social and environmental challenges such as child labor and deforestation.^{xi} Many of Nestlé’s commitments rely on progress at the farm and community levels, and as such we rely on farming households to help fulfill our commitments. Farming households’ ability to earn a living income is an important outcome in and of itself. It is also a critical driver of our plans to support and accelerate the transition to a regenerative food system that is just and fair.

Living income is key for farmer investment. Nestlé is committed to accelerating the shift to a regenerative food system by helping to improve the livelihoods, resilience and well-being of communities wherever we have a business presence, and to help to protect, renew and restore our environment through regenerative practices. This includes supporting improved and diversified farmer incomes through our sustainability programs.^{xii} Nestlé’s work on living income is at the heart of our [plans to support and accelerate regenerative food systems at scale](#), as farming households that reach a living income are able to save money to become more resilient and improve their livelihoods. Farming households that are able to consistently achieve a decent standard of living are also more willing and able to invest in regenerative agriculture practices that we know are critical to protecting, renewing and restoring the environment.^{xiii}

Living income work is a critical accelerator in our efforts to address the risk of child labor, as poverty is linked with child labor.^{xiv} Living income is also key to attracting the next generation of farmers. Right now, we see young people leaving farming altogether to find other forms of work. We know that in order to build a regenerative food system, we will need to attract and train the next generation of farmers. To make this a success, it must be paired with a farming system that is economically attractive to the next generation, enabling them to earn a living income and invest in the future.

The challenges in addressing this issue

Farming households’ ability to earn a living income is dependent on a number of fundamental drivers: land size, volume of raw material produced, the cost of production of the raw material, the price at which the raw material is sold and any other income the farming household earns. Persistent challenges related to many of these drivers make earning a living income difficult and complex.^{xv, xvi}

These drivers are interlinked and make smallholder farmers particularly vulnerable to shocks. For instance, many farming households enter into a cycle of poverty when a climate shock (drought/flood, pest and disease) or financial shock (drop in price, rise in cost of production or lack of market to sell a raw material) cause households to

BACKGROUND CONTINUED

underinvest in their farms, driving down productivity (and total volume), lowering income and making households even more risk averse to farm investment.

In coffee and cocoa in particular, this is compounded by aging tree stock that calls for renovation (i.e. replacement with new planting material or stumping – cutting down the tree to produce new growth).^{xvii}

Poverty is multi-dimensional, and emerging economy governments can struggle to fund and sustain adequate social services to address other dimensions of poverty: health, education, living standards, etc. They may also lack the infrastructure for competitive agriculture. Often, these issues are major impediments to the farmers realizing their earning potential, and in many cases, such challenges are beyond Nestlé's ability to address on its own. In this light, it is important for us to continue to work with governments to advocate for good conditions that enable efficient farming, such as land tenure, rural development, and sector management and enforcement, as well as with development organizations to help fill gaps where necessary in areas like education, health and access to clean water.^{xviii}

NESTLÉ'S VISION AND APPROACH

Our vision and approach

Nestlé aims to improve the livelihoods of farming families in our supply chain, by helping them close the living income gap and become more resilient and enabled to invest in regenerative agricultural practices that will be more appealing to the next generation of farmers.

We are committed to supporting improved and diversified farmer incomes through our sustainability programs. Furthermore, we aim to implement new living income programs for farmers in our value chain to make farming more attractive.

We will initially focus this action plan on our cocoa, coffee and dairy supply chains. With a network of agronomists and technical teams already helping farmers who produce those raw materials in producing countries, as well as the prevalence of direct sourcing and strong direct supplier relationships, cocoa, coffee and dairy hold strong promise for impactful living income engagement.

Within these supply chains, Nestlé will design interventions to address the social and economic challenges to reaching a living income by supporting farming households as they invest in maximizing farm efficiency, adopting regenerative agriculture practices and diversifying their sources of income. Meanwhile, Nestlé will partner with other key stakeholders to improve the enabling environment for efficient and profitable farming in key sourcing regions.

These efforts, paired with rigorous monitoring, aim to help us understand the living income gap and how to support improved livelihoods of farming families.

Over the years, and based on increased understanding and learning, our livelihoods programs have become more robust, including a sharper focus on farming households' ability to earn a living income and a clearer impact target. This action plan can be considered a continuation of prior work with two important differences:

1. A change in perspective from farm economics to farming household income.

Past programs have focused largely on improving productivity and lowering cost of production, as well as ensuring farming households have a range of income-generating activities. A living income approach takes this one step further by collecting data to understand how farm economics variables – including the price received at farmgate – add up to the net income from the raw material and ultimately to the net household income by incorporating other on-farm income, off-farm income and any other income generated over the course of the year. This approach includes full consideration for both male and female earners in farming households to understand their different constraints, preferences and decision-making power.

2. **Incorporation of a meaningful income target.** The second difference is the use of the living income benchmark, which puts the households' financial picture in context. The benchmark allows us to compare net household income to what a farming household would need to earn in order to afford a decent standard of living in a given year and therefore provides a specific target. Interventions can then be designed accordingly.

How we are currently addressing this issue

Living income is governed through the ESG and Sustainability Council, as well dedicated governance structures built within specific brands' and business units' programs, such as the *Nestlé Cocoa Plan* for cocoa, the *Nespresso AAA Sustainable Quality™ Program* and the *Nescafé Plan* for coffee, and *Farmer Connect* for dairy (see also the *Governance* section for this issue).

Nestlé has a long history of smallholder livelihood interventions, particularly in cocoa, coffee and dairy. These have mostly focused on improving on-farm management through extension services and farm economics across a variety of levers. This forms an important foundation for our living income work going forward.

Cocoa: Since 2009, *Nestlé Cocoa Plan* has trained and certified 100 000 farmers, supporting improved farming to increase their incomes. The program has three pillars of action: better farming to improve yields and incomes and prevent deforestation; better lives to improve social conditions and tackle child labor risk; and better cocoa to create a transparent and traceable supply chain built on long-term relationships.

The program also aims to maximize household income by supporting income diversification. This work continues and is accelerated through the *Income Accelerator Program* that we launched in January 2022.

Coffee: For 20 years, *Nespresso's AAA Sustainable Quality Program* has aimed to ensure the continued supply of high-quality coffee while improving the livelihoods of farmers and their communities, and protecting the environment.

Nespresso's living income strategy draws on its long-term relationships and knowledge of the different types of farmers we work with. It also combines investment in productivity, quality, efficiency and long-term trading relationships with premium prices to ensure that a smart mix of interventions works together to maximize farmers' incomes and assets. Furthermore, *Nespresso* is addressing systemic causes of diminished incomes – including creating greater environmental resilience to climate change at the farm level, improving access to social services and reviving economic opportunities in the community – underpinned by the fundamental respect of human rights.

For over 10 years, *Nescafé* has implemented the *Nescafé Plan* to buy responsibly sourced coffee from over 20 countries, delivering more than 900 000 farmer trainings, empowering 10 000 women and young farmers, and distributing 250 million high-yielding and disease-resistant coffee plantlets. Our *Nescafé Plan 2030* builds on these foundations toward an integrated approach that uses regenerative agriculture to deliver multiple impacts simultaneously: reduce greenhouse gas emissions, improve farmers' income and create better social conditions. The *Nescafé Plan 2030* will track the income progression of the farmers participating in field programs as a critical success factor. Farmers' incomes will be benchmarked against living income levels to create a measurable pathway.

Dairy: Through the *Dairy for You* program, Nestlé works with over 200 000 dairy farmers in 27 countries to continuously improve local production systems that enhance farmers' livelihoods and animal welfare. This includes farmer training in direct milk sourcing operations, which focuses on practices that optimize productivity and improve incomes.

Accompanying this program, Nestlé Dairy offers support to hundreds of thousands of smallholder dairy farmers in emerging economies to professionalize and grow into medium or large-scale farms. To do this, Nestlé uses a data-driven analysis of the current state of farms that helps to uncover the interventions needed to improve efficiency to the point where farms become economically viable. The company then supports farmers with implementation of their plan. Nestlé has rolled out this model with success in China, Pakistan, India and Colombia, and plans to continue this support as it ladders up its farm economics model to include total household income in comparison to the living income benchmark.

NESTLÉ'S ACTION PLAN (2023–2025)²

Embed: Policies and processes

Objectives

- Mainstream living income in our governance and incentives' structure.
- Clarify and strengthen Nestlé's commitments on living income in line with existing and emerging best practices, and in consultation with rights holders and stakeholders.

Action

Scope

Governance, capacity-building and incentives

| | |
|---|--------|
| Leverage Nestlé's ESG and Sustainability Council and related bodies, as well as our Human Rights Community to foster cross-departmental exchange. | Global |
|---|--------|

| | |
|---|--------|
| Identify and train all relevant employees and staff on living income. | Global |
|---|--------|

| | |
|--|--------|
| Reflect the actions laid out in the action plan in relevant employees' objectives. | Global |
|--|--------|

Policies and control systems

| | |
|--|--------|
| Review and update our <i>Responsible Sourcing Core Requirements</i> on living income, as needed. | Global |
|--|--------|

| | |
|---|--------|
| Review and support emerging sector-level commitments on living income, as relevant. | Global |
|---|--------|

² Our action plan will be reviewed and updated as necessary as we increase our understanding of impacts and risks, and monitor the effectiveness of actions taken in delivering on our vision and approach.



NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Assess: Our risk exposure

While living income gap analysis can identify risk hotspots in the supply chain, it often falls short in singularly providing a list of priority regions for action. Because our approach to living income due diligence is risk-based, the measures we take to prevent and mitigate risks and impacts need to be prioritized as well as be commensurate with the severity and likelihood that our activities or those of our suppliers and business partners will result in an adverse impact on people. For the purpose of this action plan, this has been combined with other considerations such as farm size, materiality and impact (see [page 8](#)).

The lenses through which we assess living income gaps

Our risk assessment approach for this issue comprises three interrelated lenses, each currently at varying levels of maturity. Through this approach, we seek to assess both *potential* and *actual* living income gaps. Our assessment approach therefore seeks to understand both future risks (in order to prevent and mitigate such risks) and present risks (that may need to be stopped and remediated).

We understand the value of using multiple tools to assess our exposure to living income gaps and the importance of a dynamic system that periodically updates our understanding of risks and issues.

Informed by global datasets such as Verisk Maplecroft, assessments carried out by the Nestlé Sustainable Sourcing team for specific raw materials and information from stakeholders.

We generate a global-level overview of priority countries

We use this data to prioritize:

- 1 Countries for more granular assessments.
- 2 Business activities, direct suppliers and raw materials, for engagement.
- 3 Support to our relevant staff and suppliers.

Informed by subnational datasets, desk-based risk assessments, information from rights holders or their credible representatives, grievance information, data from our *Sustainable Sourcing Program* (e.g. landscape initiatives or site assessments) and living income benchmarks.

We generate country- or location-specific risk information

We use this data to make decisions about where and what action to take at national, subnational, landscape or site levels within priority countries.

Informed by desk-based risk assessments, information from and consultations with rightsholders or credible representatives, grievance information and data from our *Sustainable Sourcing Program* (e.g. landscape initiatives or site assessments) living income benchmarks.

We generate raw material- or business activity-specific risk information

We use this data to refine our list of priority countries for specific raw materials or business activities and to inform decisions about how and why to engage with sectoral actions, whether at global, country or regional levels.

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Results of our initial global assessment for living income gaps

Based on global datasets, such as Verisk Maplecroft data, information from stakeholders and raw material-specific risk assessments on living income gaps, we have identified 13 priority countries for this 2023–2025 phase of the action plan.

The following criteria informed the prioritization of countries:

- **Farm size:** In many supply chains, the number of farmers whose incomes are below the living income correlates with the prevalence of small-scale farmers (often less profitable) versus larger farms (typically more profitable), or to the level of farming efficiency. For example, in the *Nescafé Plan 2030* strategy, Côte d'Ivoire and Indonesia are prioritized over Brazil and Vietnam for living income actions in large part due to the prevalence of large-scale plantations in Brazil and efficient small-scale farms in Vietnam.

- **Materiality assessment:** Where living income gaps are found, we asked ourselves how important a sourcing geography or particular supplier is to a business's overall sourcing program – by volume, total spend or any other relevant metric. As an example, the *Income Accelerator Program* focuses on Côte d'Ivoire because the country represents close to 50% of Nestlé's cocoa sourcing volume.
- **Impact evaluation:** We identified opportunities to create the most impact. These could correlate with practices that are relatively easy to change on farms to increase productivity and efficiency, such as a particularly close relationship with a supplier who can partner on initiatives, Nestlé staff presence on the ground, enabling local government policy and infrastructure, etc.

Our list of priority countries does not imply that action will be limited to these countries. Although some of the actions we have listed in this plan (see *Address: Our priority actions*) will focus on priority countries, many of the actions are raw material-wide (e.g. our Supplier HREDD Assurance Framework).

Priority countries

| | |
|---------------|---|
| Cocoa | As the next stage in its <i>Cocoa Plan</i> , Nestlé has prioritized Côte d'Ivoire for its <i>Income Accelerator Program</i> , where 10 000 households are being targeted, before expanding to Ghana and then to the entire portfolio of sourcing origins where relevant – estimated at a total of 160 000 households. |
| Coffee | The Nescafé business has prioritized Côte d'Ivoire, Indonesia and Mexico for its first living income pilots, with Colombia and Honduras to follow. The Nespresso business has prioritized Colombia and Ethiopia , for its first living income pilots, with Kenya, Guatemala and Peru to follow. |
| Dairy | Building on previous work done on farm economics, the Nestlé Dairy category's interventions will focus on India, Sri Lanka and Peru , and ultimately include all countries we source from. |

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Risk assessment going forward

As we are still improving our understanding of living income gaps, there may be actual and potential gaps in countries not included in our priority list. To this end, we will gradually improve the information we have through the following different risk lenses:

| Lens | Actions |
|---|--|
| Global-level overview of priority countries | <ul style="list-style-type: none">• Refine the existing global risk assessment methodology with additional external and internal sources of data and information. |
| Country- or location-specific risk information | <ul style="list-style-type: none">• Further improve our understanding of risks on the ground, including through rapid appraisal research and regional stakeholder consultations in priority countries – with, among others, rights holders and their representatives – as well as grievance mechanisms and landscape information.• Use grievance and landscape information to inform our understanding of country- and location-specific risk.• Explore how to support community-based monitoring, reporting and verification of social and environmental impacts in high-risk landscapes. |
| Raw material-specific risk information | <ul style="list-style-type: none">• Further improve the level of traceability of raw materials in scope for this action plan. |



NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Address: Our priority actions

Nestlé: Taking action within our value chain

With many years of livelihoods actions to build on, the next phase of interventions in our cocoa, coffee and dairy supply chains will focus on reframing the existing livelihoods theories of change through a living income lens. One of the advantages of the living income methodology is the clarity of purpose it provides. While the analytical leg work is technical in nature, once a living income gap is identified and the primary drivers of household income are understood, priority actions will be targeted at activities that will help close the living income gap, with progress measured against reduction in the living income gap over time.

With the support of external partners, living income gaps have been identified in key cocoa- and coffee-sourcing regions. Pilots have been designed and will be launched to test interventions aimed at helping close living income gaps. For dairy, having collected and worked with robust farmer data samples for years, we will incorporate a living income gap analysis into the dairy farm profitability model.

Cocoa

Objective

Help farming households in our cocoa supply chain reach a living income through rollout of the *Income Accelerator Program*.

Action

As part of the test phase of our *Income Accelerator Program*, provide the conditions for farmers and their families to close the living income gap and tackle child labor risks through cash incentives and enabling activities.

Scope

Côte d'Ivoire

Source 100% of our cocoa through the *Nestlé Cocoa Plan* by 2025.

Global

Assess the results of the *Income Accelerator Program* test phase and adapt where necessary, before moving to reach all cocoa-farming families in our global cocoa supply chain where relevant by 2030.

Priority countries

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Coffee

Objective

Help coffee farmers transition to a regenerative and resilient agricultural model that lowers coffee farming emissions while also delivering better farmers' income through greater farming efficiencies, enabling progress toward a living income

Nescafé's Action

Pilot actions aimed at accelerating smallholder farmers' transition to regenerative and resilient agriculture using conditional cash incentives and other income protection tools, incorporating comprehensive farmer household income tracking and a pathway toward a living income.

Source 100% of the Nescafé coffee responsibly

Scope

Indonesia,
Côte d'Ivoire,
Mexico

All origins

Nespresso's Action

Continue to provide individualized AAA agronomy support to more than 130 000 AAA farmers to reach sustainable productivity and incentivize good practices.

Provide farmers with technical assistance for crop diversification, and collaborate with organizations to bring innovative ideas to provide additional sources of income.

Scale crop insurance to protect farmers against losses in coffee income from weather-related events in the case of an unexpected natural disaster or pest or disease outbreak.

Pilot Living Income Reference Price (LIRP) with Fairtrade International in relevant AAA origins to help close the gap toward a living income if sustainable productivity is achieved. Continue ensuring stability of procurement and long-term relationship with farmers. Improve access to social services such as clean water, health and retirement saving schemes.

Improve access to social services such as clean water, health and retirement saving schemes.

Global

Priority
countries

Priority
countries

Priority
countries



NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Dairy

Objective

Incorporate a formal living income benchmark into our dairy farm economic model.

Action

Pilot the integration of living income metrics into our dairy farm economic modeling.

Scope

India, Sri Lanka and Peru

Rollout of living income analysis and targeted farm support through our agripreneurship program, scaled across all Nestlé's dairy sourcing origins.

All sourcing origins

Cross-cutting

Objective

Align our approach across priority raw materials

Action

Align our approach across priority raw materials through a set of principles (see box on the right).

Scope

Global

Living income program principles

Different programs to address livelihood challenges have been developed across the raw materials prioritized for this action plan. Our new living income approach/strategy will, however, follow these key principles across all specific programs:

1. Continue to develop a deep understanding of farm economics.
2. Prioritize action in regions that are material for Nestlé and where opportunities exist for sustainable, transformational change.
3. Focus on farm efficiency as the key income driver.
4. Link living income programs to regenerative agriculture practices.
5. Strengthen support programs and teams.
6. Strengthen long-term engagement with farmers.
7. Help empower women and improve gender equality.
8. Continue to work with small-scale farmers.
9. Incorporate living income into indicators (see *Monitor and report on indicators, overall performance and challenges*).
10. Work with external advisors and partners (see *Collective action: Helping tackle root causes with relevant stakeholders*).

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Collective action: Helping tackle root causes with relevant stakeholders

Many of the issues and challenges around living income are complex and linked to a wide range of factors (as outlined in *The challenges in addressing this issue* section above) that cannot be addressed by Nestlé on its own.

Tackling these issues and their root causes requires collaboration between many different stakeholders, including the farmers themselves, companies, governments, and multilateral, non-governmental and civil society organizations. We are therefore committed to collaborating with rights holders and stakeholders both in specific landscapes in production countries as well as at global and sectoral levels to promote and help strengthen farmers' living income.

Production country and on-the-ground initiatives

Objective

Support living income in production areas.

Action

Identify and prioritize specific interventions on strengthening living income at national and subnational levels where we source our raw materials through:

- Engagement or advocacy at national or regional government levels.
- Supporting sectoral-, landscape- or jurisdictional-level initiatives.

Scope

Priority countries

Global and sectoral collaboration and advocacy

Objectives

- Collaborate with peers and stakeholders at global and sector levels to address systemic issues and develop common approaches for taking steps to support living income.
- Raise awareness of, and advocate for, a living income within the sectors Nestlé is involved in, starting with cocoa, coffee and dairy.

Action

Identify and prioritize sector initiatives where Nestlé can advocate or support living income (e.g. certification schemes or sector collaboration groups).

Identify and leverage collaborative initiatives that are developing common approaches and tools on living income in order to promote and support the development and uptake of strong, effective tools to mitigate, address and remediate living income issues (see *Key partners* section on [page 18](#)).

Scope

Cocoa, coffee and dairy

Cocoa, coffee and dairy

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Fostering a dialogue on difficult and complex issues

A key area for collective action revolves around the challenging issue of commodity pricing, as it relates to living income. Without a doubt, price is only one of many drivers of household income and is a complex issue. Nonetheless, it cannot be ignored. Individual companies should consider how the price they pay for raw materials and ingredients can impact farmer incomes. But there is also an important dialogue that needs to happen at the sector level. In cocoa, Nestlé, together with several other multinational companies, will

engage in dialogue with the governments of Côte d'Ivoire and Ghana to search for solutions to the challenges around cocoa pricing, living income and sustainability more broadly.^{xix} In coffee, Nestlé will continue to be part of the International Coffee Organization's Public-Private Task Force, which, while not focused specifically on price, has adopted a living income framework to work toward the prosperity of smallholder farming families.

Grievance mechanism

Objective

Support access to remedy via safe and effective grievance mechanisms for farmers.

| Action | Scope |
|--|--------|
| Ensure the landscape initiatives and on-the-ground projects of which we are part provide for grievance mechanisms and access to remedy for farmers. | Global |
| Engage in collaborative approaches to managing and addressing grievances at the sector-wide level, including supporting the development of common tools and approaches for identifying and engaging suppliers on grievances. | Global |

Monitor and report on indicators, overall performance and challenges

We are committed to transparently communicating our progress on implementing this action plan, as well as sharing our learnings and the challenges we face.

We will publicly report on the following indicators in relation to this action plan by the end of 2025.

Cross-cutting indicators:

1. Grievance mechanism performance

- Number of material grievances received through Speak Up related to living income, of which number of material grievances substantiated and addressed.
- Number of material grievances received through other channels related to living income, of which number of material grievances under investigation and number addressed.

2. Impact on people

- Number of cases farmers in our supply chains benefited from our interventions on living income.

Issue-specific indicator:

- Number of farmers enrolled in living income pathway programs.

As we progress toward implementation of this plan, we will develop more impact-focused indicators.

CONNECTION WITH OTHER SALIENT ISSUE ACTION PLANS

Living income is intrinsically linked to multiple salient issues we have identified, in particular:

| | |
|--|---|
| Child labor and access to education | Households living in poverty are linked to a lack of access to education, a lack of basic health services, and to hunger and undernourishment. This lack of access, in turn, affects those households' children, as they are challenged with learning difficulties, poor health, lower productivity and lower earnings over their lifetime. There is also a strong link between poverty and child labor. Helping increase farming families' incomes can help address these challenges by breaking the cycle of poverty across generations through improved access to education. |
| Gender equity, non-discrimination and non-harassment | There are gender-specific cultural and institutional barriers that can affect only the income of female smallholder farmers. For change to have a lasting impact on farming communities, actions should encourage women's empowerment and their financial stability as drivers of productivity and increased incomes. |
| Indigenous peoples' and local communities' land rights | Smallholder farms are often quite small and continue to diminish as land is divided and passed on. Small land size, coupled with the fact that the land is often used to grow more than one raw material and/or maintain livestock, means that there is a finite amount of income that can be earned from the raw material. Securing land ownership and tenure help contribute to long-term returns for the farming household. |
| Right to food and access to nutritious, affordable and adequate diets | The inability of many smallholder farming households to earn a living income represents the non-fulfillment of basic rights, as they are unable to afford the cost of a decent standard of living, including access to nutritious and adequate diets. Higher incomes contribute to improve food security. |



CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS (SDGs)

The actions laid out in this action plan will contribute – directly or indirectly – to SDGs 1, 2, 10 and 17 as follows:

Goal



End poverty in all its forms everywhere

Target 1.1: By 2030, eradicate extreme poverty for all people everywhere, currently measured as people living on less than \$1.25 a day.

Target 1.2: By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions.

Target 1.4: By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance.

Target 1.5: By 2030, build the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters.

Target 1.a: Ensure significant mobilization of resources from a variety of sources, including through enhanced development cooperation, in order to provide adequate and predictable means for developing countries, in particular least developed countries, to implement programmes and policies to end poverty in all its dimensions.

Goal



End hunger, achieve food security and improved nutrition and promote sustainable agriculture

Target 2.3: By 2030, double the agricultural productivity and incomes of small-scale food producers, in particular women, indigenous peoples, family farmers, pastoralists and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets and opportunities for value addition and non-farm employment.



Reduce inequality within and among countries

Target 10.1: By 2030, progressively achieve and sustain income growth of the bottom 40 per cent of the population at a rate higher than the national average



Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development

Target 17.17: Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships.

GOVERNANCE FOR THIS ISSUE

Nestlé Executive Board

Approves all the salient issue action plans.

Nestlé ESG and Sustainability Council

Provides strategic leadership and execution support for this topic.

Nestlé ESG Climate and Sustainable Sourcing Workstream

Responsible for the implementation of the action plan through the dedicated governance structures of the *Cocoa Plan*, *Nescafé Plan*, *Nespresso AAA Program* and *Farmer Connect* program.

Nestlé Human Rights Community

Leads the human rights agenda throughout the company. It coordinates the implementation of *Nestlé's Human Rights Framework and Roadmap* throughout the value chain, including this action plan. Finally, it monitors the implementation of the framework and roadmap, and the efficiency of the program.

Nestlé Markets

Those prioritized for this action plan will support its implementation at local level. This may include holding national or subnational stakeholder consultations; implementation of relevant guidelines and grievance mechanisms at local level; or identification of government engagement opportunities.

Income Accelerator Strategic Advisory Committee

An external multi-stakeholder body, including cocoa farmers, whose mission is to assist Nestlé in steering the direction and objectives of our interventions on living income within the cocoa sector.

Nespresso Sustainability Advisory Board

Provides strategic leadership on the Sustainability Agenda, including all human rights topics for Nespresso.



KEY PARTNERS

Main implementing partners

| Partner | Activities | Raw material |
|---------------------------------------|---|--------------------|
| Sustainable Food Lab | <ul style="list-style-type: none"> • Provides strategic advice to Nestlé on the development and implementation of this action plan. • Supports Nestlé as a thinking partner in its overall living income strategy and implementation in pilot countries. • Supports the development of farmer income strategy, approach and measurement for <i>Nescafé Plan 2030 and Nespresso AAA</i> programs. | Global |
| Royal Tropical Institute (KIT) | <ul style="list-style-type: none"> • Collects income data in priority origins, conducts analysis to understand the income gap to a living income and monitors progress of its interventions. | Cocoa |
| Rainforest Alliance | <ul style="list-style-type: none"> • Collects income data in priority origins, conducts analysis to understand the income gap to a living income and monitors progress of its interventions. • Supports implementation of regenerative-resilient farming pilot in Côte d'Ivoire. | Coffee (Nescafé) |
| Solidaridad | <ul style="list-style-type: none"> • Supports implementation of regenerative-resilient farming pilot in Mexico. | Coffee (Nescafé) |
| Enveritas | <ul style="list-style-type: none"> • Monitoring & Evaluation partner. Collects income data at the global level. | Coffee (Nespresso) |
| Blue Marble | <ul style="list-style-type: none"> • Provides crop insurance to help small coffee growers manage increasingly unpredictable weather. | Coffee (Nespresso) |
| IFCN Dairy Research Network | <ul style="list-style-type: none"> • Provides globally comparable dairy economic data to understand Nestlé farmer partners' income and what is needed to reach optimal efficiency and become a viable farm. | Dairy |

Main industry and multi-stakeholder collaborations

| Platform | Workstreams | Nestlé's involvement |
|---|--|--|
| IDH – the Sustainable Trade Initiative | Living Income Steering Committee | We – Nestlé and Nespresso – are active members of the IDH Living Income Steering Committee, providing insights on IDH's Roadmap on Living Income and its implementation at the global level and across sectors. |
| World Cocoa Foundation (WCF) | Board | We are a board member of WCF, the main collaborative platform for sustainability work in cocoa. |
| World Business Council for Sustainable Development (WBCSD) | The Global Agribusiness Action on Equitable Livelihoods (GAA-EL) project | We work with GAA-EL staff and members across the value chain to improve access to markets and finance for smallholders and small- and medium-sized agricultural enterprises (agri-SMEs); to strengthen human rights policy and practice; and to promote inclusive innovation and technology. |
| International Coffee Organization (ICO) | Public-Private Task Force | Technical Workstream 1 focuses on improving assessment of living income benchmark levels for coffee-growing communities, and catalyzes collective action to support coffee farmer household income progress. We are co-funding work on living income benchmark assessment in several coffee origins. |

REFERENCES

- i www.living-income.com
- ii [Global Living Wage Coalition](#)
- iii [Global Living Wage Coalition](#)
- iv [Living income Community of Practice. Guiding steps towards living income in the supply chain, 2020](#)
- v [World Bank. The State of the Poor: Where Are The Poor, Where Is Extreme Poverty Harder to End, and What Is the Current Profile of the World's Poor? 2013](#)
- vi [World Bank. The State of the Poor: Where Are The Poor, Where Is Extreme Poverty Harder to End, and What Is the Current Profile of the World's Poor? 2013](#)
- vii [Farmer Income Lab](#)
- viii [Nestlé. Nestlé announces innovative plan to tackle child labor risks, increase farmer income and achieve full traceability in cocoa](#)
- ix [FAO. The role of agriculture and rural development in achieving SDG 1.1](#)
- x [International Labor Organization. International Labor Standards on Child Labor. Accessed Aug 2022.](#)
- xi [Source: Nestlé HR Framework and Roadmap](#)
- xii [Nestlé. Nestlé unveils plans to support the transition to a regenerative food system, 2021.](#)
- xiii [Generation Regeneration](#)
- xiv [Nestlé. The Nestlé Commitment on Child Labor in Agricultural Supply Chains, 2013.](#)
- xv [IDH. Step 2: Assess the Living Income Gap. Accessed Aug 2022.](#)
- xvi [Living income Community of Practice. Guiding steps towards living income in the supply chain, 2020](#)
- xvii [Farmer Income Lab. What Works to Increase Smallholder Income, 2018.](#)
- xviii [Living Income Community of Practice. Guiding steps towards living income in the supply chain, 2020. Slides: 'Take Action and Monitor Results'](#)
- xix <https://www.cighci.org/high-level-meeting-between-representatives-of-the-cocoa-value-chain-and-the-governments-of-cote-divoire-and-ghana/>

Disclaimer

This action plan is dynamic by essence and subject to change. Any reliance placed on this action plan is done solely at the risk of the person placing such reliance. To the maximum extent permitted by applicable law and regulation, Nestlé disclaims all representations, warranties, conditions and guarantees, whether express, implied, statutory or of other kind, nor does it accept any duty to any person, in connection with this action plan. To the maximum extent permitted by applicable law and regulation, Nestlé shall not be liable for any loss, damage or expense whatsoever, whether direct or indirect, howsoever arising, whether in contract, tort (including negligence), strict liability or otherwise, for direct, indirect, incidental, consequential, punitive or special damages arising out of or in connection with this action plan, including (without limitation) any course of action taken on the basis of the same.



Nestlé Good food, Good life

Nestlé's Salient Issue Action Plan:

LIVING WAGE

First published in February 2023.
Updated in January 2025.

[nestle.com/sustainability/humanrights](https://www.nestle.com/sustainability/humanrights)



This action plan is one of a series that forms part of our [Human Rights Framework and Roadmap](#). You can find all our action plans, which address Nestlé's salient issues, on our [dedicated human rights webpage](#).

These plans guide our due diligence approach and enable us to act as a force for good. They articulate our strategy for embedding, assessing, addressing and reporting on each salient issue, defining what we need to do across our value chain, as well as what collective action can be taken.

We harnessed the strengths and capacities of each Nestlé department to define the action areas we will focus on in the years to come, in consultation with external partners and stakeholders. With collaboration built into each action plan, we hope to spark new engagement and inspire collective action with peers, business partners, civil society, non-governmental organizations (NGOs) and governments. This way, we can work together to tackle the root causes of our salient issues and create positive impact at scale.

We want these action plans to be dynamic and reflect the evolution of stakeholders' expectations and of the contexts in which we operate. Input and feedback are welcome and can be sent to us by email: humanrights@nestle.com.

We will report on progress against the indicators identified in each action plan by the end of 2025.



¹ Nestlé throughout this document refers to the Nestlé Group.

EXECUTIVE SUMMARY

Definition of the issue

A living wage is the minimum wage required by workers to cover their family's basic needs, including food, water, housing, education, health care, transportation, energy, clothing and provision for unexpected events.

Geographical priority

Global for Nestlé employees. Pilot countries for living wage interventions for on-site contractors and direct suppliers will be identified through further risk analyses.



Why it matters

Poverty is recognized as the root cause of many global social and environmental problems. Ensuring workers are paid a living wage is a critical lever for alleviating poverty while also building resilient, more productive workforces and supply chains.

Key actions

- Continue our *Living Wage Program* for Nestlé employees worldwide
- Launch living wage pilots for on-site contractors
- Engage and support prioritized direct suppliers to address living wage risks and impacts in their own operations
- Collaborate with peers and stakeholders to help address systemic issues and develop common approaches and tools on living wage

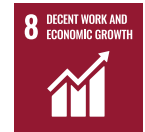
Value chain priority



We recognize the importance of listening to and consulting workers on issues that affect them. As we implement this action plan, we will engage with them to strengthen our understanding of risk and the impact and sustainability of our actions.

Contribution to Sustainable Development Goals (SDGs)

The actions laid out in this action plan will contribute – directly and indirectly – to SDGs 1, 5, 8, 10 and 17.



BACKGROUND

What we are talking about

A living wage is the minimum wage required by workers to cover their family's basic needs, including food, water, housing, education, health care, transportation, energy, clothing and provision for unexpected events.^{i,ii}

There are a variety of methodologies and approaches to calculate a living wage, but it is generally agreed that a living wage is:

- Aligned with the social and cultural expectations of the community and country wherein the individual or family is located.
- Earned within standard working hours, with some leeway to include overtime depending on the country and nature of work.

The difference between living income and living wage

"The concepts of living wage and living income are both about achieving a decent standard of living for households. The idea of a living wage, however, is applied in the context of hired workers (in factories, on farms, etc.), whereas living income is discussed in the context of any income earner, such as self-employed farmers."ⁱⁱⁱ

Living income is used in agriculture to gauge decent standards of living for farmers' households, particularly smallholder farmers.

Earning a living wage is considered a human right. This was first acknowledged in 1948 in the Universal Declaration of Human Rights (UDHR):

- Article 23(3): "Everyone who works has the right to just and favorable remuneration ensuring for himself and his family an existence worthy of human dignity..."
- Article 25(1): "Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, housing and medical care and necessary social services..."^{iv}

The concept of living wage was reinforced in 1966 by the International Covenant on Economic, Social and Cultural Rights.^v

Living income, a separate but related topic based on a farmer's ability to afford a decent standard of living, has its own [Living income salient issue action plan](#).

Why it matters

More than 700 million people worldwide still live in poverty and 19% of all workers do not earn enough to escape poverty.^{vi,vii} Due to low wage levels, workers around the world are extremely vulnerable and inequality is worsening. Poverty is recognized as a root cause of many other social and human rights issues, such as gender inequality and forced labor.

Living wage is a key lever for achieving five of the 17 UN SDGs.^{viii} Promoting living wages in their own operations and supply chains will help companies contribute to meet these global goals. Companies are called to "act[ing] on wages where low pay is an identified risk or impact on the enjoyment of workers' rights – including in their supply chain"^{ix} through the UN Guiding Principles on Business and Human Rights (UNGPs), which outlines companies' corporate responsibility to respect human rights.

Why this issue is relevant and important for us

As a company that employs approximately 267 000 people, we aim to make sure that we provide a living wage to all our employees worldwide.

Living wage helps build resilient operations and value chains. Earning a living wage contributes to worker well-being, which in turn leads to better labor relations, higher productivity and more economically and socially stable communities.

Reduced staff turnover, absenteeism and training costs along with improvements in productivity, quality, reputation and access to new markets are a few of the benefits that contractors as well as suppliers gain. Data has proven that a business thrives when it has a healthy and engaged workforce across its value chain.^x

The challenges in addressing this issue

Low wages are prevalent in global supply chains and there is a lack of government regulation and enforcement in this area.

There is also a lack of industry collaboration. To achieve living wage in supply chains, multiple actors within an industry must work together. Suppliers have many buyers, and if only a few require living wages or if the definition of living wage is not consistent across all buyers, living wage will not be implemented.^{xi}

Finally, there is also a lack of alignment on living wages. While many agree on the rationale for paying supply chain workers enough to cover their basic needs, there is debate over the appropriate methodology to calculate living wages. This lack of alignment across multi-stakeholder initiatives creates confusion for all actors in the value chain, particularly suppliers who may be requested by different companies to adhere to a variety of living wage figures.

NESTLÉ'S VISION AND APPROACH

Our vision and approach

We are committed to providing our employees all over the world with good working conditions and flexible employment possibilities that support a better balance of private and professional life.

Our *Living Wage Program* helps us ensure that all our employees worldwide, including temporary workers, earn a living wage.

Building on the learnings of our *Living Wage Program* so far, we want to develop, test and start implementing an approach to support living wages for our third-party contractor workforce in our own facilities and direct suppliers

How we are currently addressing this issue

Living wage is governed at the highest level of the company by the Human Resources Leadership Team.

Since 2013, Nestlé has been implementing a *Living Wage Program* to ensure that all our employees, including those on temporary contracts, earn a living wage. We work with our partner Business for Social Responsibility (BSR) to help us define the living wage threshold in each country where we operate. We use this information to identify and address cases where our lowest level of compensation and legal minimum wages are not sufficient for workers to fulfill basic needs. These figures are updated on a regular basis to ensure that our employees continue to be paid at or above the living wage.

Nestlé has a long-standing commitment to promoting living wages. These rights are integrated in several of our policies, including:

- Our Employee Relations Policy states that we offer competitive wages and benefits that allow our employees to cover their needs according to local standards of living.
- Our Responsible Sourcing Core Requirements state that "Wages and benefits (including in-kind) paid for a standard working week meet at least the legal or industry minimum standards, or the requirements set out in collective bargaining agreements (where applicable), whichever is higher. In any event, wages should always be sufficient to meet basic needs and to provide some discretionary income."

In the UK, Nestlé was the first major manufacturer back in 2014 to pledge the living wage to all its employees, and in 2017 extended the commitment to cover all contractors across all its sites.



NESTLÉ'S ACTION PLAN (2023–2025)²

Embed: Policies and processes

Objectives

- Mainstream living wage in our governance structure, policies and control systems related to contractors, manufacturers and suppliers.
- Clarify and strengthen Nestlé's commitments on living wage in line with existing and emerging best practice and in consultation with rights holders and stakeholders.

Action

Scope

Governance and incentives

| | |
|--|--------|
| Leverage the Human Resources Leadership Team and Human Rights Community to foster cross-departmental exchange. | Global |
| Identify and train all relevant employees and staff on living wage. | Global |
| Reflect the actions laid out in the action plan in relevant employees' objectives. | Global |

Policies and control systems

| | |
|---|--------|
| Review and update policies to align with best practices on living wage, as relevant. | Global |
| Review to what level monitoring and audit schemes can provide assurance that living wages have been respected through Nestlé site and direct supplier audits. | Global |
| Review and support emerging sector-level commitments on living wages, as relevant. | Global |

² Our action plan will be reviewed and updated as necessary as we increase our understanding of impacts and risks, and monitor the effectiveness of actions taken in delivering on our vision and approach.

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Assess: Our risk exposure

Prevention and mitigation of living wage gaps in our value chain starts with understanding the nature and scale of risks and impacts we may cause or contribute to through our own activities, or which may be directly linked to our operations or products by our business relationships.

- Our approach to living wage in our own operations is global, based on living wage benchmarks established by a third-party organization, and covers all the countries where we operate.
- For on-site contractors, pilots will inform us on the current situation, possible gaps and the way forward.
- With regard to suppliers, we will generate specific risk information through our Supplier Human Rights and Environmental Due Diligence (HREDD) Assurance Framework, grievance information and other channels of information to prioritize suppliers for engagement or support to help them close living wage gaps within their operations.

We understand the value of multiple tools to assess our exposure to living wage gaps and the importance of a dynamic system that periodically updates our understanding of risks and issues.

Objective

- Further strengthen our capacity to understand and address risks where living wage gaps may exist across our operations and direct suppliers.

| Action | Scope |
|---|-----------------------|
| Continue to assess potential living wage gaps for Nestlé employees as part of our current <i>Living Wage Program</i> . | Global |
| Continue to calculate living wage benchmarks for priority countries where Nestlé operates and sources from. | Global |
| Combine results of risk analysis and living wage benchmarks to identify pilot countries and initiate living wage gap assessments for on-site contractors. | Pilot countries |
| Use information gathered through our Supplier HREDD Assurance Framework to better understand direct suppliers' risks related to living wage and prioritize those we need to engage and support. | Prioritized suppliers |

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Address: Our priority actions

Nestlé: Taking action within our value chain

Nestlé plans to take action within our own operations and work with our direct suppliers to ensure they are also committed to respecting the right to a living wage in their own operations.

Employees and on-site contractors

Objective

Build on existing systems for assessing living wage gaps for Nestlé's employees in order to create systems to address current and potential impacts, and mitigate risks of living wage gaps for our on-site contractors.

Action

Scope

| | |
|---|-----------------|
| Continue our current <i>Living Wage Program</i> for all Nestlé employees. | Global |
| Define scope of application of the action plan when it comes to pilots and on-site contractors. | Pilot countries |
| Consult with recruitment agencies we work with in pilot countries to understand their key challenges, needs, initiatives and systems. | Pilot countries |
| Harness insights to develop approaches for closing living wage gaps in collaboration with recruitment agencies. | Pilot countries |
| Use learnings to refine our <i>Living Wage Program</i> for on-site contractors, including developing recruitment agency engagement tools that can be used at scale. | Global |

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Direct suppliers

Objectives

- Engage direct suppliers on Nestlé's commitments on living wage as part of our broader engagement on human rights and environmental due diligence.
- Engage and support prioritized direct suppliers in taking actions to address living wage in their own operations.
- Effectively use and help strengthen voluntary certification as a tool for suppliers to demonstrate the assessment, mitigation, remediation and monitoring of living wage issues.

Action

Scope

Strengthen supplier engagement and capacity building

Engage and support direct suppliers prioritized through our Supplier HREDD Assurance Framework process on improving practices and addressing risks, impacts and grievances on living wage (e.g. action plan development, capacity building, project co-funding).

Prioritized suppliers

Review and help strengthen relevant certification and verification schemes

Review to what level different certification and verification schemes can provide assurance that living wages have been respected (e.g. Sedex Members Ethical Trade Audit, SMETA).

Global

Contribute to improving practices in the sector, starting with the social compliance schemes already used:

Global

- Work with SMETA and other social compliance programs to incorporate living wage verification into social compliance audits.
- Regularly share living wage benchmark analysis with suppliers and hold conversations on progress and feedback.
- Incorporate ongoing supplier feedback – whether from wage data analysis conversations and/or from pilot efforts – into internal cross-functional working group meetings and strategy decisions.



NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Collective action: Helping tackle root causes with relevant stakeholders

Many of the issues and challenges around respect for the right to a living wage are complex and linked to a wide range of factors (as outlined in *The challenges in addressing this issue* section on [page 3](#)) that cannot be addressed by Nestlé on our own.

Tackling these issues and their root causes requires collaboration between many different stakeholders, including workers themselves, companies, governments, and multilateral, non-governmental and civil society organizations. We are therefore committed to collaborating with rights holders and stakeholders both in specific landscapes in production countries as well as at global and sectoral levels to promote and help strengthen living wages for workers in our value chain.

Global and sectoral collaboration and advocacy

Objectives

- Collaborate with peers and stakeholders at global and sector levels to address systemic issues and develop common approaches for respecting living wage.
- Raise awareness of, and advocate for, the respect and strengthening of living wages for all workers within the sectors Nestlé is involved in.

Action

Identify and prioritize sector initiatives where Nestlé can advocate or support respect for the right to a living wage (e.g. certification schemes or sector collaboration groups).

Scope

Global

Identify and leverage collaborative initiatives that are developing common approaches and tools on living wage in order to promote and support the development and collective uptake of strong, effective tools to mitigate, address and remediate living wage gaps (see *Key partners* section on [page 12](#)).

Global

Grievance mechanism

Objective

- Support access to remedy via safe and effective grievance mechanisms for Nestlé employees, on-site contractors and direct suppliers' workers affected by our operations or business relationships.
- Address grievances on living wage linked to us through our supply chains, and help remediate such grievances as appropriate.

Action

Further promote Speak Up (Nestlé's grievance mechanism) among employees, their representatives and third-party contractors working on our sites to enable them to raise any grievances to Nestlé directly.

Scope

Global

Ask direct suppliers to have grievance mechanisms and management systems in place.

Global

Engage in collaborative approaches to manage and address grievances at sector-wide level, including supporting the development of common tools and approaches for identifying and engaging suppliers on grievances.

Global

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Monitor and report on indicators, overall performance and challenges

We are committed to transparently communicating our progress in implementing this action plan, as well as sharing our learnings and the challenges we face.

We will publicly report on the following indicators in relation to this action plan by the end of 2025.



Cross-cutting indicators:

1. Audit performance

- Number of material non-conformities related to living wage identified through third-party audits of our own operations and addressed.

2. Grievance mechanism performance

- Number of material grievances received through Speak Up related to living wage, of which number of material grievances substantiated and addressed.
- Number of material grievances received through other channels related to living wage, of which number of material grievances under investigation and number addressed.

3. Sustainable sourcing

- Number of direct suppliers with mature Human Rights and Environmental Due Diligence (HREDD) systems.

4. Impact on people

- Number of cases employees, on-site contractors and workers in our supply chains benefited from our interventions on living wage.

Issue-specific indicator:

- Percentage of Nestlé employees earning a living wage.

As we progress toward implementation of this plan, we will develop more impact-focused indicators.

CONNECTION WITH OTHER SALIENT ISSUE ACTION PLANS

Living wage is fundamental for ensuring that workers are able to meet their basic needs. It is intrinsically linked to multiple salient human rights issues that Nestlé has identified, in particular:

Gender equity, non-discrimination and non-harassment

The majority of impoverished people around the world are minorities and females. Thus, the payment of a living wage to all workers will reduce inequality across gender, race and ethnicity.

Freedom of association and collective bargaining

Freedom of association and collective bargaining allows workers to advocate for better pay. Without addressing this issue, living wages risks will continue to persist.

Living Income

Living income and living wage risks typically occur at different levels of the supply chain. While living wage is an issue for hired workers (often in factories) in own operation and at direct suppliers' level, living income risks occur further up the supply chain at the farm level where raw materials are produced.

Right to food and access to nutritious, affordable and adequate diets

Inflation can have a serious impact on people's lives and their right to food by making it less affordable. Earning a living wage can help people have access to nutritious and affordable diets.

CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS (SDGs)

As the global community strives to achieve the UN SDGs by 2030, living wage is fundamental for achieving five of the 17 goals. The actions laid out in this action plan will contribute – directly or indirectly – to the SDGs as follows

Goal



End poverty in all its forms everywhere

Target 1.2: By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions.



Achieve gender equality and empower all women and girls

Target 5.1: End all forms of discrimination against all women and girls everywhere.



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Target 8.5: By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.



Reduce inequality within and among countries

Target 10.2: By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.



Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development

Target 17.17: Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships.

GOVERNANCE FOR THIS ISSUE

Nestlé Executive Board

Approves all the salient issue action plans.

Nestlé Human Resources Leadership Team

Provides strategic leadership and execution for this topic.

Nestlé ESG and Sustainability Council

Provides strategic leadership and execution on this topic in relation to direct suppliers.

Employee Relations and Compensation teams

Are responsible for the implementation of the action plan in our own operations.

Nestlé ESG Climate and Sustainable Sourcing Workstream

Is responsible for the implementation of the action plan in our supply chains.

Nestlé Advocacy Coordination Group

Provides strategic leadership and execution on the engagement and advocacy strategy related to this action plan.

Nestlé Human Rights Community

Leads the human rights agenda throughout the company. It coordinates and monitors the implementation of *Nestlé's Human Rights Framework and Roadmap* throughout the value chain.

Nestlé Markets

Support the implementation of this action plan in relation to our country operations, in alignment with the global team.



KEY PARTNERS

Main implementing partners

| Partner | Activities |
|---|---|
| Business for Social Responsibility (BSR) | Provides strategic advice to Nestlé on the development and implementation of this action plan and our <i>Living Wage Program</i> in particular. |

Main industry and multi-stakeholder collaborations

| Platform | Workstreams | Nestlé's involvement |
|---------------------|-----------------------------|--|
| AIM-Progress | Human Rights Steering Group | We are a member of AIM-Progress's Human Rights Steering Group to ensure alignment around living wage among other priorities. |

REFERENCES

- i [UN Global Compact – Living Wages](#)
- ii [Global Living Wage. 'What is a Living Wage?'](#)
- iii [Global Living Wage. 'Living Income'](#)
- iv [Universal Declaration of Human Rights](#)
- v <https://www.ohchr.org/en/instruments-mechanisms/instruments/international-covenant-economic-social-and-cultural-rights>: Article 7 asserts that living wage is "...the right of everyone to the enjoyment of just and favorable conditions of work which ensure, in particular: 1) Remuneration which provides all workers, as a minimum, with 2) fair wages and equal remuneration for work of equal value..." and Article 11 acknowledges that "The States Parties to the present Covenant recognize the right of everyone to an adequate standard of living for himself and his family, including adequate food, clothing and housing, and to the continuous improvement in living conditions."
- vi [World Bank. 'Decline of Global Extreme Poverty Continues but Has Slowed'](#)
- vii [International Labour Organization \(ILO\). World Employment and Social Outlook: Trends 2020](#)
- viii [SDG Benchmark. '100% of Employees Across the Organization Earn a Living Wage'](#)
- ix [UN Guiding Principles on Business and Human Rights – Introduction](#)
- x [United Nations Global Compact. 'Improving Wages to Advance Decent Work in Supply Chains'](#)
- xi [United Nations Global Compact. Living Wage – 4.6 Scaling Good Practice](#)
- xii [SDG Benchmark "100% of Employees Across the Organization Earn a Living Wage"](#)

Disclaimer

This action plan is dynamic by essence and subject to change. Any reliance placed on this action plan is done solely at the risk of the person placing such reliance. To the maximum extent permitted by applicable law and regulation, Nestlé disclaims all representations, warranties, conditions and guarantees, whether express, implied, statutory or of other kind, nor does it accept any duty to any person, in connection with this action plan. To the maximum extent permitted by applicable law and regulation, Nestlé shall not be liable for any loss, damage or expense whatsoever, whether direct or indirect, howsoever arising, whether in contract, tort (including negligence), strict liability or otherwise, for direct, indirect, incidental, consequential, punitive or special damages arising out of or in connection with this action plan, including (without limitation) any course of action taken on the basis of the same.



Nestlé Good food, Good life

Nestlé's Salient Issue Action Plan:

GENDER EQUITY, NON-DISCRIMINATION AND NON-HARASSMENT

First published in February 2023.
Updated in January 2025.

[nestle.com/sustainability/humanrights](https://www.nestle.com/sustainability/humanrights)

This action plan is one of a series that forms part of our [Human Rights Framework and Roadmap](#). You can find all our action plans, which address Nestlé's salient issues, on our [dedicated human rights webpage](#).

These plans guide our due diligence approach and enable us to act as a force for good. They articulate our strategy for embedding, assessing, addressing and reporting on each salient issue, defining what we need to do across our value chain, as well as what collective action can be taken.

We harnessed the strengths and capacities of each Nestlé department to define the action areas we will focus on in the years to come, in consultation with external partners and stakeholders. With collaboration built into each action plan, we hope to spark new engagement and inspire collective action with peers, business partners, civil society, non-governmental organizations (NGOs) and governments. This way, we can work together to tackle the root causes of our salient issues and create positive impact at scale.

We want these action plans to be dynamic and reflect the evolution of stakeholders' expectations and of the contexts in which we operate. Input and feedback are welcome and can be sent to us by email: humanrights@nestle.com.

We will report on progress against the indicators identified in each action plan by the end of 2025.



¹ Nestlé throughout this document refers to the Nestlé Group.

EXECUTIVE SUMMARY

Definition of the issue

Everyone has the right to work free from discrimination, violence and harassment, including gender-based violence and harassment.¹ Eliminating discrimination in employment and occupation is part of the foundations of the rule of law. The objective is to create a workplace where all are respected for who they are regardless of gender or other characteristics or backgrounds.

Why it matters

Gender equality is a fundamental human right and a necessary foundation for a peaceful, prosperous and sustainable world.² The discrimination that certain groups, such as women, ethnic or racial minorities and migrants, face in the labor market makes them highly vulnerable to exploitation and abuses such as forced labor. Discrimination stifles opportunities, wastes the human talent needed for economic progress and accentuates social tensions and inequalities. We are committed to building workplaces where everyone believes their contribution will be recognized and where they feel safe to speak up when rights are not respected.

Key actions

- Further raise awareness and build the capacity of our employees on gender equity, non-discrimination and non-harassment
- Further strengthen our and our direct suppliers' capacity to assess and prevent risks to gender equity, non-discrimination and non-harassment
- Strengthen direct suppliers' capacity to uphold Nestlé's commitments on gender equity, non-discrimination and non-harassment as part of our Supplier Human Rights and Environmental Due Diligence (HREDD) Assurance Framework
- Engage and support prioritized direct suppliers in taking actions to address gender equity, non-discrimination and non-harassment risks and impacts in their own operations
- Support the promotion and strengthening of gender equity, non-discrimination and non-harassment in Nestlé markets

- Collaborate with peers and stakeholders to help address systemic issues and develop common approaches and tools on gender equity, non-discrimination and non-harassment
- Drive further awareness about our grievance mechanism and develop capacities among our suppliers

Contribution to Sustainable Development Goals (SDGs)

The actions laid out in this action plan will contribute – directly and indirectly – to SDGs 5, 10, 16 and 17.

Value chain priority



We recognize the importance of listening to and consulting employees and their representatives on issues that affect them. As we implement this action plan, we will identify and engage with them to strengthen our understanding of risk and the impact and sustainability of our actions.

Geographical priority

Global



BACKGROUND

What we are talking about

We use both gender equity and gender equality in this document, recognizing that the words are slightly different from each other. Equality means that each individual or group of people is given the same resources or opportunities. Equity recognizes that each person has different circumstances and allocates the exact resources and opportunities needed to reach an equal outcome.

Gender identity is only one element of discrimination. According to the International Labour Organization (ILO), discrimination occurs when a person is treated less favorably than others because of characteristics that are not related to the person's competencies or the inherent requirements of the job.ⁱⁱⁱ The international human rights legal framework contains international instruments to combat specific forms of discrimination, including discrimination against indigenous peoples, migrants, minorities, people with disabilities, discrimination against women, racial and religious discrimination, or discrimination based on sexual orientation and gender identity.^{iv}

Discrimination can be expressed through harassment, such as when a supervisor or co-worker says or does something that creates an intimidating, hostile or threatening work environment. Manifestations of violence and harassment in the world of work are diverse and multifaceted, and they have changed over time. The variety of conduct, practices or threats that may be covered under the general term "violence and harassment" is very broad, and the norms and perceptions of unacceptable behavior vary across contexts and cultures. Examples of violence and harassment at work include bullying, threats, abuse, mobbing, insulting, excluding someone, sending offensive words or images, using offensive language, displaying offensive words or images and making sarcastic or snide remarks.^v

Why it matters

Gender equality is one of the 17 Sustainable Development Goals. According to the UN, gender equality is a fundamental human right and a necessary foundation for a peaceful, prosperous and sustainable world.^{vi}

According to the ILO, millions of women and men around the world are denied access to jobs and training, confined to certain occupations or offered lower pay simply because of their disability, ethnicity, indigenous or tribal status, race, religion, sex, sexual orientation, gender identity, political or other opinion, or real or perceived status.

The discrimination that certain groups, such as women, ethnic or racial minorities and migrants, face in the labor market can make them highly vulnerable to exploitation and abuses, such as forced labor. Barriers to decent jobs often compel parents belonging to an ethnic minority to resort to the labor of their children to make ends meet. Though discrimination can have many manifestations, it is often subtle and insidious, undermining peoples' dignity and their future.

Discrimination deprives people of their voice at work and their ability to fully participate. It stifles opportunities, wastes the human talent needed for economic progress and accentuates social tensions and inequalities. Discrimination is a root cause of social exclusion and poverty.^{vii}

Why this issue is relevant and important for us

Diversity and inclusion are integral to our company's culture and help to bring our purpose and values to life. Our employees are at the heart of our commitment to being a 'force for good'. It is thanks to their determination that we can strive to advance regenerative food systems at scale. We respect and encourage all our employees: we value their potential regardless of race, ethnicity, gender, national origin, religion, gender identity, sexual orientation, age and different abilities, leaving no one behind.

At Nestlé, we strive to make our business a great place to work, both now and in the future. We want to foster an attractive and fulfilling environment that offers exciting opportunities and varied careers. Every aspect of how we treat our employees is rooted in respect, and we bring our purpose and values to life through our diverse and inclusive workforce.

BACKGROUND CONTINUED

The challenges in addressing this issue

Gender equality, non-discrimination and non-harassment are fundamental human rights. Yet despite progress challenges remain. For example, women and girls around the world do not fully experience equal rights, and their potential as economic, social and sustainable development change-agents remains untapped.

According to the UN Global Compact, women are underrepresented across business. They receive unequal pay for work and they continue to be targets of physical and sexual abuse. Additionally, women-owned enterprises are economically disadvantaged and lack equal opportunity to compete for business opportunities. Women also face legal and other barriers that affect their opportunities at work and as entrepreneurs.^{viii}

Employment losses due to the COVID-19 pandemic have been significantly worse for women than for men, according to the World Economic Forum's Global Gender Gap Report 2022.^{ix} With the global economy entering its third year of continued disruption, it will take another 132 years to close the gender gap at the current rate of progress.

As a company whose workforce comprises 176 nationalities and 276 000 employees, we find that barriers to equity, cultural dynamics and employee needs are widely varied, making these challenges even more complex.

NESTLÉ'S VISION AND APPROACH

Our vision and approach

We embrace diversity by being more inclusive, creating a workplace that aims to provide equal opportunities for everyone at the company, from recruitment through development and advancement. We do not tolerate any form of harassment or discrimination. We treat people with dignity and respect, and afford them equal opportunities regardless of their race, ethnicity, gender, national origin, religion, gender identity or sexual orientation. We strive to provide a safe environment for individuals to freely express their identities.

We focus our inclusion efforts on four key pillars of diversity (gender balance, people with disabilities, LGBTQ+ community, and race and ethnicity) as essential elements of our approach working toward equity and belonging.

Nestlé has long-standing efforts on advancing gender equality. As part of our Gender Balance Acceleration Plan, 30.2% of our top 200+ senior positions are now held by women. 45.3% of women occupy middle and senior managerial positions. As an organization, we have committed to continuously advance accessibility for people with disabilities within our operations. At Nestlé, we recognize that gender equality encompasses gender identity and sexual orientation. We partner with a range of LGBTQ+ civil society groups to advocate for civil rights and workplace protections.

Nestlé has longstanding efforts on advancing racial and ethnic inclusion. Today, more than 88% of market management committee positions are held by local employees. This is in line with our efforts to build leaders who are truly representative of the communities we serve. We are a multi-generational workforce, having five different generations working together, and we want them to bring their different perspectives and knowledge to Nestlé.

As an organization, we are also committed to:

- Providing equal opportunities for all to continuously advance accessibility for people with disabilities as applicants to and within our operations.
- Promoting awareness and understanding of the experience of people living with disabilities, in order to mitigate unconscious bias and create an even more inclusive workplace.
- Leveraging our *Nestlé needs YOUth* initiative to positively impact the lives of young people living with disabilities, helping them develop the skills they need to thrive.

We also aim to respect and promote gender equality, non-discrimination and non-harassment beyond our own operations. If we identify actual or potential adverse impacts on these fundamental rights among our suppliers, we will take action to address those impacts.

How we are currently addressing this issue

Gender equity, non-discrimination and non-harassment are governed through the Human Resources Leadership Team. The team is chaired by our Global Head of Human Resources & Business Services, who is a member of the Executive Board. The Diversity & Inclusion Team is in charge of the day-to-day management of gender equity topics, while the Employee Relations Team looks after non-discrimination and non-harassment. Both teams work in close collaboration with Zones, Markets and Functions (including the Sustainable Sourcing Team for direct suppliers). (See also the *Governance* section for this issue.)

Nestlé has a long-standing commitment to respecting and promoting gender equity, non-discrimination and non-harassment:

- Our *Code of Business Conduct* and *Corporate Business Principles* prohibit all forms of discrimination and harassment.
- Recognizing that discrimination, violence and harassment at work are incompatible with the Nestlé purpose and values, *Corporate Business Principles*, as well as with the Nestlé Leadership Framework behaviors, our *Policy against discrimination, violence and harassment at work* sets out the core principles of a respectful work environment and standards to prevent any form of discrimination, violence and harassment

at work. Individual Markets around the world have adapted and applied these core principles through local anti-harassment and anti-discrimination policies in compliance with local legislation.

- Our gender neutral *Nestlé Global Parental Support Policy* defines minimum standards to be applied across our company, to support our employees as new parents, regardless of gender. The policy also reinforces employment protection, non-discrimination, health protection, the availability of flexible working options and breastfeeding support.

We verify compliance with our policies through:

- Our *CARE audit program* covering all the Nestlé sites we operate in the world.
- Our *Sustainable Sourcing Program* covering our prioritized direct suppliers, as relevant.
- *Speak Up*, our grievance mechanism providing Nestlé employees and external stakeholders with a dedicated communication channel for reporting non-compliance concerns, anonymously if they wish.

Unconscious bias and sexual harassment prevention are mandatory trainings for all employees, and we expect to achieve more than 90% completion rate by the end of 2022.

In November 2021, we launched our *Global Guidance for Providing Support to Employee Victims of Domestic Violence or Abuse*.

In 2022, we conducted a Voluntary Self-Identification exercise in the following pilot Markets: South Africa, UK, Ireland and Brazil (Wave 1). The purpose of this exercise is to collect general diversity data from our employees voluntarily on a global scale to the extent permissible under applicable local law and by focusing on our four pillars (gender identity, LGBTQ+ community, racial/ethnic minorities, people with disabilities). Diversity data is collected in the aggregate, on a purely voluntary basis, applying data privacy standards to maintain employees' privacy. Collecting diversity data of our employees allows us to begin to identify where in our operations barriers may exist, forming the basis of further work to analyze and address action plans to more effectively mitigate disparities.

We are also committed to providing equal advancement opportunities and compensating all our talents fairly. In line with our inclusive people practices, our performance and rewards management systems are built on the standards of fairness and equity. To make sure that men and women performing comparable jobs are paid equitably and that no systemic gender bias exists, an equal pay assessment process is conducted yearly across all Markets.



NESTLÉ'S ACTION PLAN (2023–2025)²

Embed: Policies and processes

Objective

Further raise awareness and build the capacity of our employees on gender equity, non-discrimination and non-harassment.

Action

Scope

Governance and incentives

| | |
|---|--------|
| Continue to train all employees on diversity & inclusion, including unconscious bias and being an ally, and organize refresher trainings. | Global |
| Continue to train all employees on sexual harassment prevention and organize refresher trainings. | Global |
| Reflect the actions laid out in the action plan in relevant employees' objectives. | Global |
| Launch Diversity & Inclusion (D&I) Maturity Profile to all our Markets to assess their current state on all D&I pillars. | Global |

² Our action plan will be reviewed and updated as necessary as we increase our understanding of impacts and risks, and monitor the effectiveness of actions taken in delivering on our vision and approach.

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Assess: Our risk exposure

Prevention and mitigation of actual or potential adverse impacts on gender equity, non-discrimination and non-harassment in our value chain starts with understanding the nature and scale of risks and impacts we may cause or contribute to through our own activities, or which may be directly linked to our operations or products by our business relationships.

We do this through the policies, controls systems and grievance mechanism we already have in place (see *How we are currently addressing this issue* section).

Our approach to gender equity, non-discrimination and non-harassment is global and applies consistently across all geographies where we operate.

For the purpose of this action plan the scope of risks and impacts includes direct suppliers as well.

Own operations and supply chain

Objective

Further strengthen our and our direct suppliers' capacity to assess and prevent risks to gender equity, non-discrimination and non-harassment.

Action

Conduct Voluntary Self-Identification in Wave 2 volunteering Markets.³

Scope

Global

Expand the Voluntary Self-Identification initiative to other Markets.

Global

Use information gathered through our Supplier Human Rights and Environmental Due Diligence (HREDD) Assurance Framework to better understand direct suppliers' risks related to gender equity, non-discrimination and non-harassment, and prioritize those we need to engage and support.

Global

³ Collect general diversity data from our employees voluntarily on a global scale to the extent permissible under applicable local law and by focusing on our four pillars (gender identity, LGBTQ+ community, racial/ethnic minorities, people with disabilities), initially piloting with four countries: Brazil, UK, Ireland and South Africa. Diversity data will be collected in the aggregate, on a purely voluntary basis, applying data privacy standards to maintain employees' privacy. Collecting diversity data of our employees will allow us to begin to identify where in our operations barriers may exist, forming the basis of further work to analyze and address action plans to more effectively mitigate disparities.

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Address: Our priority actions

Nestlé: Taking action within our value chain

Nestlé plans to take actions within our own operations and work with our direct suppliers to ensure they are also committed to respecting gender equality, non-discrimination and non-harassment in their own operations, and that they have adequate Human Rights Due Diligence systems in place.



Own operations and supply chain

Objectives

- Put systems in place to address current and potential risks and impacts and mitigate future risks.
- Engage direct suppliers on Nestlé's expectations on gender equity, non-discrimination and non-harassment as part of our Supplier HREDD Assurance Framework.
- Engage and support prioritized direct suppliers in taking actions to address gender equity, non-discrimination and non-harassment impacts and risks in their own operations.

Action

Scope

Continue to conduct Equal Pay Analysis for all Markets and take action to close identified gaps, if any.

Global

Follow up Market action plans based on results of D&I maturity profile.

Global

Set expectations of our direct suppliers prioritized through our Supplier HREDD Assurance Framework and engage those prioritized direct suppliers to improve practices and on addressing risks, impacts and grievances on gender equality, non-discrimination and non-harassment (e.g. action plan development, capacity building, project co-funding).

Global

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Collective action: Helping tackle root causes with relevant stakeholders

Many of the issues and challenges around respect for gender equity, non-discrimination and non-harassment are complex and linked to a wide range of factors (as outlined in *The challenges in addressing this issue* section above) that cannot be addressed by Nestlé on our own.

Tackling these issues and their root causes requires collaboration between many different stakeholders, including employees themselves and their representatives, companies, governments, and multilateral, non-governmental and civil society organizations. We are, therefore, committed to collaborating with rightsholders and stakeholders both at global and sectoral levels to promote and help strengthen gender equity, non-discrimination and non-harassment.

Markets and on-the-ground initiatives

Objective

Support the promotion and strengthening of gender equity, non-discrimination and non-harassment in Markets.

Action

Identify and prioritize specific interventions on strengthening gender equity, non-discrimination and non-harassment where we operate through engagement or advocacy at the national or regional government level.

Scope

Priority markets

Global and sectoral collaboration and advocacy

Objectives

- Collaborate with peers and stakeholders at global and sectoral level to address systemic issues and share best practices for respecting gender equity, non-discrimination and non-harassment.
- Raise awareness of, and advocate for gender equity, non-discrimination and non-harassment within the sectors Nestlé is involved in.

Action

Identify and leverage collaborative initiatives that share best practices and tools on gender equity, non-discrimination and non-harassment in order to promote and support the development and collective uptake of strong, effective tools to mitigate, address and remediate these issues (see *Key partners* section below).

Scope

Global

Continue dialogue with IUF at global and Zone levels and create joint working groups regarding Gender Equity with representatives from Nestlé and the IUF.

Global

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Grievance mechanism

Objectives

Further develop awareness about our grievance mechanism and develop capacities among our suppliers.

| Action | Scope |
|--|--------|
| Ensure our employees and workers in our supply chain potentially affected by our operations can raise grievances and have access to remedy, including through Speak Up (Nestlé's grievance mechanism). | Global |
| Ask direct suppliers to have grievance mechanisms and management systems in place | Global |
| Engage in collaborative efforts to share best practices at a sector-wide level. | Global |

Monitor and report on indicators, overall performance and challenges

We are committed to transparently communicating our progress on implementing this action plan, as well as sharing our learnings and the challenges we face.

We will publicly report on the following indicators in relation to this action plan by the end of 2025.

Cross-cutting indicators:

1. Audit performance

- Number of material non-conformities related to gender equity, non-discrimination and non-harassment identified through third-party audits of our own operations and addressed.
- Number of material non-conformities related to gender equity, non-discrimination and non-harassment identified through third-party audits of our direct suppliers and addressed.

2. Grievance mechanism performance

- Number of material grievances received through Speak Up related to gender equity, non-discrimination and non-harassment, of which number of material grievances substantiated and addressed.
- Number of material grievances received through other channels related to gender equity, non-discrimination and non-harassment, of which number of material grievances under investigation and number addressed.

3. Sustainable sourcing

- Number of direct suppliers with mature Human Rights and Environmental Due Diligence (HREDD) systems.

4. Impact on people

- Number of cases employees, on-site contractors and workers in our supply chains benefited from our interventions on gender equity, non-discrimination and non-harassment.

Issue-specific indicator:

- Percentage of management positions held by women.

As we progress toward implementation of this plan, we will develop more impact-focused indicators.

CONNECTION WITH OTHER SALIENT ISSUE ACTION PLANS

Human rights are rights inherent to all human beings, regardless of race, sex, nationality, ethnicity, language, religion or any other status. As such, the principles of gender equity, non-discrimination and non-harassment sit at the core of human rights and help reduce inequality in many areas.

We will strive to further strengthen the gender dimension across all our salient issue action plans over time and will report on KPIs disaggregated by gender, wherever possible:

| | | | |
|--|---|---|---|
| Safety and health at work | The majority of agricultural workers are women, and they are often employed in low paid jobs that expose them to higher Occupational Health and Safety (OHS) risks. As such, actions to address OHS risks must be gender sensitive. Equally, the promotion of gender equity is a key tool in combating workplace violence and harassment, an OHS concern. | Right to water and sanitation | Recognizing that women and girls are disproportionately affected by low access to WASH, SDG 6.2 calls for “adequate and equitable sanitation and hygiene for all and an end to open defecation, paying special attention to the needs of women and girls and those in vulnerable situations.” |
| Freedom of association and collective bargaining | Freedom of association and collective bargaining enable all workers, male and female, and their representatives to advocate and negotiate for continuous improvements in different areas, including gender equity, non-discrimination and non-harassment. | Living income | There are gender specific cultural and institutional barriers that only affect the income of female smallholder farmers. For change to have a lasting impact on farming communities, actions should encourage women’s empowerment and their financial stability as drivers of productivity and increased incomes. |
| Right to food and access to nutritious, affordable and adequate diets | Amongst the populations most vulnerable to hidden hunger – characterized by a lack of micronutrients in diets – are women and children. According to a recent study from <i>The Lancet</i> , deficiency in at least one of three micronutrients affects 69% of non-pregnant women of reproductive age, equivalent to 1.2 billion worldwide. | Indigenous peoples’ and local communities’ land rights | Securing women’s land rights can elevate women’s status within households and communities and build access to markets and public spaces, helping fulfill human rights to gender equality, livelihood and identity. Stronger land rights can empower women while also increasing investments in land, spending on food and education, and improving child nutrition. |
| Child labor and access to education | Empowering women is an important means of reducing child labor. When women are educated, it is less likely that their children will be involved in child labor. Women’s education can also help them earn a better income, thereby reducing household poverty, which is one of the main drivers of child labor. | Living wage | The majority of impoverished people around the world tend to be minorities and females. Thus, the payment of a living wage to all workers will reduce inequality across gender, race and ethnicity. |
| | | Forced labor and responsible recruitment | Paying particular attention to women is essential, as women are more likely to be coerced through wage non-payment and abuse of vulnerability. They are also more likely to be subjected to physical and sexual violence and threats against family members. |

CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS (SDGs)

The actions laid out in this action plan will contribute – directly or indirectly – to SDGs 5, 10, 16 and 17 as follows:

Goal



Achieve gender equality and empower all women and girls

Target 5.1: End all forms of discrimination against all women and girls everywhere.

Target 5.2: Eliminate all forms of violence against all women and girls in the public and private spheres, including trafficking and sexual and other types of exploitation.

Target 5.4: Recognize and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies and the promotion of shared responsibility within the household and the family as nationally appropriate.

Target 5.5: Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.

Target 5.6: Ensure universal access to sexual and reproductive health and reproductive rights as agreed in accordance with the Programme of Action of the International Conference on Population and Development and the Beijing Platform for Action and the outcome documents of their review conferences.

Target 5.a: Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels.

Goal



Reduce inequality within and among countries

Target 10.2: By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.

Target 10.3: Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard.

Target 10.4: Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality.



Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

Target 16.b: Promote and enforce non-discriminatory laws and policies for sustainable development.



Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development

Target 17.17: Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships.

GOVERNANCE FOR THIS ISSUE

Nestlé Executive Board

Approves all the salient issue action plans.

Nestlé Human Resources Leadership Team

Provides strategic leadership and execution on this topic.

Nestlé Human Rights Community

Leads the human rights agenda throughout the company. It coordinates and monitors the implementation of *Nestlé's Human Rights Framework and Roadmap* throughout the value chain.

Nestlé Markets

Support the implementation of this action plan in relation to our country operations, in alignment with the global team.



KEY PARTNERS

Main implementing partners

| Partner | Activities |
|-----------------|--|
| Catalyst | We partner with Catalyst – a global nonprofit organization that helps companies build workplaces that work for women – to provide external content and resources to advance our Gender Equality journey. |

Main industry and multi-stakeholder collaborations

| Platform | Workstreams | Nestlé’s involvement |
|---|--|--|
| UN Women’s Empowerment Principles | | We are a signatory of the UN Women’s Empowerment Principles to advance gender equality and empower women in the workplace, marketplace and the community. |
| International Labour Organization (ILO) Global Business and Disability Network Charter | | We are a signatory of the ILO Global Business and Disability Network Charter that aims to promote the employment of persons with disabilities. As a member of the network, Nestlé publicly supports a series of principles to ensure the inclusion of people with disabilities in our workplace and commit to work towards our company-wide implementation, with a particular focus on three areas: <ul style="list-style-type: none"> • Awareness and understanding, to combat the negative bias and stereotypes that people with disabilities often face. • Enhanced accessibility, to enable everyone to participate in meaningful ways. • Allyship, both internally and externally in order to accelerate our progress and maximize our impact. |
| The Valuable 500 | | We are a member of The Valuable 500 , putting disability inclusion as part of our strategic agenda. |
| World Economic Forum (WEF) | Partnership for Global LGBTI Equality (PGLE) | Nestlé has joined WEF’s Partnership for Global LGBTI Equality (PGLE) , the only LGBTQ+ focused organization in the world where the private sector and civil society sit together as members, to accelerate equity, social and economic inclusion for the LGBTQ+ community. |
| | Partnering for Racial Justice in Business | We are a founding member of the WEF’s Partnering for Racial Justice in Business initiative. With this partnership, we aim to use our voice to drive changes that root out institutional racism in society. |

REFERENCES

- i https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C190
- ii <https://www.un.org/en/global-issues/gender-equality>
- iii https://www.ilo.org/empent/areas/business-helpdesk/WCMS_DOC_ENT_HLP_BDE_EN/lang--en/index.htm
- iv <https://www.un.org/ruleoflaw/thematic-areas/human-rights/equality-and-non-discrimination/>
- v [Violence and harassment in the world of work: A guide on Convention No. 190 and Recommendation No.206.](#)
- vi <https://www.un.org/sustainabledevelopment/gender-equality/>
- vii <https://www.ilo.org/global/topics/dw4sd/themes/gender-equality/lang--en/index.htm>
- viii [Gender Equality. UN Global Compact](#)
- ix [WEF_GGGR_2022.pdf \(weforum.org\)](#)

Disclaimer

This action plan is dynamic by essence and subject to change. Any reliance placed on this action plan is done solely at the risk of the person placing such reliance. To the maximum extent permitted by applicable law and regulation, Nestlé disclaims all representations, warranties, conditions and guarantees, whether express, implied, statutory or of other kind, nor does it accept any duty to any person, in connection with this action plan. To the maximum extent permitted by applicable law and regulation, Nestlé shall not be liable for any loss, damage or expense whatsoever, whether direct or indirect, howsoever arising, whether in contract, tort (including negligence), strict liability or otherwise, for direct, indirect, incidental, consequential, punitive or special damages arising out of or in connection with this action plan, including (without limitation) any course of action taken on the basis of the same.



Nestlé Good food, Good life

Nestlé's Salient Issue Action Plan:

SAFETY AND HEALTH AT WORK

First published in February 2023.
Updated in January 2025.

[nestle.com/sustainability/humanrights](https://www.nestle.com/sustainability/humanrights)



This action plan is one of a series that forms part of our [Human Rights Framework and Roadmap](#). You can find all our action plans, which address Nestlé's salient issues, on our [dedicated human rights webpage](#).

These plans guide our due diligence approach and enable us to act as a force for good. They articulate our strategy for embedding, assessing, addressing and reporting on each salient issue, defining what we need to do across our value chain, as well as what collective action can be taken.

We harnessed the strengths and capacities of each Nestlé department to define the action areas we will focus on in the years to come, in consultation with external partners and stakeholders. With collaboration built into each action plan, we hope to spark new engagement and inspire collective action with peers, business partners, civil society, non-governmental organizations (NGOs) and governments. This way, we can work together to tackle the root causes of our salient issues and create positive impact at scale.

We want these action plans to be dynamic and reflect the evolution of stakeholders' expectations and of the contexts in which we operate. Input and feedback are welcome and can be sent to us by email: humanrights@nestle.com.

We will report on progress against the indicators identified in each action plan by the end of 2025.



1 Nestlé throughout this document refers to the Nestlé Group.

EXECUTIVE SUMMARY

Definition of the issue

Safety and health at work refers to guidelines, programs and practices that aim to safeguard workers' safety, well-being and health; to provide a secure working environment and minimize the likelihood of injuries, accidents and deaths. Health promotion in the workplace complements occupational health and safety (OHS) measures and focuses on preventive and assistance programs in areas such as workplace stress, nutrition or diseases.

Why it matters

Workplace accidents, diseases and fatalities can lead to a high human, economic and social burden. This includes reliance on benefits, early retirement, exclusion from the labor market, the loss of a breadwinner and poverty.

As a company that employs approximately 267 000 people worldwide and aims to inspire people to live healthier lives, we have a responsibility to provide a zero-harm work environment for our employees and on-site contractors, and to ensure that our sites and activities do not cause harm to the local communities where we operate. We believe that taking care of people helps to build and sustain a healthy and motivated workforce. Employees who are healthy and safe at work tend to be happier and more engaged, and demonstrate higher performance and productivity.

Key actions

- Continue strengthening our safety culture toward zero harm, with people at the center of everything we do
- Deliver against the milestones from the *Nestlé Roadmap for Employee Health*, with the objective of inspiring and empowering our people to choose a healthier life
- Strengthen direct suppliers' capacity to uphold Nestlé's requirements on OHS as part of our Supplier Human Rights and Environmental Due Diligence (HREDD) Assurance Framework

- Engage and support prioritized direct suppliers in taking actions to address OHS risks and impacts in their own operations and supply chains
- Collaborate with peers and stakeholders to help address systemic issues and develop common approaches and tools on safety and health
- Support access to remedy via safe and effective grievance mechanisms for our employees and workers affected by our operations, business relationships and agricultural supply chains

Value chain priority



We recognize the importance of listening to and consulting workers and their representatives on issues that affect them. As we implement this action plan, we will identify and engage with them to strengthen our understanding of risk and the impact and sustainability of our actions

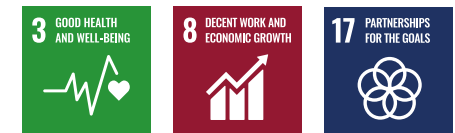
Geographical priority

Brazil, China, Colombia, Côte d'Ivoire, Ghana, Guatemala, Honduras, India, Indonesia, Malaysia, Mexico, Pakistan, Philippines, Thailand, Türkiye, United States and Vietnam



Contribution to Sustainable Development Goals (SDGs)

The actions laid out in this action plan will contribute – directly and indirectly – to SDGs 3, 8 and 17.



BACKGROUND

What we are talking about

Safety and health at work refers to guidelines, programs and practices that aim to safeguard workers' safety, well-being and health; to provide a secure working environment and minimize the likelihood of accident, injury and death. Health promotion in the workplace complements OHS measures and focuses on preventive and assistance programs in areas such as workplace stress, nutrition and disease.

ILO Declaration on Fundamental Principles and Rights at Work

With the addition of the right to a safe and healthy working environment in June 2022, the ILO Declaration now includes five categories of fundamental principles and rights at work:

- a. Freedom of association and the effective recognition of the right to collective bargaining.
- b. The elimination of all forms of forced or compulsory labor.
- c. The effective abolition of child labor.
- d. The elimination of discrimination in respect of employment and occupation.
- e. A safe and healthy working environment.

A safe and healthy working environment is an important part of the protected rights of workers around the world. Since its foundation, the International Labour Organization (ILO) has adopted more than 40 international labor standardsⁱ that specifically deal with OHS, setting minimum standards for the control and management of work-related risks and the protection of workers across different occupations and situations in which work takes place. In June 2022, the International Labour Conference recognized the right to a safe and healthy working environment as one of the fundamental principles and rights at work.ⁱⁱ

Why it matters

Workplace accidents, diseases and fatalities can lead to a high human, economic and social burden, including reliance on benefits, early retirement, exclusion from the labor market, the loss of a breadwinner and poverty. According to ILO estimates:ⁱⁱⁱ

- Approximately 2.3 million people around the world succumb to work-related accidents or diseases every year.
- Globally, there are around 340 million occupational accidents and 160 million victims of work-related illnesses annually.
- Occupational injuries and diseases resulting from a harmful work environment constitute between 1.8% and 6.0% in Global Gross Domestic Product (GDP) loss from direct and indirect costs of injuries and diseases.

Research shows that good OHS practices also contribute to better business performance, as occupational injuries, diseases and deaths also create costs for the employers, the affected worker and the community.^{iv} Employers may face costly early retirements, loss of skilled staff, absenteeism, a decrease in productivity and high insurance premiums. It also affects workers unequally. Migrant workers, seasonal workers, Indigenous workers, women, child and young workers, and smallholders are most likely to be at risk, as they are most likely to have the least secure employment, low incomes, long hours, low or no unionization, as well as inadequate diets, housing, access to potable water and sanitation, transportation, and access to broader healthcare or social security nets.^v

The COVID-19 pandemic has further emphasized the importance of ensuring and promoting safe and healthy working environments. It has also accelerated rapid changes in working conditions such as remote work, the use of technology (e.g. AI and machine learning) and worker stress and burnout, which will have significant impact on workers' safety and health.^{vi}

Finally, climate change is increasing the risk to workers' health and safety, especially those who work outdoors or in hot indoor environments.^{vii} Examples of climate-related occupational hazards include high temperatures, extreme weather and natural disasters, air pollution and biological hazards.

Vulnerable workers, such as migrants and day laborers, are at greater risk, especially if they live in inadequate housing as they may be exposed to climate-related hazards at home in addition to the workplace.^{viii}

Why this issue is relevant and important for us

As a company that employs approximately 267 000 people worldwide and aims to inspire people to live healthier lives, we have a responsibility to ensure we provide a zero-harm work environment for our employees and on-site contractors, and that our sites and activities do not cause harm to the local communities where we operate. We believe that taking care of people helps to build and sustain a healthy and motivated workforce. Employees who are healthy and safe at work tend to be happier and more engaged, and demonstrate higher performance and productivity.

In many parts of the world, agricultural production remains labor-intensive and involves limited mechanization. The production of agricultural raw materials and the recycling of materials for packaging purposes involves exposure of workers and smallholders to multiple OHS risks. Due to the size of the workforce and the scope for potential and actual adverse impacts on workers, addressing OHS risk is a key priority for Nestlé.

BACKGROUND CONTINUED

Going forward, as climate-related issues and risks increase – including the risk of new pandemics – focusing sound occupational health and safety strategies, and adaptation strategies, on the most vulnerable groups will be important elements in addressing new occupational hazard risks and achieving fair working conditions for all.

This is why we promote a culture of health and safety that demonstrates the value we place on people. We expect the same from our business partners and suppliers.

The challenges in addressing this issue

Many different factors can affect the implementation of OHS. The most fundamental challenge is that OHS does not exist in many geographic areas. According to estimates, only 15% of the total global workforce has access to specialized occupational health services.^{ix}

Some of the reasons for lack of or poor OHS include:

- Institutional factors, such as inadequate OHS regulations, standards and policies, or lack of government funding and skilled manpower to enforce existing regulations.
- Organizational factors, such as lack of awareness on the importance of health and safety in the workplace from management and employees.

- Economic factors, including the fact that competition may lead economies or organizations to compete not only in the quality and productivity of work but also on the costs of labor.^x

At production level, root causes of poor OHS practice vary according to the type of production (e.g. manual or mechanized) and whether production is based on small-scale or large-scale farming. Poverty can also be a driver of poor OHS practices, especially among small producers of agricultural commodities, due to the costs associated with having access to Personal Protective Equipment (PPE), suitable tools and machinery, or medical attention when needed. In addition, the type of contract may also adversely affect OHS practices. Piece-rate workers often work longer hours, with fewer breaks, leading to increased risk of accidents.



NESTLÉ'S VISION AND APPROACH

Our vision and approach

We are committed to providing healthy and safe working conditions for our employees and for individuals we work with. We expect our suppliers and business partners to do the same. Our goal is to enable informed decision-making and encourage our employees to take responsibility for themselves, their families and our business. At the same time, we work to anticipate and mitigate workplace health and safety risks, offering health and well-being programs as well as support for employees during and after injuries or illnesses. We also support our suppliers to improve safety standards and practices in their operations and supply chains. In the actions we take to promote improved OHS practices in our operations and value chain, we also strive to account for gender specificities in delivering appropriate responses to different needs.

Our vision on employee health is to inspire and empower our employees to choose a healthier life. The *Nestlé Roadmap for Employee Health* summarizes our vision, principles and pillars with key milestones and deliverables. It serves as a reference for our markets when developing their employee health strategies.

We also believe that a safe and healthy work environment is non-negotiable. We are committed and determined to preventing serious accidents by continually eliminating risks and enabling our employees and contractors to adopt safe behaviors.

Nestlé Roadmap for Employee Health 2021–2023²

| OUR VISION | | | |
|--|--|--|---|
| Inspiring and empowering our people to choose a healthier future for themselves, their families and our business | | | |
| FOUNDATIONS | GOVERNANCE & CAPABILITIES | HEALTH PROMOTION | COMMUNICATIONS & NETWORKING |
| <ul style="list-style-type: none"> • Employee Health Standards and reporting • Crisis management plan • Medical assistance program for business travelers and expatriates • Direct employee health support • Ergonomics | <ul style="list-style-type: none"> • Strengthen employee health community • Employee Health Council • Employee Health Dashboard | <ul style="list-style-type: none"> • Evidence-based approach • Education and awareness • Driving actions through programs: <ul style="list-style-type: none"> – Physical activity – Healthy eating – Mental health – Comprehensive health checks | <ul style="list-style-type: none"> • Employee Health Communication Strategy • Stakeholders management • Networking |
| Our principles | | | |
| 1. Respecting privacy and personal choices | | 2. Enabling informed decision making | 3. Supporting a healthy working environment and healthy working conditions |

² The *Roadmap for Employee Health* will be updated by the end of 2023 and will include priority areas and milestones for the period 2024-2024.

NESTLÉ'S VISION AND APPROACH CONTINUED

Our zero-harm vision puts people at the center of everything we do through the following five ambitions:

- Harm-free work environment.
- World-class safety performance.
- Positive impact on people well-being.
- Risk anticipation mindset.
- Strategic partnerships.

Supporting our people and communities during COVID-19

In terms of global risks, COVID-19 continues to be a key concern that demands alertness and agility from our organization. With very high levels of infection worldwide, mutations are inevitable and so is the emergence of new variants of concern. Longer, more frequent and concurrent outbreaks are likely worldwide. 'Monitor and adapt' continues to be our approach, together with highlighting the need for regular testing and promoting vaccination of our employees, as well as maintaining our readiness for reinstating comprehensive health protection measures. We are also constantly monitoring the evolution of other diseases that might be declared of public health concern.



NESTLÉ'S VISION AND APPROACH CONTINUED

How we are currently addressing this issue

OHS is governed through the Human Resources Leadership Team, the Corporate Operations Leadership Team and the ESG and Sustainability Council.

Nestlé has a long-standing commitment to respecting safety and health at work. These rights are integrated in several of our policies, including the following:

- Our Corporate Business Principles states our commitment to preventing accidents, injuries and illness related to work, and to protecting employees, contractors and others involved along the value chain.
- The Nestlé Policy on Safety and Health at Work lays out the principles we follow on OHS.
- The Nestlé Employee Relations Policy makes working time a corporate labor priority to ensure a safe and healthy workplace for workers, as well as a working environment respectful of their family lives.
- The Nestlé Policy on Conditions of Work and Employment includes a chapter on safety and health in the workplace, and requires all our employees – from top management down – to be actively engaged

in and to take personal responsibility for promoting the safety and health of themselves and others.

- Our Responsible Sourcing Core Requirements include requirements for our suppliers on safety and health as well as housing conditions for workers.

To implement our commitments in our own operations, Nestlé has developed two global strategies:

- A Global Safety Strategy, through which we strive to ensure that the highest safety standards are applied to our sites, operations and projects. This is focused on life-saving rules to prevent fatal and serious injuries that must be applied with zero tolerance, along with critical behaviors; digital safety innovation, where technology could contribute to the elimination of serious accidents; and behavioral science to help us understand what drives at-risk behaviors to address root causes. We also established Nestlé's global Women in Safety Network to boost the careers of women in safety.

- The Nestlé Roadmap for Employee Health, which outlines Nestlé's priorities for the period 2021–2023 and summarizes the Employee Health Vision, Principles and Pillars, provides key milestones and deliverables to serve as a reference for our markets when developing their employee health strategies.

We also have programs to help improve the safety and health of workers in our agricultural supply chains. For example:

- In a collaboration with non-profit organization Verité and our seafood supplier Thai Union, we funded and developed a demonstration vessel to show how mechanization to deploy and retrieve nets could improve worker safety and reduce overcrowding on board.
- In Mexico, we are supporting sugar suppliers to implement OHS practices together with our partner Proforest.
- Within our own operations, we monitor our performance through the Nestlé Management System (NMS) for Quality & Safety, Health and Environment (SHE) to assure a safe and healthy life in the workplace.

We verify compliance with our policies through:

- Our CARE audit program, which covers all the Nestlé sites we operate in the world.
- Our Sustainable Sourcing Program, which covers our prioritized direct suppliers, as relevant.
- Assessments on sites and farms in our upstream agricultural supply chains, carried out with partner organizations.
- Speak Up, our grievance mechanism that provides Nestlé employees and external stakeholders with a dedicated communication channel for reporting non-compliance concerns, anonymously if they wish.

NESTLÉ'S ACTION PLAN (2023–2025)³

Embed: Policies and processes

Objectives

- Mainstream OHS in our governance structure, policies and control systems.
- Clarify and strengthen Nestlé's commitments on OHS in line with existing and emerging best practices, and in consultation with rights holders and stakeholders

Action

Scope

Governance, capacity-building and incentives

Leverage Nestlé Human Rights Community, Nestlé Employee Health Council and Nestlé Safety Council to foster cross-departmental exchange. Global

Reflect the actions laid out in the action plan in relevant management and employee objectives. Global

Safety-specific

Identify and train relevant employees and staff on workers' health and safety risks in agricultural supply chains. Global

Further develop Nestlé global *Women in Safety Network* to boost the careers of women in safety and inspire the next generation of safety leaders. Global

Employee health-specific

Kick off the Nestlé Employee Health Council and propose a corporate Employee Health Dashboard. Global

Design a capability-building program on the topic of employee well-being for people managers. Global

Launch a global healthy eating program for employees with educational and engagement aspects (see *Right to Food and access to nutritious, affordable and adequate diets action plan*). Global

Policies and control systems

Review and update, as necessary, *Nestlé's Responsible Sourcing Core Requirements* on OHS, especially in our supply chain. Global



³ Our action plan will be reviewed and updated as necessary as we increase our understanding of impacts and risks, and monitor the effectiveness of actions taken in delivering on our vision and approach.

Assess: Our risk exposure

Prevention and mitigation of actual or potential adverse OHS impacts in our value chain starts with understanding the nature and scale of risks and impacts we may cause or contribute to through our own activities, or which may be directly linked to our operations or products by our business relationships.

Because our approach to OHS due diligence is risk-based, the measures we take to prevent and mitigate OHS risks and impacts need to be prioritized and commensurate with the severity and likelihood that our activities or those of our suppliers and business partners will result in an adverse impact on people.

The lenses through which we assess OHS risk

Our risk assessment approach comprises four interrelated lenses, each currently at varying levels of maturity. Through this approach, we seek to assess both potential and actual adverse human rights impacts. Our assessment approach therefore seeks to understand both the risks of adverse impacts that may occur (in order to prevent and mitigate such risks) and adverse impacts that have already occurred (and thus need to be stopped and remediated).

We understand the value of using multiple tools to assess our exposure to OHS issues and the importance of a dynamic system that periodically updates our understanding of risks and issues.

Informed by global datasets such as Verisk Maplecroft, assessments carried out by the Nestlé Sustainable Sourcing team for specific raw materials and information from stakeholders.

We generate a global-level overview of priority countries

We use this data to prioritize:

- 1 Countries for more granular assessments.
- 2 Business activities, direct suppliers and raw materials, for engagement.
- 3 Support to our relevant staff and suppliers.

Informed by subnational datasets, desk-based risk assessments, information from rights holders or their credible representatives, grievance information and data from our *Sustainable Sourcing Program* (e.g. landscape initiatives or site assessments).

We generate country- or location-specific risk information

We use this data to make decisions about where and what action to take at national, subnational, landscape or site levels within priority countries.

Informed by desk-based risk assessments, information from and consultations with rights holders or credible representatives, grievance information and data from our *Sustainable Sourcing Program* (e.g. landscape initiatives or site assessments).

We generate raw material- or business activity-specific risk information

We use this data to refine our list of priority countries for specific raw materials or business activities and to inform decisions about how and why to engage with sectoral actions, whether at global, country or regional levels.

Informed by our Supplier HREDD Assurance Framework, grievance information and site assessments.

We generate supplier-specific risk information

We use this data to prioritize suppliers for engagement or support based on the maturity of suppliers' systems for carrying out HREDD.

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Results of our initial global assessment for OHS risks and issues

Based on global datasets such as Verisk Maplecroft data, information from stakeholders and raw material-specific risk assessments on OHS, we have identified 18 priority countries for the 2023–2025 phase of this action plan (see right). The following steps informed our prioritization of countries:

1. Identification of countries categorized as 'priority' based on Verisk Maplecroft's Occupational Health and Safety Index.⁴
2. Addition of countries considered 'priority' in relation to one or more of our business activities in the scope of this plan, for which we had information available.
3. Analysis of the number of relevant raw materials under our *Sustainable Sourcing Program*⁵ for which we source medium or high volumes from these countries. This provides us with the scale of the footprint Nestlé has in the countries categorized as 'priority'.

Our list of priority countries does not imply that action will be limited to these countries. Although some of the actions we have listed in this plan (see *Address: Our priority actions*) will focus on priority countries, many of the actions are corporate-wide (e.g. our Global Safety Strategy or the *Nestlé Roadmap for Employee Health*) or raw material-wide (e.g. our Supplier HREDD Assurance Framework).

Priority countries

- Brazil
- China
- Colombia
- Côte d'Ivoire
- Ghana
- Guatemala
- Honduras
- India
- Indonesia
- Malaysia
- Mexico
- Pakistan
- Philippines
- Thailand
- Türkiye
- United States
- Vietnam

A data-driven approach to our employees' health

Our data-driven approach is mainly based on the aggregated statistics from the following sources:

- **My Health Numbers Program** aims to help employees assess their health, know their personal risks and get support on what they can do to reduce them. The program includes three steps:
 1. Biometrics health check with an online health risk assessment.
 2. Short consultation with a health professional.
 3. Use of aggregated statistics to design targeted interventions.

The program includes an initial anonymous screening and, while none of the data collected are connected to individual employees, the aggregated statistics are key to developing effective well-being programs and

interventions going forward.

- The **Nestlé Management System (NMS) for Quality & Safety, Health and Environment (SHE)** allows us to record work-related illnesses.

Through the data collected, we have identified the following health risks: musculoskeletal disorders, stress, unhealthy eating, lack of physical activity and excess weight.

The programs designed to mitigate these risks include long-term actions such as education, awareness and intervention elements. Their development and clear milestones are defined in the *Nestlé Roadmap for Employee Health*.

⁴ This indicates the risk to business of the association with violations of health and safety standards by state and non-state actors.

⁵ These are the 14 raw materials under the scope of our *Sustainable Sourcing Program*: cereals and grains; cocoa; coconut; coffee; dairy; fish and seafood; hazelnuts; meat, poultry and eggs; palm oil; pulp and paper; soya; spices; sugar; and vegetables. In addition, recycled materials for packaging purpose were added to the scope of this action plan.

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Supply chain risk assessment going forward

As we are still improving our understanding of OHS risks in our supply chain, there may be actual and potential adverse impacts on OHS in countries not included in our priority list.

To this end, we will gradually improve the information we have through the following different risk lenses.

| Lens | Actions |
|---|---|
| Global-level overview of priority countries | <ul style="list-style-type: none">• Refine the existing global risk assessment methodology with additional external and internal sources of data and information. |
| Country- or location-specific risk information | <ul style="list-style-type: none">• Further improve our understanding of risks on the ground, including through rapid appraisal research and regional stakeholder consultations in priority countries, including rights holders and their representatives, as well as grievance mechanisms and landscape information.• Use grievance and landscape information to inform our understanding of country- and location-specific risk. |
| Raw material- or business activity-specific risk information | <ul style="list-style-type: none">• Further improve the level of traceability of raw materials in scope for this action plan.• Expand our assessment of risk to include our waste management activities. |
| Supplier-specific risk information | <ul style="list-style-type: none">• Use information gathered through our Supplier HREDD Assurance Framework to better understand direct suppliers' risks related to OHS, and prioritize those we need to engage and support.• Use direct suppliers' links to OHS grievances to better understand supplier-specific risks. |

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Address: Our priority actions

Nestlé: Taking action within our value chain

We plan to take action within our own operations and work with our direct suppliers to ensure they are also committed to respecting OHS in their own operations and supply chains, and that they have the adequate Human Rights Due Diligence systems in place.

Own operations

Objectives

- Continue strengthening our safety culture toward zero harm with people at the center of everything we do.
- Deliver against the milestones from the *Nestlé Roadmap for Employee Health*, with the objective of inspiring and empowering our people to choose a healthier life.

Action

Scope

Safety

| | |
|---|--------|
| Strengthen our learning from major incidents process with a focus on Life-Saving Rules compliance and critical equipment such as lifting equipment. Our aim is to further increase the quality of the behavioral analyses, improve standards, disseminate lessons learned and support Nestlé markets to define impactful corrective action plans. | Global |
| Strengthen safety management during projects with: <ul style="list-style-type: none"> • A focus on proactive safety management during project execution, including a full revamp of the Safety Management module for industrial projects (supported by dedicated Zone workshops). • A new Hazard and Operability standard (HAZOP) to ensure industrial process units are assessed systematically to identify risks, evaluate their consequences and define solutions to make them safe by design. | Global |
| Redefine the Group road safety strategy and implement the global road safety program with impactful and targeted interventions in Sales and Supply Chain departments to address the main contributing factors leading to severe road accidents. | Global |
| Leverage our strategic partnerships with Global Road Safety Partnership (GRSP) and Network of Employers for Traffic Safety (NETS) to improve road safety performance. | Global |
| Implement the new Safety in Sales program with strong functional ownership and clear safety guidelines for employees, contractors and vendors in the sales and distribution functions. | Global |

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

| Action | Scope |
|---|--------|
| Safety continued | |
| Bolster the implementation of Life-Saving Rules to mitigate any residual breaches by driving behavioral interventions such as frequent high-quality shop-floor observations, positive reinforcement, and promoting 'speak up' and 'safety before supply' (i.e. everyone has the authority to stop the operation). | Global |
| Accelerate the deployment of digital safety solutions to eliminate critical hazards and increase our risk prediction capabilities. | Global |
| Continue building best-in-class safety management systems with effective science-based interventions (e.g. data analysis, near-miss reporting, hazard identification and remediation, training) to help Nestlé markets improve safety performance and strengthen safety culture. | Global |
| Employee Health | |
| Further promote <i>My Health Numbers Program</i> with focus on driving higher participation, establishing a regular rollout locally and building data analysis capability for insightful reporting. | Global |
| Strengthen implementation and further promote the use of Pleaz, our global digital platform offering easy access to active breaks that help our employees access guided exercises ranging from stretching to mindfulness. | Global |
| Development of the new Employee Health Roadmap (2024–2026). | Global |

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Supply chain

Objectives

- Engage direct suppliers on Nestlé's requirements on OHS as part of our Supplier HREDD Assurance Framework.
- Engage and support prioritized direct suppliers in taking actions to address OHS impacts and risks in their operations and supply chains.
- Effectively use and help strengthen voluntary certification as a tool for suppliers to demonstrate the assessment, mitigation, remediation and monitoring of OHS issues.

Action

Scope

Strengthen supplier engagement and capacity building

Engage and support direct suppliers prioritized through our Supplier HREDD Assurance Framework process on improving practices and addressing risks, impacts and grievances related to OHS (e.g. action plan development, capacity building, project co-funding).

Priority suppliers

Track direct suppliers' grievances related to OHS through improved supply chain grievance mechanisms and management systems.

Priority suppliers

Help strengthen relevant certification and verification schemes

Support strengthening and alignment of OHS component of certification standards and programs, and their rollout.

Relevant raw materials

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Collective action: Helping tackle root causes with relevant stakeholders

Many of the issues and challenges around respect for OHS are complex and linked to a wide range of factors (as outlined in *The challenges in addressing this issue* section on [page 4](#)) that cannot be addressed by Nestlé on its own.

Tackling these issues and their root causes requires collaboration between many different stakeholders, including workers and their representatives, companies, governments, and multilateral, non-governmental and civil society organizations. We are therefore committed to collaborating with rights holders and stakeholders both in specific landscapes in production countries as well as at global and sectoral levels to promote and help strengthen workers' health and safety.

Production country and on-the-ground initiatives

Objective

Support the respect and strengthening of OHS in production countries.

Action

Identify and prioritize specific interventions on strengthening OHS at national and subnational levels where the raw materials we source are produced by:

- Engaging in policy dialogue on OHS at national or regional government levels.
- Leveraging, where relevant, our existing landscape initiatives to address OHS risks.
- Supporting farmers and growers to implement OHS best practices through our regenerative agriculture practices interventions, as well as programs such as the *Nestlé Cocoa Plan*, the *Nescafé Plan* and *Nespresso AAA*.

Assess effectiveness of existing projects and initiatives addressing OHS risks to identify and scale up best practices.

Strengthen collaboration with national producer associations to produce guidelines and support improved OHS practice across agricultural supply chains.

Scope

Priority countries

Priority countries

Priority countries

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Global and sectoral collaboration and advocacy

Objectives

- Collaborate with peers, suppliers and stakeholders at global and sector levels to help address OHS risks through raising awareness, development of solutions or research.
- Raise awareness of, and advocate for, the respect and strengthening of OHS within the sectors Nestlé is involved in.

| Action | Scope |
|--|--------|
| Identify and leverage sector and/or collective initiatives that promote respect for OHS (e.g. certification schemes or sector collaboration groups). | Global |
| Support development of research, innovative solutions or technologies to address OHS risks, in particular in relation to increased risks of climate change on workers. | Global |

Grievance mechanism

Objectives

- Support access to remedy via safe and effective grievance mechanisms for our employees and workers in our supply chain affected by our operations, business relationships and agricultural supply chains.
- Address OHS grievances linked to us through our supply chains and help remediate such grievances when relevant.

| Action | Scope |
|---|--------|
| Ensure our employees and workers in our supply chain potentially affected by our operations can raise grievances and have access to remedy, including through Speak Up (Nestlé's grievance mechanism). | Global |
| Ask direct suppliers to have grievance mechanisms and management systems in place | Global |
| Ensure the landscape initiatives and on-the-ground projects of which we are part provide for grievance mechanisms and access to remedy for workers | Global |
| Engage in collaborative approaches to manage and address grievances at sector-wide level, including supporting the development of common tools and approaches for identifying and engaging suppliers on grievances. | Global |

Monitor and report on indicators, overall performance and challenges

We are committed to transparently communicating our progress in implementing this action plan, as well as sharing our learnings and the challenges we face.

We will publicly report on the following indicators in relation to this action plan by the end of 2025.

Cross-cutting indicators:

1. Audit performance

- Number of material non-conformities related to safety and health at work identified through third-party audits of our own operations and addressed.
- Number of material non-conformities related to safety and health at work identified through third-party audits of our direct suppliers and addressed.

2. Grievance mechanism performance

- Number of material grievances received through Speak Up related to safety and health at work, of which number of material grievances substantiated and addressed.
- Number of material grievances received through other channels related to safety and health at work of which number of material grievances under investigation and number addressed.

3. Sustainable sourcing

- Number of direct suppliers with mature Human Rights and Environmental Due Diligence (HREDD) systems.
- Percentage of volumes of key ingredients produced sustainably.

4. Impact on people

- Number of cases employees, on-site contractors, and workers and farmers in our supply chain benefited from our safety and health at work interventions.

Issue-specific indicators:

- Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health.
- Percentage of own employees who are covered by the company's health and safety management system.

As we progress toward implementation of this plan, we will develop more impact-focused indicators.




CONNECTION WITH OTHER SALIENT ISSUE ACTION PLANS

OHS is intrinsically linked to multiple salient issues we have identified, in particular:

| | |
|--|---|
| Right to water and sanitation | The lack of safe drinking water and sanitation in many rural settings has an adverse impact on the health and safety of workers and smallholder farmers. In addition, poor OHS practices such as inappropriate application, storage or disposal of pesticide and other chemicals applications, are not only a risk to health but may also have adverse effects on local water, with potential risks to the health and livelihoods of local communities. |
| Living income and Living wage | Rural poverty creates serious limitations in the ability to access important OHS resources (such as PPE, mechanization, training, medical attention and more). It is one of the main drivers for poor OHS behaviors for smallholder farmers in particular. |
| Gender equity, non-discrimination and non-harassment | The majority of agricultural workers are women, and they are often employed in low-paid jobs that expose them to higher OHS risks. As such, actions to address OHS risks must be gender sensitive. Equally, the promotion of gender equity is a key tool in combating workplace violence and harassment, an OHS concern. |
| Child labor and access to education | Child labor is a systemic issue in many agricultural supply chains. Working on farms may expose children to serious risks to their health, including mental, physical and psychological adverse effects. Hazardous work by children, like the handling of pesticides and other harmful chemicals, is one of the worst forms of child labor. |
| Right to food and access to nutritious, affordable and adequate diets | Poor OHS practices, such as poor waste management or pesticide handling practices, can have negative effects on the food security of local communities. |
| Forced labor and responsible recruitment | Casual workers, including piece-rate workers and seasonal workers, are more likely to be employed through informal arrangements and lack access to national social security and public health services. The lack of formal work contracts may also lead to illegal deductions from workers' salaries for PPE or no PPE at all. |
| Freedom of association and collective bargaining | Trade unions and workers committees play an important role in advocating and negotiating for continuous improvement of OHS practices, including access to PPE, rest periods, housing, etc. |

CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS (SDGs)

The actions laid out in this action plan will contribute – directly and indirectly - to SDGs 3, 8 and 17 as follows:

| Goal | |
|---|--|
|  | <p>Ensure healthy lives and promote well-being for all at all ages</p> <p>Target 3.6: By 2030, halve the number of global deaths and injuries from road traffic accidents.</p> <p>Target 3.9: By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination</p> |
|  | <p>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</p> <p>Target 8.8: Protect labor rights and promote safe and secure working environments of all workers, including migrant workers, particularly women migrants, and those in precarious employment.</p> |
|  | <p>Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development</p> <p>Target 17.17: Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships.</p> |

GOVERNANCE FOR THIS ISSUE

Nestlé Executive Board

Approves all the salient issue action plans.

Nestlé Human Resources Leadership Team

Provides strategic leadership and execution on our employees’ health and well-being.

Nestlé Corporate Operations Leadership Team

Provides strategic leadership and execution support on our employees’ safety.

Nestlé ESG and Sustainability Council

Provides strategic leadership and execution support for this topic with respect to actions in our supply chains.

Nestlé Employee Health Council

Is responsible for the implementation of the *Nestlé Roadmap for Employee Health*.

Nestlé Safety Council

Is responsible for the implementation of the Global Safety Strategy.

Nestlé Road Safety Committee

Is responsible for the implementation of the Nestlé Group Road Safety strategy and roadmap.

Nestlé ESG Climate and Sustainable Sourcing Workstream and Nestlé ESG Packaging Workstream

Are responsible for the implementation of the action plan in our supply chains.

Nestlé Human Rights Community

Leads the human rights agenda throughout the company. It coordinates the implementation of Nestlé’s *Human Rights Framework and Roadmap* throughout the value chain. Finally, it monitors the implementation of the framework and roadmap, and the efficiency of the program.

Nestlé Markets

Support the implementation of this action plan in relation to our country operations, in alignment with the global team.

KEY PARTNERS

Main implementing partners

| Partners | Activities |
|-----------------------------|---|
| Proforest | <ul style="list-style-type: none"> • Provision of strategic advice to Nestlé on the development and implementation of the supply chain actions of this action plan. • Implementation of better OHS practices with Nestlé upstream suppliers in specific categories, including through continuous improvement plans and OHS training. • Implementation of better OHS practices in the production of agricultural and forestry commodities through collaborative initiatives (e.g. landscape initiatives). |
| Earthworm Foundation | <ul style="list-style-type: none"> • Implementing selected on-the-ground projects (e.g. supplier engagement, landscape initiatives) Nestlé is supporting. |
| Verité | <ul style="list-style-type: none"> • Implementing selected on-the-ground projects (e.g. development of a business case for improving living and working conditions on fishing vessels) Nestlé is supporting. |

Main industry and multi-stakeholder collaborations

| Platform | Workstreams | Nestlé's involvement |
|---|----------------------------------|---|
| Global Road Safety Partnership | | <ul style="list-style-type: none"> • We collaborate with business peers to develop and scale up solutions to shared road safety challenges. • We collaborate to develop and implement road safety projects in communities where we operate. • We participate in policy development and advocacy efforts to influence the wider road safety environment. • We gain insights into the latest thinking and experience in the areas of road safety. |
| European Health Network | | <ul style="list-style-type: none"> • We exchange best practices and gain insights into the domain of Employee Health, with a focus on occupational health and well-being. |
| Network of Employers for Traffic Safety | | <ul style="list-style-type: none"> • We share learnings on the challenges we face in emerging countries. • We compare performance and gain insights into world-class road safety programs. |
| The Consumer Goods Forum (CGF) | Coalition for Healthier Lives | We actively participate in the Coalition for Healthier Lives, which looks at ways to help drive the industry forward in a collective effort to help employees around the world pursue healthier lifestyle choices and diets. |
| World Business Council for Sustainable Development (WBCSD) | Healthy People, Healthy Business | The Healthy People, Healthy Business project explores how businesses can play a pivotal role in supporting the long-term promotion of health and well-being for everyone. |

REFERENCES

- i See: [Annex to the Promotional Framework for Occupational Safety and Health Recommendation, 2006 \(No. 197\): Instruments relevant to the Promotional Framework for Occupational Safety and Health \(ilo.org\)](#)
- ii [OSH as a fundamental principle and right at work \(Safety and health at work\) \(ilo.org\)](#)
- iii [World Statistic \(ilo.org\)](#)
- iv See, for example: *Safe Work Australia* (2015). The cost of work-related injury and illness for Australian employers, workers and the community: 2012-2013. Canberra, Australia
- v [Occupational health: a world of false promises. Environmental Health \(biomedcentral.com\)](#)
- vi [The Changing Face of Worker Safety, Health, and Well-Being in a Post-Pandemic Future. Executive and Continuing Professional Education. Harvard T.H. Chan School of Public Health](#)
- vii [Impacts of Climate Change on Workers' Health and Safety. Oxford Research Encyclopedia of Global Public Health](#)
- viii [Impact of Climate on Workers. NIOSH. CDC](#)
- ix [Protecting workers' health \(who.int\)](#)
- x [Occupational Safety and Health. UN Global Compact](#)

Disclaimer

This action plan is dynamic by essence and subject to change. Any reliance placed on this action plan is done solely at the risk of the person placing such reliance. To the maximum extent permitted by applicable law and regulation, Nestlé disclaims all representations, warranties, conditions and guarantees, whether express, implied, statutory or of other kind, nor does it accept any duty to any person, in connection with this action plan. To the maximum extent permitted by applicable law and regulation, Nestlé shall not be liable for any loss, damage or expense whatsoever, whether direct or indirect, howsoever arising, whether in contract, tort (including negligence), strict liability or otherwise, for direct, indirect, incidental, consequential, punitive or special damages arising out of or in connection with this action plan, including (without limitation) any course of action taken on the basis of the same.



Nestlé Good food, Good life

Nestlé's Salient Issue Action Plan:

FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

First published in February 2023.
Updated in January 2025.

[nestle.com/sustainability/humanrights](https://www.nestle.com/sustainability/humanrights)

This action plan is one of a series that forms part of our [Human Rights Framework and Roadmap](#). You can find all our action plans, which address Nestlé's salient issues, on our [dedicated human rights webpage](#).

These plans guide our due diligence approach and enable us to act as a force for good. They articulate our strategy for embedding, assessing, addressing and reporting on each salient issue, defining what we need to do across our value chain, as well as what collective action can be taken.

We harnessed the strengths and capacities of each Nestlé department to define the action areas we will focus on in the years to come, in consultation with external partners and stakeholders. With collaboration built into each action plan, we hope to spark new engagement and inspire collective action with peers, business partners, civil society, non-governmental organizations (NGOs) and governments. This way, we can work together to tackle the root causes of our salient issues and create positive impact at scale.

We want these action plans to be dynamic and reflect the evolution of stakeholders' expectations and of the contexts in which we operate. Input and feedback are welcome and can be sent to us by email: humanrights@nestle.com.

We will report on progress against the indicators identified in each action plan by the end of 2025.



1 Nestlé throughout this document refers to the Nestlé Group.

EXECUTIVE SUMMARY

Definition of the issue

Freedom of association refers to the right of workers and employees to freely and voluntarily establish organizations and join one of their choosing¹. Closely linked to this, collective bargaining is the process through which employers and their organizations can negotiate with employees and their chosen representatives/organizations regarding fair wages and working conditions. The objective of bargaining is to arrive at a collective agreement that regulates terms and conditions of employment, such as wages, working time, training, occupational health and safety, and equal treatment.

Why it matters

The concept of worker voice and representation encompasses the fundamental rights of freedom of association and collective bargaining. These are considered key enabling rights, which allow workers to have their voices heard and to improve working conditions for themselves and the wider workforce.

No matter where Nestlé operates in the world, regardless of whether our employees are represented, we strive to provide our

employees with fair wages and a wide array of benefits to support them and their families. We also provide multiple tools and processes to maximize all employee voices.

We respect and support the rights to freedom of association and collective bargaining, as part of our willingness to work together with employees to create an environment built on mutual confidence and trust.

Value chain priority



We recognize the importance of listening to and consulting employees and/or their chosen representatives on issues that affect them. As we implement this action plan, we will identify and engage with them to strengthen our understanding of risk and the impact and sustainability of our actions.

Key actions

- Further strengthen our *Responsible Sourcing Core Requirements*
- Further strengthen our and our suppliers' capacity to assess and prevent risks
- Maintain a high level of awareness among global and local teams
- Continue our engagement and dialogue with employee and union representatives

- Drive further awareness about our grievance mechanism and develop capacities among our suppliers

Contribution to Sustainable Development Goals (SDGs)

The actions laid out in this action plan will contribute – directly and indirectly – to SDGs 8, 16 and 17.



Geographical priority

Global



BACKGROUND

What we are talking about

Freedom of association and collective bargaining are among the founding principles of the International Labour Organization (ILO).

Freedom of association is a fundamental human right proclaimed in the Universal Declaration of Human Rights. It refers to the right of workers and employees to freely and voluntarily establish organizations and join one of their choosing. In addition, these organizations have the right to carry out their activities in full freedom and without interference.

Closely linked to this, collective bargaining is the process through which employers and their organizations can negotiate with employees and their representatives/organizations regarding fair wages and working conditions. The objective is to arrive at a collective agreement that regulates terms and conditions of employment, such as wages, working time, training, occupational health and safety, and equal treatment.

Why it matters

The concept of worker voice and representation encompasses the fundamental rights of freedom of association and collective bargaining. These are considered key enabling rights, which allow workers to have their voices heard and to improve working conditions for themselves and the wider workforce.

The following international instruments contain the general principles of freedom of association and collective bargaining:

- Universal Declaration of Human Rights (1948)
- International Covenant on Civil and Political Rights (1966)
- International Covenant on Economic, Social and Cultural Rights (1966)
- ILO Freedom of Association and Protection of the Right to Organise Convention (C87, 1948)
- ILO Right to Organize and Collective Bargaining Convention (C98, 1949) Article 2
- ILO Collective Bargaining Convention (C154, 1981) Article 5 (2): Article 8
- ILO Workers Representatives Convention (C135, 1973), Articles 1 and 2
- Tripartite Declaration of Principles concerning Multinational Enterprise and Social Policy (1977), Articles 48, 49, 50, 51 and 52

Not only can freedom of association and collective bargaining directly promote improvements in working conditions, but they can also contribute to broader economic and social development and, consequently, better business performance. A dialogue-based workplace that allows for employee

input contributes to empower and engage its workers, in turn enhancing morale and leading to improvements in productivity and performance. Where a company respects and supports the rights to freedom of association and collective bargaining, this indicates a willingness to work together with employees and create an environment built on mutual confidence and trust.

Why this issue is relevant and important for us

No matter where Nestlé operates in the world, regardless of whether our employees are represented, we strive to provide our employees with fair wages and a wide array of benefits to support them and their families. We also provide multiple tools and processes to maximize all employee voices.

We also recognize that freedom of association and collective bargaining are key enablers for our employees to be able to claim rights at work and have a positive impact on their working and living conditions. Having a direct line of dialogue with our employees or their freely chosen representatives/organizations helps our workforce feel motivated by having a vested interest in setting the terms of its future. It also ensures everyone is connected with Nestlé's purpose and values, understands the strategic direction of the business, and is fully engaged with its success.

Effective social dialogue and respect for fundamental labor rights also play an important role in enabling a [just transition](#) to

a regenerative food system. Working with our suppliers to support and empower workers and communities across our value chain will help us drive equitable change and build stronger foundations for a fairer food system.

The challenges in addressing this issue

One of the main challenges for companies to implement the rights to freedom of association and collective bargaining is that the legal systems governing it varies significantly from one country to another. In some contexts, these rights are protected by law, while in others there may be legal restrictions preventing workers from freely exercising them. For example: "In some countries workers are denied the right to associate, workers' and employers' organizations are illegally suspended or interfered with, and in some cases, trade unionists are arrested or killed."ⁱⁱ

The International Trade Union Confederation (ITUC)'s 2021 Global Rights Index also sheds light on the impact of the COVID-19 pandemic on workers' rights to freedom of association and collective bargaining, including increased restrictions on trade union activity and in workers' surveillance and the passing of repressive laws by governments.ⁱⁱⁱ

A more recent challenge is the digitalization of the economy and the way it transforms jobs and employment relationships as well as the casualization of the workforce. According to the ILO, these also have a negative impact on freedom of association.^{iv}

NESTLÉ'S VISION AND APPROACH

Our vision and approach

Across our global workforce, we are committed to further strengthening our culture of respect by:

- Upholding our employees' freedom of association and the effective recognition of the right to collective bargaining.
- Ensuring direct and frequent communication in the workplace.
- Making all necessary efforts to develop fair and constructive dialogue, reach sustainable agreements and implement them.
- Engaging with external stakeholders, continuously seeking areas of dialogue and mutual understanding, and exchanging views on labor-related subjects.

This vision is supported by our new *Nestlé Employee Relations Roadmap 2025*, communicated internally in 2022. This roadmap aims to guide our global and local Employee Relations teams in their mission to nurture employee engagement and a work environment where human rights are upheld.

We also aim to engage our suppliers on respecting and supporting the right to freedom of association and collective bargaining within their own operations. While we do not set terms and conditions of employment with respect to our suppliers, we will work with them to advance freedom of association and collective bargaining. If we identify actual or potential adverse impacts on freedom of association and collective bargaining among our suppliers, we will take action.

2025 Employee Relations Roadmap

| Proactive EMPLOYEE RELATIONS | Social DIALOGUE | Social PERFORMANCE | LEADERSHIP in Employee Relations | Employee ENGAGEMENT and WELL-BEING |
|--|---|---|--|---|
| By building an Employee Relations strategy at global, Zone and local levels to support the respective Business Strategy and People Strategy. | By engaging with our employees and their representatives, and by including them as the company evolves. | By providing our employees with good working conditions, a safe and healthy work environment, and flexible and contemporary employment opportunities. | By developing people leaders and HR leaders who engage with employees and live by the values of respect and inclusivity. | By supporting our employees through life's experiences, while inspiring them to be their best selves at work. |

Our Employee Relations ambition:

Nurturing employee engagement and a work environment exemplary of respecting human rights.

Our employees and their representatives are **connected with Nestlé's purpose**, understand the **strategic direction of our business and are engaged with its future success**. They realize they are performing **meaningful work** and contributing to a **safe, healthy and inclusive work environment**.

Furthermore, we recognize that trade unionists can face multiple forms of reprisal, such as threats, intimidation, violence or other infringements of their rights, including through abusive legal proceedings and criminalization of their activities. Nestlé has no tolerance for violence, threats or intimidation of human rights defenders (HRDs), including trade unionists. We respect and promote the rights of HRDs and will require our suppliers to do the same.

To realize our vision, we will work on two complementary levels by:

1. Taking action in our own operations and through leverage with our direct suppliers to assess risks to freedom of association and collective bargaining, address risks and potential adverse impacts, and monitor and report on activities.
2. Using leverage, collaboration and collective engagement to address widespread, systemic freedom of association and collective bargaining issues and their root causes.

Our intent is to leverage our global presence for the achievement of the goals set forth in this action plan, recognizing that the protection and expression of freedom of association and collective bargaining vary from Market to Market. While the scope of this action plan leverages our global presence, it is designed to be tailored and applied by Nestlé Markets as best suited to local conditions.

How we are currently addressing this issue

Freedom of association and collective bargaining are governed at the highest level of the company by the Human Resources Leadership Team. (See also *Governance* section for this issue.)

Nestlé has a longstanding commitment to respecting and promoting freedom of association and collective bargaining. These rights are integrated in several of our policies, including:

- Our Corporate Business Principles and Employee Relations Policy clearly state that we respect the right to freedom of association of our employees, including the organization and participation in associations and unions, and the right to collective bargaining.

- Our Responsible Sourcing Core Requirements include dedicated sections on freedom of association and collective bargaining and what we expect from our suppliers.

These documents also express our commitment to comply with the laws applicable in the countries in which Nestlé operates and to adhere to the eight fundamental Conventions of the ILO, Guidelines for Multinational Enterprises of the Organization for Economic Co-operation and Development (OECD), the United Nations' Global Compact, and the ILO Tripartite Declaration of Principles concerning Multinational Enterprise and Social Policy.

We verify compliance with our policies through:

- Our CARE audit program covering all the Nestlé sites we operate in the world.
- Our Sustainable Sourcing Program covering our prioritized direct suppliers, as relevant.
- Speak Up, our grievance mechanism, providing Nestlé employees and external stakeholders with a dedicated communication channel for reporting non-compliance concerns, anonymously if they wish.

In addition to engaging with employees and their chosen representatives at the local level, we also hold regular dialogues with trade unions and workers' councils at supra-national levels:

- In 1996, Nestlé management and employee representatives established a Nestlé European Council for Information and Consultation (NECIC) to maintain a meaningful dialogue at the European level between Nestlé and employee representatives on significant European transnational matters of importance to employees.
- Since 2013, we have held dialogues with union representatives on a biannual basis.

NESTLÉ'S ACTION PLAN (2023–2025)²

Embed: Policies and processes

Objective

Further strengthen Nestlé's policies on freedom of association and collective bargaining in consultation with workers, their representatives and other relevant stakeholders.

Action

Scope

Governance, capacity-building and incentives

Reflect the actions laid out in the action plan in relevant management and employees' objectives.

Global

Policies and control systems

Review and update as needed *Nestlé's Responsible Sourcing Core Requirements* on freedom of association and collective bargaining.

Global

Review and support sector-level commitments on freedom of association and collective bargaining as relevant.

Global

² Our action plan will be reviewed and updated as necessary as we increase our understanding of impacts and risks, and monitor the effectiveness of actions taken in delivering on our vision and approach.

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Assess: Our risk exposure

Prevention and mitigation of actual or potential adverse impacts on freedom of association and collective bargaining in our value chain starts with understanding the nature and scale of risks and impacts we may cause or contribute to through our own activities, or which may be directly linked to our operations or products by our business relationships.

We do this through the policies, control systems and a grievance mechanism we already have in place (see *How we are currently addressing this issue*).

Our approach to freedom of association and collective bargaining is global and applies across all geographies where we operate, in compliance with all applicable local laws and regulations.

For the purpose of this action plan the scope of risks and impacts includes direct suppliers as well.

Own operations and supply chain

Objective

Further strengthen our operations and our direct suppliers' capacity to assess and prevent risks to freedom of association and collective bargaining.

Action

Incorporate questions on social dialogue, benefits of worker organizations/committees and access to grievance mechanisms in our employee surveys.

Use information gathered through our Supplier Human Rights and Environmental Due Diligence (HREDD) Assurance Framework to better understand direct suppliers' risks related to freedom of association and collective bargaining and prioritize those we need to engage and support.

Track direct suppliers' grievances related to freedom of association and collective bargaining through improved supply chain grievance mechanisms and management systems.

Scope

Global

Global

Global

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Address: Our priority actions

Nestlé: Taking action within our value chain

Nestlé is taking action within our own operations and is working with our direct suppliers to ensure they are also committed to respecting the right to freedom of association and collective bargaining in their own operations, and they have the adequate Human Rights Due Diligence systems in place.

Own operations

Objectives

- Maintain a high level of awareness among our global and local teams on the topic.
- Strengthen our strategies for own operations.

Action

Develop Employee Relations strategies in all Nestlé Zones and markets/countries, reflecting the importance of freedom of association and collective bargaining.

Scope

Global

Continue building the capacity of the Employee Relations professionals by reviewing the competency framework with a focus on the importance of social dialogue, communication, consultation, negotiation and freedom from discrimination.

Global

Engage in discussions with employee and union representatives including where the rights to freedom of association and collective bargaining are restricted under law.

Global

Supply chain

Objectives

- Engage prioritized direct suppliers on Nestlé's commitments on freedom of association and collective bargaining as part of our Supplier HREDD Assurance Framework.
- Engage and support prioritized direct suppliers to encourage actions to address freedom of association and collective bargaining impacts and risks in their own operations.

Action

Strengthen supplier engagement and capacity building

Engage and support direct suppliers prioritized through our Supplier HREDD Assurance Framework process on improving practices and addressing risks, impacts and grievances on freedom of association and collective bargaining (e.g. action plan development, capacity building, project co-funding).

Scope

Global

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Collective action: Helping tackle root causes with relevant stakeholders

Many of the issues and challenges around respect for freedom of association and collective bargaining are complex and linked to a wide range of factors (as outlined in *The challenges in addressing this issue* section above) that cannot be addressed by Nestlé on our own.

Tackling these issues and their root causes requires collaboration between many different stakeholders, including workers themselves and their freely chosen representatives, as well as companies, governments, multilateral, non-governmental and civil society organizations. We are, therefore, committed to collaborate with workers and their freely chosen representatives, as well as other stakeholders both at global and sectoral levels, to help strengthen the right to freedom of association and collective bargaining.

Global and sectoral collaboration and advocacy

Objective

Continue developing meaningful collaborations with international and local worker representative organizations and other civil society organizations that protect and promote labor rights.

Action

Continue dialogue with union representatives at local, zone and global levels.

Scope

Global

Identify and leverage sector and/or collective initiatives that promote respect for freedom of association and collective bargaining at national level (e.g. certification schemes, sector or commodity collaboration groups).

Global

Grievance mechanism

Objective

Further develop awareness about our grievance mechanism and develop capacities among our suppliers.

Action

Ensure our employees and workers in our supply chain potentially affected by our operations can raise grievances and have access to remedy, including through Speak Up (Nestlé's grievance mechanism).

Global

Ask direct suppliers to have grievance mechanisms and management systems in place.

Global

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Monitor and report on indicators, overall performance and challenges

We are committed to transparently communicating our progress on implementing this action plan, as well as sharing our learnings and the challenges we face.

We will publicly report on the following indicators in relation to this action plan by the end of 2025.

Cross-cutting indicators:

1. Audit performance

- Number of material non-conformities related to freedom of association and collective bargaining identified through third-party audits of our own operations and addressed.

- Number of material non-conformities related to freedom of association and collective bargaining identified through third-party audits of our direct suppliers and addressed.

2. Grievance mechanism performance

- Number of material grievances received through Speak Up related to freedom of association and collective bargaining, of which number of material grievances substantiated and addressed.
- Number of material grievances received through other channels related to freedom of association and collective bargaining, of which number of material grievances under investigation and number addressed.

3. Sustainable sourcing

- Number of direct suppliers with mature Human Rights and Environmental Due Diligence (HREDD) systems.

4. Impact on people

- Number of cases employees, on-site contractors and workers in our supply chains benefited from our interventions on freedom of association and collective bargaining.

Issue-specific indicator:

- Percentage of total employees covered by collective bargaining agreements.

As we progress toward implementation of this plan, we will develop more impact-focused indicators.



CONNECTION WITH OTHER SALIENT ISSUE ACTION PLANS

Freedom of association and collective bargaining are enabling rights, rooted in the ILO Constitution. As such, they are intrinsically linked to multiple of our salient issue action plans, in particular:

Forced labor and responsible recruitment

Freedom of association and collective bargaining enable workers – without any discrimination – and their representatives to advocate and negotiate for continuous improvements in the areas of occupational, health and safety, working hours and rest periods, accommodation, fair wages, gender equity, non-discrimination and non-harassment, etc.

Gender equity, non-discrimination and non-harassment

Health and safety at work

Living income and living wage

CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS (SDGs)

The actions laid out in this action plan will contribute – directly and indirectly - to SDGs 8, 16 and 17 as follows:

Goal



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Target 8.8: Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.



Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

Target 16.10: Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements.



Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development

Target 17.17: Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships.

GOVERNANCE FOR THIS ISSUE

Nestlé Executive Board

Approves all the salient issue action plans.

Nestlé Human Resources Leadership Team

Provides strategic leadership and execution for this topic.

Nestlé ESG and Sustainability Council

Provides strategic leadership and execution on this topic in relation to direct suppliers.

The Employee Relations Team

Is responsible for the implementation of the action plan in our own operations.

Nestlé ESG Climate and Sustainable Sourcing Workstream

Is responsible for the implementation of the action plan in our supply chains.

Nestlé Advocacy Coordination Group

Provides strategic leadership and execution on the engagement and advocacy strategy related to this action plan.

Nestlé Human Rights Community

Leads the human rights agenda throughout the company. It coordinates and monitors the implementation of *Nestlé's Human Rights Framework and Roadmap* throughout the value chain.

Nestlé markets

Support the implementation of this action plan in relation to our country operations, in alignment with the global team.

KEY PARTNERS

Main industry and multi-stakeholder collaborations

| Platform | Workstreams | Nestlé's involvement |
|---|---|---|
| International Labour Organization (ILO) | Global Business Network on Social Protection Floors | The Global Business Network for social protection floors is a platform that allows us to make a significant contribution to the development of social protection systems and floors and to achieve impact for employees, workers of supply chain and communities at large. |
| International Organization of Employers (IOE) | Corporate Partner | As a Corporate Partner we gain access to IOE expertise in policy development through individualized support and services and knowledge-sharing activities on labor standards, human rights and responsible business conduct, industrial relations, international labor migration, sustainability, standardization, and skills development among others. We exercise leadership in policy circles relating to international employment and social affairs. |
| International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers' Associations (IUF) | | <ul style="list-style-type: none"> • Since 2013, we have held dialogues with the IUF. • We have created joint working groups regarding social sustainability and gender equality with representatives from Nestlé and the IUF. |

REFERENCES

- i [Freedom of Association • Business & Human Rights Navigator \(unglobalcompact.org\)](#)
- ii [Freedom of Association • Business & Human Rights Navigator \(unglobalcompact.org\)](#)
- iii [2021 ITUC Global Rights Index: COVID-19 pandemic puts spotlight on workers' rights - International Trade Union Confederation \(ituc-csi.org\)](#)
- iv [wcms_722482.pdf \(ilo.org\)](#)

Disclaimer

This action plan is dynamic by essence and subject to change. Any reliance placed on this action plan is done solely at the risk of the person placing such reliance. To the maximum extent permitted by applicable law and regulation, Nestlé disclaims all representations, warranties, conditions and guarantees, whether express, implied, statutory or of other kind, nor does it accept any duty to any person, in connection with this action plan. To the maximum extent permitted by applicable law and regulation, Nestlé shall not be liable for any loss, damage or expense whatsoever, whether direct or indirect, howsoever arising, whether in contract, tort (including negligence), strict liability or otherwise, for direct, indirect, incidental, consequential, punitive or special damages arising out of or in connection with this action plan, including (without limitation) any course of action taken on the basis of the same.



Nestlé Good food, Good life

Nestlé's Salient Issue Action Plan:

RIGHT TO WATER AND SANITATION

First published in February 2023.
Updated in January 2025.

[nestle.com/sustainability/humanrights](https://www.nestle.com/sustainability/humanrights)



This action plan is one of a series that forms part of our [Human Rights Framework and Roadmap](#). You can find all our action plans, which address Nestlé's salient issues, on our [dedicated human rights webpage](#).

These plans guide our due diligence approach and enable us to act as a force for good. They articulate our strategy for embedding, assessing, addressing and reporting on each salient issue, defining what we need to do across our value chain, as well as what collective action can be taken.

We harnessed the strengths and capacities of each Nestlé department to define the action areas we will focus on in the years to come, in consultation with external partners and stakeholders. With collaboration built into each action plan, we hope to spark new engagement and inspire collective action with peers, business partners, civil society, non-governmental organizations (NGOs) and governments. This way, we can work together to tackle the root causes of our salient issues and create positive impact at scale.

We want these action plans to be dynamic and reflect the evolution of stakeholders' expectations and of the contexts in which we operate. Input and feedback are welcome and can be sent to us by email: humanrights@nestle.com.

We will report on progress against the indicators identified in each action plan by the end of 2025.



¹ Nestlé throughout this document refers to the Nestlé Group.

EXECUTIVE SUMMARY

Definition of the issue

Access to safe, affordable and reliable drinking water and sanitation services is a basic human right. The right to water entitles everyone to sufficient, safe, acceptable, physically accessible and affordable water for personal and domestic uses. The right to sanitation entitles everyone to physical and affordable access to sanitation that is safe, hygienic, secure, and socially and culturally acceptable by providing privacy and dignity.¹

Closely linked to the right to water and sanitation is the issue of hygiene. In the context of access to water and sanitation, hygiene is related to accessible handwashing facilities that provide soap and water or disinfectant gels in all settings as well as hygiene practices and behaviors (e.g. washing hands after using toilets).

Why it matters

Access to water, sanitation and hygiene (WASH) is indispensable to sustaining healthy livelihoods and maintaining people's dignity. Human rights to water and sanitation are also essential for eradicating poverty, building peaceful and prosperous societies, and ensuring inclusive sustainable development.

Value chain priority



We recognize the importance of listening to and consulting workers, local communities and farmers on issues that affect them. As we implement this action plan, we will identify and engage with them to strengthen our understanding of risk and the impact and sustainability of our actions.

Key actions

- Strengthen our risk assessment approach to, and prevention and mitigation of, WASH risks across Nestlé's value chain, in particular our agricultural supply chains
- Promote consistent adoption of WASH-related Human Rights Due Diligence across Nestlé's value chain, in particular our agricultural supply chains

- Engage and build capacity of our relevant staff on WASH risks and impacts
- Collaborate with peers and stakeholders to help address systemic WASH risks and develop common approaches and tools on access to WASH
- Identify government engagement opportunities to strengthen access to WASH

Contribution to Sustainable Development Goals (SDGs)

The actions laid out in this action plan will contribute – directly or indirectly – to SDGs 3, 6 and 17.



Geographical priority

See pages 17 and 18



BACKGROUND

What we are talking about

The right to water and sanitation is derived from the right to an adequate standard of living under Article 11(1) of the [International Covenant on Economic, Social and Cultural Rights](#). The key elements of the right to water and sanitationⁱ are:

- **Availability:** having a sufficient and continuous supply of water to cover personal and domestic uses, as well as a sufficient number of sanitation facilities within or in the immediate vicinity of all households, health and educational institutions, workplaces and other public places.
- **Accessibility:** safe physical access to water and sanitation facilities.
- **Affordability:** services must be affordable to all.
- **Quality and safety:** water must be safe and not constitute a threat to a person's health.
- **Acceptability:** facilities must be culturally acceptable and appropriate, and sensitive to gender, age (incl. life cycle) and privacy requirements.

Closely linked to the right to water and sanitation is the issue of hygiene. This includes access to hygiene (e.g. handwashing facilities and soap) as well as hygiene practices and behaviors (e.g. washing hands after using toilets). Hand hygiene is recognized as a crucial practice in preventing diseases such as pneumonia and diarrhea, as well as the spread of viruses such as COVID-19.

Why it matters

Safe drinking water and sanitation services are indispensable to sustaining healthy livelihoods and maintaining people's dignity. Human rights to water and sanitation are also essential for eradicating poverty, building peaceful and prosperous societies, and ensuring inclusive sustainable development.ⁱⁱ

Yet significant challenges remain to achieving access to water and sanitation for all, as well as to addressing inequalities between and within countries' access to basic water and sanitation services. The United Nations (UN) estimates that one in three people globally lack access to safe drinking water, two out of five lack basic hand-washing facilities with soap and water, and more than 673 million people still practice open defecation.ⁱⁱⁱ According to

the World Health Organization (WHO), 829 000 people die each year from diarrhea as a result of unsafe drinking water, sanitation and hand hygiene.^{iv}

Why this issue is relevant and important for us

The right to water and sanitation and the promotion of good hygiene are important to Nestlé's operations and supply chains. We rely on workers being able to access safe water, sanitation and hand-washing facilities. Without this, we would be unable to staff our facilities and meet the basic needs of our employees. We also need to make sure these sites do not have a negative impact on local communities' ability to access safe water and sanitation. This is a key element of our license to operate locally.

In addition, we depend on a significant and reliable supply of agricultural raw materials sourced from over 6 million farmers across 100 countries. Many of these supply chains are based in countries where water insecurity is high and access to sanitation and hygiene is low, especially in rural areas. Our contribution to improving access to WASH can help make a significant difference to the well-being and resilience of these farming communities.

Human health and environmental sustainability are also closely linked. As climate change and population growth lead to environmental degradation, the goal of providing safe drinking water and sanitation becomes harder to reach.^v Climate change also leads to greater variability in water cycles and the demand for water resources needed to produce food and energy.^{vi} The COVID-19 pandemic also highlighted the importance of access to safe water, sanitation and hygiene in protecting human health during infectious disease outbreaks and, in particular, in ensuring the well-being of farmers and workers, as well as supply chain resilience.

As such, respecting the right to water and sanitation in our operations while seeking to address any adverse impacts to which we may contribute, or to which we may be linked through our business relationships, is deeply connected to achieving both our [water stewardship](#) agenda and our [Nestlé Waters Pledge](#), as well as a key element of our plans to support and accelerate the [transition to a regenerative food system](#) in a way that leaves no one behind.

BACKGROUND CONTINUED

The challenges in addressing this issue

Ensuring access to WASH requires substantial economic resources, technological solutions and political will. Global challenges^{vi} to making universal access to WASH a reality include:

- Inadequate public water infrastructure development, especially in rural areas,^{vii} which may be symptomatic of broader development challenges.
- Contamination of water in distribution systems, often due to inadequate wastewater management.
- Increasing water stress as a consequence of climate change.
- Innovation and implementation of low-cost water and sanitation systems.
- Provision of clean water supplies and sanitation services in megacities.
- Global and regional disparities in access to water, sanitation and hygiene.

In addition, discrimination, social exclusion and inequality can disadvantage particular groups, even in places where water is abundant and infrastructure sufficient. Those most at risk include low-income populations, slum dwellers, women and girls, and ethnic and other minorities such as indigenous peoples, migrants and refugees to cite a few.

Considering these are often complex and systemic issues, companies cannot address them alone. Nonetheless, Nestlé is committed to respecting the right to water and sanitation for all rightsholders impacted by its business, and to promoting good hygiene behaviors. By helping rightsholders within our value chain to gain access to WASH, we also have an opportunity to improve the livelihoods and health of people and communities in and around our operations and agricultural supply chains.

NESTLÉ'S VISION AND APPROACH

Our vision and approach

Through this action plan, we aim to respect and promote the right to water and sanitation. As part of this, we work to ensure that our activities do not negatively affect the ability of communities to access WASH. We have also incorporated requirements for our suppliers concerning access to water and sanitation, and responsible water management, into our *Responsible Sourcing Core Requirements*.

We focus our attention on helping to prevent and mitigate WASH risks and impacts that we may cause or contribute to, and that we use our leverage to address issues we are linked to through our business relationships. We also work to help strengthen these rights in high-risk countries and contexts. If our risk assessments or grievance mechanisms identify actual or potential adverse impacts to these rights in our own operations or supply chains, we will take appropriate action to address those impacts.

We also recognize that helping people access WASH is foundational to economic and social development. By contributing to improved water and sanitation access, we can positively impact health, nutrition, gender equality and achieve our plans to support and accelerate the transition to a regenerative food system.

We aim for our sites and supply chains to play a constructive and positive role in safeguarding and improving access to WASH for workers and local communities. To realize this vision, we will work on two complementary levels by:

1. Taking action in our business operations and through our business relationships, in particular our agricultural supply chains, to assess the risks related to WASH, address them, and monitor and report on the risks and activities undertaken.
2. Using leverage, collaboration and collective engagement to address widespread, systemic WASH challenges and their root causes.

How we are currently addressing this issue

The right to water and sanitation is governed through our ESG and Sustainability Council (See also the *Governance* section for this issue).

Nestlé has a longstanding commitment to respecting the right to water and sanitation:

- In 2010, we formally reconfirmed our public support for the human right to water and sanitation, as adopted by the UN General Assembly and the UN Human Rights Council. This is duly reflected in our Corporate Business Principles.
- We signed the WASH Pledge of the World Business Council for Sustainable Development (WBCSD) in 2013, committing to provide access to clean water and sanitation to our employees, and to support access to and provision of clean water and improved sanitation in communities adjacent to select factories and locations where we source agricultural commodities.

- In 2016, we developed the Nestlé Guidelines on Respecting the Human Rights to Water and Sanitation (replaced by this action plan).
- Our Responsible Sourcing Core Requirements requires our suppliers to provide their workers with access to water and sanitation as well as protect the sites and resources that are fundamental for satisfying the water needs of local communities or indigenous peoples (for livelihoods, health, nutrition, water, etc.). It also requires farmers to sustainably manage and protect water sources.
- The Nestlé Environmental Requirements (NER) requires our factories, distribution centers, data centers and R&D facilities to closely monitor their water use and perform regular assessments of the local water resources.
- In 2019, we developed a Community Relations Process tool to help us engage with local communities around our sites where water risk is high.

- We also supported the introduction of a specific WASH outcome in the Alliance for Water Stewardship (AWS) Standard 2.0.

We use different tools to assess water risk in our supply chain, including:

- Assessment of current water risk at selected sourcing locations for key agricultural commodities such as cereals, coffee, dairy and sugar, combining several water stress indices and tools.²
- Assessment of future water trends and risks using World Resources Institute (WRI)'s Aqueeduct tool.
- Use of the Water Footprint Network methodology to assess the water footprint of key agricultural commodities.

We have also worked with local and global organizations to increase access to WASH. To date, these projects have benefited more than 1.4 million people in areas surrounding our sites, including:

- Helping improve water quality and infrastructure for 27 000 people around our bottling facility in Benha, Egypt.
- Supporting the Africa WASH Coronavirus grant to provide access to clean water and hygiene during the Covid-19 pandemic, establishing community water supplies and handwashing points to aid hygiene in public areas in Kenya, Burkina Faso, Côte d'Ivoire, Ethiopia, Ghana, Mozambique, Senegal and South Africa, working alongside the International Federation of Red Cross and Red Crescent Societies (IFRC) and the Kenya Red Cross Society.
- Providing access to water and sanitation to school children through the installation of water tanks in 58 schools and 39 toilets for girls in Bangladesh.
- Providing access to drinking water to more than 4,100 community members around our factories in Veracruz and Chiapas in Mexico.

² This includes WRI's Aqueeduct tool, WWF's Water Risk Filter, EarthStat, and ETH - Pfister Data.

NESTLÉ'S ACTION PLAN (2023–2025)³

Embed: Policies and processes

Objectives

- Mainstream WASH in our governance structure, policies and control systems.
- Clarify and strengthen Nestlé's commitments on WASH in line with existing and emerging best practices and in consultation with rightsholders and stakeholders.

Action

Scope

Governance, capacity-building and incentives

| | |
|---|--------|
| Leverage Nestlé's Human Rights Community, ESG and Sustainability Council, and ESG-Water Steering Committee to foster cross-departmental exchange. | Global |
| Clarify internal roles for implementing, driving and overseeing WASH-related Human Rights Due Diligence efforts and ensuring accountability and governance. | Global |
| Identify and train all relevant employees and staff on WASH. | Global |
| Reflect the actions laid out in the action plan in relevant employees' objectives. | Global |

Policies and control systems

| | |
|---|--------|
| Review and update our public policies, commitments and standards related to WASH, including the Nestlé Guidelines on Respecting the Human Rights to Water and Sanitation, the WASH Pledge and the <i>Nestlé Responsible Sourcing Core Requirements</i> , as needed. | Global |
| Review and support emerging sector-level commitments on WASH as relevant. | Global |



³ Our action plan will be reviewed and updated as necessary as we increase our understanding of impacts and risks, and monitor the effectiveness of actions taken in delivering on our vision and approach.

Assess: Our risk exposure

Prevention and mitigation of actual or potential adverse WASH impacts in our value chain starts with understanding the nature and scale of risks and impacts we may cause or contribute to through our own activities, or which may be directly linked to our operations or products by our business relationships.

Because our approach to WASH-related due diligence is risk-based, the measures we take to prevent and mitigate WASH risks need to be prioritized and commensurate with the likelihood that our activities (or those of our suppliers and business partners) will result in an adverse impact on people, as well as the severity of that impact.

The lenses through which we assess WASH risk

Our risk assessment approach comprises four interrelated lenses, each currently at varying levels of maturity. Through this approach, we seek to assess both *potential* and *actual* adverse human rights risks. Our assessment approach therefore seeks to understand both future risks (in order to prevent and mitigate such risks) and present risks (that may need to be stopped and remediated).

We understand the value of using multiple tools to assess our exposure to WASH issues, as well as the importance of a dynamic system that periodically updates our understanding of risks and issues.

Informed by global datasets such as the WRI's Aqueduct tool, leveraging assessments done by the Nestlé ESG Water team at watershed level for specific raw materials and information from stakeholders.

We generate a global-level overview of priority countries

We use this data to prioritize:

- 1 Countries for more granular assessments.
- 2 Business activities, direct suppliers and raw materials, for engagement.
- 3 Support to our relevant staff and suppliers.

Informed by subnational datasets, desk-based risk assessments, information from rightsholders or their credible representatives, grievance information, data from our *Sustainable Sourcing Program* (e.g. landscape initiatives) or site assessments using the [WASH Pledge self-assessment tool](#)).

We generate country- or location-specific risk information

We use this data to make decisions about where and what action to take at national, subnational, landscape or site levels within priority countries.

Informed by desk-based risk assessments, information from and consultations with rightsholders or credible representatives, grievance information, data from our *Sustainable Sourcing Program* (e.g. landscape initiatives) or site assessments using the WASH Pledge self-assessment tool.

We generate raw material- or business activity-specific risk information

We use this data to refine our list of priority countries for specific raw materials or business activities and to inform decisions about how and why to engage with sectoral actions whether at global, country or regional levels.

Informed by our Supplier Human Rights and Environmental Due Diligence (HREDD) Assurance Framework, grievance information, and site assessments using the WASH Pledge self-assessment tool.

We generate supplier-specific risk information

We use this data to prioritize suppliers for engagement or support based on the maturity of suppliers' systems for carrying out HREDD.

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Results of our initial global assessment for WASH risks and issues

Based on global datasets, such as the WRI's Aqueduct tool, information from stakeholders and raw material-specific risk assessments on WASH, we have identified 56 priority countries, listed on [page 17](#), for this 2023–2025 phase of the action plan. The following steps informed our prioritization of countries:

1. Identification of countries categorized as 'high and extremely high WASH risk' based on the WRI's Aqueduct tool.⁴
2. Based on this preliminary list of countries, we selected as 'priority' those where we have operations, those where we have direct suppliers in the scope of our Tier 1 audit program and those where we source medium or high volumes of at least three raw materials under our *Sustainable Sourcing Program*.⁵

Our list of priority countries does not imply that action will be limited to these countries. Although some of the actions we have listed in this plan (see *Address: Our priority actions*) will focus on priority countries, many of the actions are business-wide (e.g. use of the WASH Pledge self-assessment tool in all Nestlé sites) or raw material-wide (e.g. our Supplier HREDD Assurance Framework).

Risk assessment going forward

As we are still improving our understanding of WASH risks, there may be actual or potential risks in WASH in countries not included in our priority list.

To this end, we will gradually improve the information we have through the following different risk lenses.

| Lens | Actions |
|---|---|
| Global-level overview of priority countries | <ul style="list-style-type: none"> • Refine the existing global risk assessment methodology with additional external and internal sources of data and information. |
| Country- or location-specific risk information | <ul style="list-style-type: none"> • Further improve our understanding of risks on the ground, including through rapid appraisal research and regional stakeholder consultations in priority countries, including rightsholders and their representatives. • Use grievance and landscape information to inform our understanding of country- and location-specific risk. • Explore how to support community-based monitoring, reporting and verification of social and environmental impacts in high-risk landscapes. |
| Raw material-specific or business activity-specific risk information | <ul style="list-style-type: none"> • Use the results of the WASH Pledge self-assessments to identify WASH risks and impacts on our employees and on communities around our operations.⁶ • Further improve the level of traceability of raw materials within the scope of this action plan. • Develop a process to collect data on WASH risks and impacts from farmers and local communities in our supply chain (e.g. by leveraging Nestlé agronomists). • Review the tools we use to carry out farm risk assessments and integrate WASH criteria as relevant. |
| Supplier-specific risk information | <ul style="list-style-type: none"> • Use information gathered through our Supplier HREDD Assurance Framework to better understand direct suppliers' risks related to WASH and prioritize those we need to engage and support. • Use direct suppliers' links to WASH grievances to better understand supplier-specific risk. |

⁴ The WRI Aqueduct's tool includes data from the WHO / UNICEF Joint Monitoring Program (JMP) on WASH.

⁵ These are: cereals and grains; cocoa; coconut; coffee; dairy; hazelnuts; meat, poultry and eggs; palm oil; pulp and paper; soya; spices; sugar and vegetables.

⁶ We will conduct WASH Pledge self-assessments across all our facilities, starting with priority countries, between 2023 and 2025.

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Address: Our priority actions

Nestlé: Taking action within our value chain

Our actions will focus on different levels of our value chain:

- **Our own operations**, in particular our factories, may impact the right to water and sanitation for local communities. For these operations, we aim to respect the right to water and sanitation for people and communities surrounding our operations. We also need to ensure access to soap and clean water, and to promote good hygiene for our workers.
- **Our sourcing of agricultural raw materials** may be linked to impacts on the right to water and sanitation of workers in our agricultural supply chains and of local communities. We also aim to respect and promote the right to water and sanitation beyond our own operations. If we identify actual or potential adverse impacts among our suppliers, we will take action to address those impacts. We will also work through our direct suppliers to cascade down our requirements through the upstream supply chain.

Own operations

Objective

Address current and potential water and sanitation impacts in our operations and mitigate future risks.

Action

Develop site-specific action plans to address and close any gap identified through the WASH Pledge self-assessments, including identifying specific objectives, indicators and timeline.

Scope

Where needed (based on WASH Pledge findings)



NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Supply chains

Objectives

- Engage direct suppliers on Nestlé's commitments on WASH as part of our Supplier HREDD Assurance Framework.
- Engage and support prioritized direct suppliers in taking actions to address WASH impacts and risks in their own operations and supply chains.
- Effectively use and help strengthen voluntary certification as a tool for suppliers to demonstrate their assessment, mitigation, remediation and monitoring of WASH issues.

| Action | Scope |
|--|-------------------------------------|
| Strengthen supplier engagement and capacity building | |
| Engage and support direct suppliers prioritized through our Supplier HREDD Assurance Framework process on improving practices and addressing risks, impacts and grievances on WASH (e.g. WASH Pledge roll-out, capacity building or project co-funding). | Priority suppliers |
| Through our direct suppliers, engage and support indirect/upstream suppliers on respecting the right to water and sanitation at the production level. | Priority suppliers |
| Review and help strengthen relevant certification and verification schemes | |
| Review to what level different certification and verification schemes can provide assurance that the right to water and sanitation has been respected. | Relevant raw materials ⁷ |
| Contribute to improving practices in the sector, starting with the certification schemes already used by certain raw materials as part of our responsible sourcing strategy for those raw materials. | Relevant raw materials |

⁷ Palm oil, cocoa, coffee, soya, and pulp and paper are the commodities that currently use certification schemes as part of their sustainable sourcing strategy.

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Collective action: Helping tackle root causes with relevant stakeholders

Many of the issues and challenges around the right to water and sanitation are complex and linked to a wide range of structural or systemic factors (as outlined in *The challenges in addressing this issue* section above) that cannot be addressed by Nestlé on its own.

While through this action plan we aim to address the negative risks and impacts that we may cause or contribute to, tackling these issues and their root causes effectively and sustainably requires collaboration between many different stakeholders, including workers and communities themselves, companies and governments, as well as multilateral, non-governmental and civil society organizations. We are therefore committed to collaborating with rightsholders and stakeholders both in specific landscapes in production countries as well as at global and sectoral levels to strengthen the right to water and sanitation, and to promote good hygiene practices.

Production country and on-the-ground initiatives

Objective

Help strengthen the enabling environment that protects the right to water and sanitation and thereby support access to WASH in priority production countries.

Action

Identify, prioritize and support collective WASH initiatives in regions where we operate or source raw materials, and that face WASH challenges and/or where water delivery public services are inadequate or insufficient. This may include:

- Engagement in collaborative policy dialogue and water conservation activities at national, subnational or watershed levels.
- Supporting sectoral-, landscape- or jurisdictional-level initiatives aimed at collectively addressing WASH-related risks and impacts.

Review and assess our existing WASH-related projects and initiatives in agricultural supply chains to identify and scale up best practices.

Develop trainings and tools that will enable Nestlé agronomists to better identify WASH risks and impacts.

Scope

Priority countries

Priority countries

Cocoa, coffee and dairy in priority countries

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Global and sectoral collaboration and advocacy

Objectives

- Collaborate with peers and stakeholders at the global and sector levels to address systemic issues and develop common approaches to respect, and to promote the right to water and sanitation as well as to promote good hygiene practices.
- Raise awareness of, and advocate for, the strengthening of WASH within sectors Nestlé is involved in.

| Action | Scope |
|---|--------|
| Identify and prioritize sector initiatives where Nestlé can advocate or support respect for WASH (e.g. certification schemes or sector collaboration groups). | Global |
| Identify and leverage collaborative initiatives working on WASH in order to promote and support the development and uptake of strong, effective tools to mitigate, address and remediate water and sanitation issues (see <i>Key partners section</i> below). | Global |

Grievance mechanisms

Objective

Support access to remedy via safe, effective and WASH-sensitive grievance mechanisms for workers and local communities affected by our operations, business relationships and agricultural supply chains.

| Action | Scope |
|--|--------|
| Ensure our employees and workers in our supply chain potentially affected by our operations can raise grievances and have access to remedy, including through Speak Up (Nestlé's grievance mechanism). | Global |
| Ask direct suppliers to have grievance mechanisms and management systems in place. | Global |
| Ensure workers, farmers and local communities can raise WASH-related grievances and have access to remedy in the landscape/jurisdictional initiatives and on-the-ground projects of which we are a part. | Global |

Monitor and report on indicators, overall performance and challenges

We are committed to transparently communicating our progress on implementing this action plan, as well as sharing our learnings and the challenges we face.

We will publicly report on the following indicators in relation to this action plan by the end of 2025.

Cross-cutting indicators:

1. Audit performance

- Number of material non-conformities related to the right to water and sanitation identified through third-party audits of our own operations and addressed.
- Number of material non-conformities related to the right to water and sanitation identified through third-party audits of our direct suppliers and addressed.

2. Grievance mechanism performance

- Number of material grievances received through Speak Up related to the right to water and sanitation, of which number of material grievances substantiated and addressed.
- Number of material grievances received through other channels related to the right to water and sanitation, of which number of material grievances under investigation and number addressed.

3. Sustainable sourcing

- Number of direct suppliers with mature Human Rights and Environmental Due Diligence (HREDD) systems.
- Percentage of volumes of key ingredients produced sustainably.

4. Impact on people

- Number of cases farmers and workers in our supply chains, communities living around our operations and supply chains, employees and on-site contractors benefited from our interventions on the right to water and sanitation.

Issue-specific indicators:

- To be defined, approved and released in 2025.

As we progress toward implementation of this plan, we will develop more impact focused indicators.

CONNECTION WITH OTHER SALIENT ISSUE ACTION PLANS

Access to water and sanitation is an essential contributor to economic productivity and social wellbeing. It is intrinsically linked to other salient issues we have identified and for which we have published action plans, in particular:

| | |
|--|---|
| Child labor and access to education | Where access to water is inadequate, children are often required to collect water from remote sources, putting a burden on their school attendance and, being a physically demanding chore, putting children’s health at risk. Similarly, poor access to sanitation facilities in school, particularly for girls, is often a deterrent to regular school attendance, which can in turn contribute to higher rates of child labor. |
| Indigenous peoples and local communities’ land rights | Indigenous communities often face lower or no access to WASH services, especially when living in remote, rural areas. Water and sanitation are also explicitly protected by the United Nations Declaration on the Rights of Indigenous Peoples. |
| Gender equity, non-discrimination and non-harassment | Recognizing that women and girls are disproportionately affected by low access to WASH, SDG 6.2 calls for “adequate and equitable sanitation and hygiene for all and [an] end [to] open defecation, paying special attention to the needs of women and girls and those in vulnerable situations.” |
| Right to food and access to nutritious, affordable and adequate diets | Lack of access to WASH can lead to contamination of food and result in illness (e.g. diarrhea). The lack of access to WASH also reduces the time people, particularly women, can dedicate to work (e.g. due to time required to fetch water or time lost due to water-borne related illnesses), reducing the income of households and thereby the affordability of nutritious and adequate diets. |
| Safety and health at work | Access to WASH is key to workers’ safety and health. WASH also plays an important role in helping to address some health risks related to hard physical work as it is common in agriculture. For example, chronic kidney disease has been linked to working long hours in the heat and not staying hydrated appropriately during the workday. |



CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS (SDGs)

The actions laid out in this action plan will contribute – directly or indirectly – to SDGs 3, 6 and 17 as follows:

Goal



Ensure healthy lives and promote well-being for all at all ages

Target 3.3: By 2030, end the epidemics of AIDS, tuberculosis, malaria and neglected tropical diseases, and combat hepatitis, water-borne diseases and other communicable diseases.



Ensure availability and sustainable management of water and sanitation for all

Target 6.1: By 2030, achieve universal and equitable access to safe and affordable drinking water for all.

Target 6.2: By 2030, achieve access to adequate and equitable sanitation and hygiene for all and end open defecation, paying special attention to the needs of women and girls and those in vulnerable situations.



Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development

Target 17.17: Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships.

GOVERNANCE FOR THIS ISSUE

Nestlé Executive Board

Approves all the salient issue action plans.

Nestlé ESG and Sustainability Council

Provides strategic leadership and execution support on the topic of WASH.

Nestlé ESG Water Workstream

Is responsible for the implementation of this action plan.

Nestlé Human Rights Community

Leads the human rights agenda throughout the company. It coordinates the implementation of *Nestlé's Human Rights Framework and Roadmap* throughout the value chain. Finally, it monitors the implementation of the framework and roadmap, and the efficiency of the program.

Nestlé Markets

Support the implementation of this action plan in relation to our country operations, in alignment with the global team.



KEY PARTNERS

Main implementing partners

| Partner | Activities |
|-------------|---|
| twentyfifty | Provision of strategic advice to Nestlé on the development of this action plan, including on the integration of WASH into Nestlé's Human Rights Due Diligence processes and tools referenced in this action plan. |

Main industry and multi-stakeholder collaborations

| Platform | Workstreams | Nestlé's involvement |
|--|-------------------|--|
| Alliance for Water Stewardship (AWS) | | We support the AWS Standard as universal reference for good water stewardship practices. |
| 2030 Water Resources Group (hosted by World Bank) | | Through this multistakeholder platform, we collaborate with governments and civil society at the national level to facilitate collective action and drive systemic change for water security. |
| UN Global Compact | CEO Water Mandate | <ul style="list-style-type: none"> • Through this platform, we advocate for business leadership in ensuring sustainable use of water for all. • We support the development of tools, methodologies and policies for an aligned business approach to water stewardship. |
| WASH4WORK | | We follow the work of the advisory group and relevant working groups. |
| Science Based Targets Network | Water | We follow the work of the advisory group and relevant working groups. |

REFERENCES

- i [OHCHR | About water and sanitation](#)
- ii [Drinking-water \(who.int\)](#)
- iii [Water and Sanitation - United Nations Sustainable Development](#)
- iv [Water, sanitation, hygiene and health: A primer for health professionals \(who.int\)](#)
- v [The Water and Sanitation Challenge | International Institute for Sustainable Development \(iisd.org\)](#)
- vi [The Water and Sanitation Challenge | International Institute for Sustainable Development \(iisd.org\)](#)
- vii [Global challenges in water, sanitation and health - PubMed \(nih.gov\)](#)
- viii [Millions Around the World Held Back by Poor Sanitation and Lack of Access to Clean Water \(worldbank.org\)](#)

Disclaimer

This action plan is dynamic by essence and subject to change. Any reliance placed on this action plan is done solely at the risk of the person placing such reliance. To the maximum extent permitted by applicable law and regulation, Nestlé disclaims all representations, warranties, conditions and guarantees, whether express, implied, statutory or of other kind, nor does it accept any duty to any person, in connection with this action plan. To the maximum extent permitted by applicable law and regulation, Nestlé shall not be liable for any loss, damage or expense whatsoever, whether direct or indirect, howsoever arising, whether in contract, tort (including negligence), strict liability or otherwise, for direct, indirect, incidental, consequential, punitive or special damages arising out of or in connection with this action plan, including (without limitation) any course of action taken on the basis of the same.

OUR PRIORITY COUNTRIES

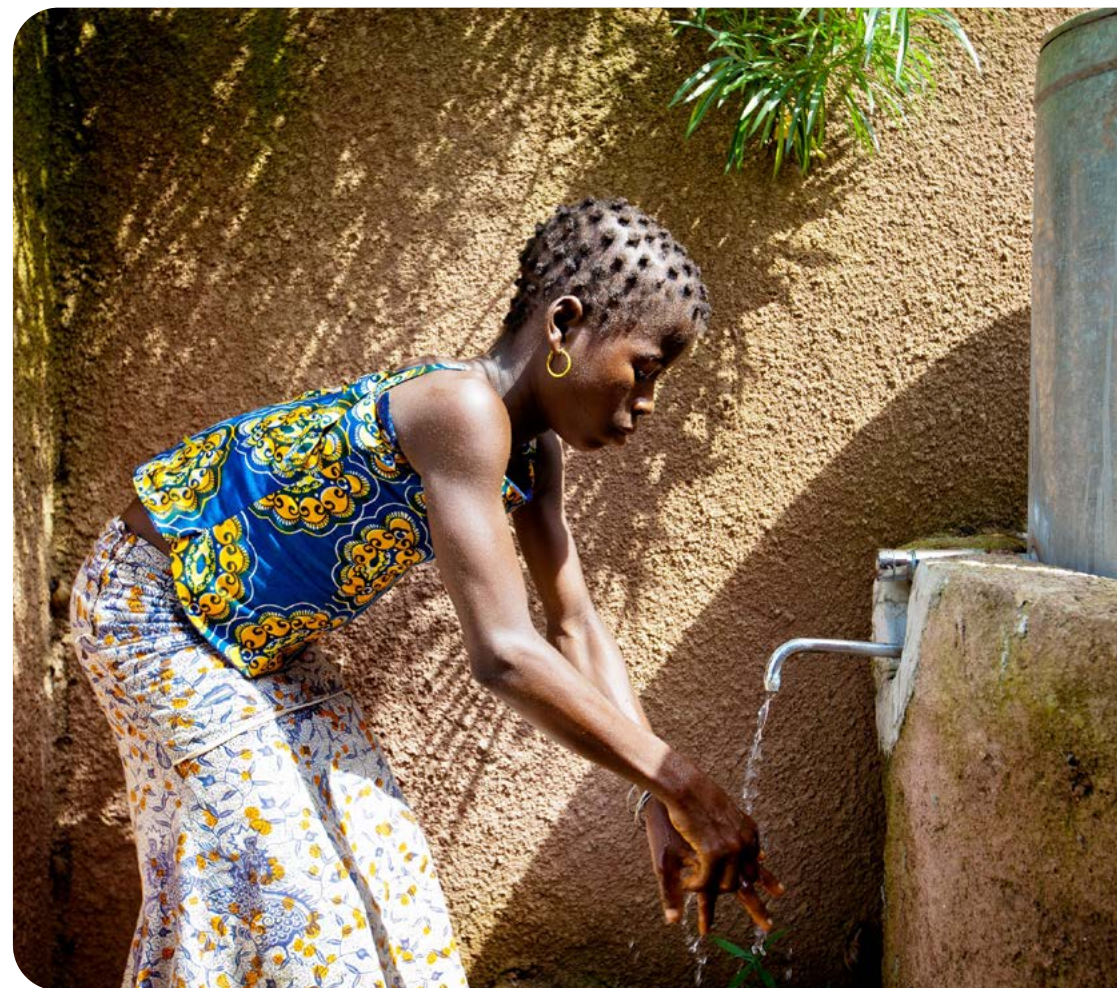
Below is the list of countries we have categorized as “high and extremely high WASH risk” based on the WRI’s Aqueduct tool and where we have operations, direct suppliers in the scope of our Tier 1 audit program and/or where we source medium or high volumes of at least three raw materials under our *Sustainable Sourcing Program*.

| Priority country | Own operations | Tier 1 suppliers | Agricultural supply chains |
|------------------------------|----------------|------------------|----------------------------|
| Angola | X | X | |
| Bangladesh | X | X | |
| Belize | | X | |
| Benin | | X | |
| Bolivia | X | X | |
| Brazil | X | X | X |
| Brunei | | X | |
| Burkina Faso | | X | |
| Cambodia | | X | |
| Cameroon | X | X | X |
| China | X | X | X |
| Colombia | X | X | X |
| Costa Rica | | X | |
| Côte d'Ivoire | X | X | X |
| Democratic Republic of Congo | | X | |
| Dominican Republic | X | X | X |
| Ecuador | X | X | X |
| Fiji | | X | |

| Priority country | Own operations | Tier 1 suppliers | Agricultural supply chains |
|------------------|----------------|------------------|----------------------------|
| Gabon | | X | |
| Georgia | | X | |
| Ghana | X | X | |
| Guatemala | X | X | X |
| Guinea | | X | |
| Honduras | | X | X |
| India | X | X | X |
| Indonesia | X | X | X |
| Kenya | X | X | |
| Latvia | | X | |
| Lithuania | | X | |
| Madagascar | | X | |
| Malaysia | X | X | |
| Mali | | X | |
| Mexico | X | X | X |
| Morocco | X | X | |
| Mozambique | | X | |
| Myanmar | X | X | |

OUR PRIORITY COUNTRIES CONTINUED

| Priority country | Own operations | Tier 1 suppliers | Agricultural supply chains |
|------------------|----------------|------------------|----------------------------|
| Namibia | | X | |
| Nepal | | X | |
| Nicaragua | X | X | |
| Niger | | X | |
| Nigeria | X | X | X |
| Pakistan | X | X | X |
| Panama | X | X | |
| Papua New Guinea | X | X | |
| Paraguay | | X | |
| Peru | X | X | |
| Philippines | X | X | X |
| Romania | | X | |
| Senegal | X | X | |
| South Africa | X | X | X |
| Swaziland | | X | |
| Venezuela | X | X | |
| Vietnam | X | X | X |
| Zambia | | X | |
| Zimbabwe | X | X | |





Nestlé Good food, Good life

Nestlé's Salient Issue Action Plan:

INDIGENOUS PEOPLES' AND LOCAL COMMUNITIES' LAND RIGHTS

First published in February 2023.
Updated in January 2025.

[nestle.com/sustainability/humanrights](https://www.nestle.com/sustainability/humanrights)



This action plan is one of a series that forms part of our [Human Rights Framework and Roadmap](#). You can find all our action plans, which address Nestlé's salient issues, on our [dedicated human rights webpage](#).

These plans guide our due diligence approach and enable us to act as a force for good. They articulate our strategy for embedding, assessing, addressing and reporting on each salient issue, defining what we need to do across our value chain, as well as what collective action can be taken.

We harnessed the strengths and capacities of each Nestlé department to define the action areas we will focus on in the years to come, in consultation with external partners and stakeholders. With collaboration built into each action plan, we hope to spark new engagement and inspire collective action with peers, business partners, civil society, non-governmental organizations (NGOs) and governments. This way, we can work together to tackle the root causes of our salient issues and create positive impact at scale.

We want these action plans to be dynamic and reflect the evolution of stakeholders' expectations and of the contexts in which we operate. Input and feedback are welcome and can be sent to us by email: humanrights@nestle.com.

We will report on progress against the indicators identified in each action plan by the end of 2025.



¹ Nestlé throughout this document refers to the Nestlé Group.

EXECUTIVE SUMMARY

Definition of the issue

'The land rights of Indigenous peoples and local communities (IPLCs)' refers to the rights that people – as individuals and groups – have to occupy, use, access, control and transfer land and associated natural resources, as derived from and recognized by formal or customary law.

Why it matters

Indigenous peoples, local communities and Afro-descendants number approximately 2.5 billion people globally and customarily claim almost half of the world's lands and forests. Despite this, they have legal rights to less than 20% of this land, much of which forms a significant portion of the terrestrial carbon sink. Securing the land rights of local peoples is critical to eliminating supply chain-driven deforestation, enabling the success of nature-based solutions and achieving more ambitious corporate environmental and social commitments.

Geographical priority

Brazil, Canada, Chile, Colombia, Côte d'Ivoire, India, Indonesia, Mexico and Thailand



Key actions

- Strengthen our risk assessment approach
- Engage and build capacity of our suppliers on the topics of land rights and human rights defenders
- Review and strengthen requirements and safeguards on IPLCs' land rights within our existing programs (e.g. *Global Reforestation Program*)
- Support IPLCs-centered landscape conservation and restoration projects
- Collaborate with peers and stakeholders to help address systemic issues and develop common approaches and tools on respecting land rights
- Identify government engagement opportunities to strengthen respect for IPLCs' land rights
- Support access to remedy and help address systemic issues within our operations and supply chains

Value chain priority



We recognize the importance of listening to and consulting Indigenous peoples and local communities on issues that affect them. As we implement this action plan, we will identify and engage with them to strengthen our understanding of risk and the impact and sustainability of our actions.

Contribution to Sustainable Development Goals (SDGs)

The actions laid out in this action plan will contribute – directly and indirectly – to SDGs 1, 2, 15 and 17.



BACKGROUND

What we are talking about

'The land rights of Indigenous peoples² and local communities'³ refers to the rights that people – as individuals and groups – have to occupy, use, access, control and transfer land and associated natural resources, as derived from and recognized by formal or customary law. In this context, we are referring to communities – traditional or otherwise – living around or potentially affected by our operations and business relationships.

Why it matters

Research shows that when local peoples have secure land rights, they:

- Use their land more sustainably.
- Are more likely to invest in their land and access agricultural and financial resources.
- Are less likely to experience conflicts and are better able to recover when they do occur.
- Enjoy better food security, nutrition, health and education outcomes.

Women are more harshly affected by land tenure insecurity. Secure land rights can therefore contribute to increased agency and empowerment for women and other vulnerable groups.ⁱ

Additionally, Indigenous peoples and local communities are critical stewards and protectors of land and forests, so secure community land and resource rights can foster conservation and sustainable management of those resources.ⁱⁱ

Ultimately, secure land rights are a cornerstone for respecting the human rights of local people as well as for environmental conservation and climate change mitigation globally.

However, most of the world's population lacks a legally registered title to their landⁱⁱⁱ and nearly one in five adults consider it likely or very likely that they will lose the rights to their home or land against their will in the next five years.^{iv} Those holding land and natural resources under customary tenure systems are especially vulnerable.^v

Securing the land rights of Indigenous peoples and local communities is critical to respecting human rights, fostering just and sustainable economies, conserving forests and other natural ecosystems, enabling the success of nature-based solutions (NbS), achieving climate protection, and creating a just and equitable transition to regenerative food systems.

Why this issue is relevant and important for us

As a company that relies on land for the sourcing of raw materials, we have a responsibility to ensure that land and natural resource rights are respected in our operations, that we do not contribute to adverse impacts in our supply chains or through our business relationships and that we address any impacts to which we may be linked.

Moreover, Indigenous peoples and local communities have long been the stewards of precious land resources. As such, respecting and promoting the land rights of Indigenous peoples and local communities is also critical to the achievement of our [net zero commitment](#) and [Forest Positive strategy](#) as well as a key element of our plans to support and accelerate the [transition to a regenerative food system](#).

2 We acknowledge that there is no formal definition in international law of Indigenous peoples, in part because of the variance across local contexts and because a critical right of Indigenous peoples is to self-identification and determination. We understand shared common traits of Indigenous peoples to include self-identification as Indigenous peoples; distinct social, economic or political systems; distinct language, culture and beliefs; strong link to territories and surrounding natural

resources; forming non-dominant groups of society; historical continuity with pre-colonial or pre-settler societies; and resolve to maintain and reproduce their ancestral environments and systems as distinctive peoples and communities.

3 By 'land rights of local communities' we are referring to communities – traditional or otherwise – living around, or potentially affected by, operations and business relationships.

BACKGROUND CONTINUED

The challenges in addressing this issue

Land tenure insecurity often stems from a lack of legally documented and enforceable recognition of land rights.^{vi}

Research shows that these insecurities are exacerbated by several other factors related to increased competition for scarce resources, such as:

- Growing populations.
- Increasing economic development.
- Land commodification and agricultural commercialization leading to government expropriation and large-scale land acquisitions by the private sector, in particular agricultural production and processing companies.
- Inter- and intra-community tensions and conflicts.
- Beliefs and social norms that disadvantage particular groups, such as women, youth, pastoralists or Indigenous peoples or other communities with customary tenure.^{vii}

Considering these are complex and systemic issues, many with historically long roots, they can be challenging for companies to address. We also recognize that this issue is highly contextual, which is a further challenge for a company like Nestlé to address, given an agricultural sourcing footprint spanning approximately 100 countries and a position in many of those agricultural supply chains that puts us at a distance from the origin of production.

In addition, human, land and environmental rights defenders (HRDs)^{viii} can face multiple forms of reprisals, such as threats, intimidation, including through legal proceedings and criminalization of their activities, violence or other infringement of their rights. They are, however, important partners in identifying potential or actual adverse impacts in our operations and global value chains, and helping to address these impacts.

While acknowledging the challenges, Nestlé is committed to working to help address this issue. By respecting and promoting land rights, we have an opportunity to help combat environmental damage and contribute to protecting local peoples' cultures and livelihoods.



NESTLÉ'S VISION AND APPROACH

Our vision and approach

Land rights abuses are unacceptable. Across our business operations and business relationships, we aim to respect and promote the land and natural resource rights of Indigenous peoples and local communities, and we will work to help strengthen these rights in high-risk landscapes. If we identify actual or potential adverse land rights impacts in our own operations, agricultural supply chains and other relevant parts of our value chain, we will take action to address those impacts.



Furthermore, Nestlé has no tolerance for violence, threats and intimidation of human, land and environmental rights defenders (HRDs). We respect and promote the rights of HRDs and will require our suppliers to do the same.

We also recognize that people and local communities are at the heart of the transition toward a regenerative food system. Respecting and promoting the rights of Indigenous peoples and local communities to land and natural resources is a critical building block to achieving our vision of a regenerative and equitable food system. This is a system in which the environment is protected and restored, governance of land and resources is equitable, the human rights of communities are respected, and their livelihoods and well-being are enhanced.

To realize this vision, we will work on two complementary levels by:

- 1 Taking action in our business operations and through our business relationships, in particular our agricultural supply chains, to assess land rights risks, address risks and adverse impacts, and monitor and report on activities.
- 2 Using leverage, collaboration and collective engagement to address widespread, systemic land rights issues and their root causes.

How we are currently addressing this issue

IPLCs' land rights is governed through the [Nestlé ESG and Sustainability Council](#), gathering seven Executive Board members (See also section [Governance for this issue](#)).

Nestlé has a longstanding commitment to respecting and promoting land and natural resource rights:

- In 2014, we set out our approach to respecting and strengthening rights to land and natural resources in our direct operations and through our supply chains (replaced by this action plan).
- Our [Responsible Sourcing Core Requirements](#) requires suppliers to demonstrate evidence of respect for land rights and Free, Prior and Informed Consent (FPIC) for their agricultural and forestry developments and activities.
- The land rights of Indigenous peoples and local communities are also a central component of our [Forest Positive strategy](#).
- We are signatories of a [Joint Statement](#) for meaningful and safe stakeholder engagement as a central aspect of the European Union (EU) framework on mandatory human rights and environmental due diligence.

As part of our [Sustainable Sourcing Program](#), we have also piloted different tools to better assess and address land rights risks in our supply chain, including:

- Landesa's [LandAssess Tool](#) in our sugar supply chain in Nigeria.
- A forest footprint pilot analysis in our palm oil supply chain in Aceh, Indonesia.

Moreover, we support programs in several high-risk sourcing landscapes that aim to strengthen the rights of Indigenous peoples and local communities, such as:

- [Supporting the land rights of the Tsay Key Dene Nation](#) impacted by forest company operations in British Columbia, Canada.
- [Supporting forest-dependent communities](#) in Aceh, Indonesia to develop participatory land use plans and achieve strengthened land tenure security.
- [Supporting Earthworm Foundation's Centre for Social Excellence Brazil's](#) training in FPIC for the pulp and paper industry.

NESTLÉ'S ACTION PLAN (2023–2025)⁴

Embed: Policies and processes

Objectives

- Mainstream IPLCs' land rights in our governance structure, policies and control systems.
- Clarify and strengthen Nestlé's commitments on the land rights of Indigenous peoples and local communities in line with existing and emerging best practice (such as the *Voluntary Guidelines on the Responsible Governance of Tenure and Accountability Framework* initiative) and in consultation with rightsholders and stakeholders.

Action

Scope

Governance, capacity-building and incentives

| | |
|--|--------|
| Leverage Nestlé Human Rights Community and ESG and Sustainability Council to foster cross-departmental exchange. | Global |
| Identify and train all relevant employees and staff on IPLCs' land rights. | Global |
| Reflect the actions laid out in the action plan in relevant employees' objectives. | Global |

Policies and control systems

| | |
|--|--------|
| Review and update our public policies, commitments and standards on respecting IPLCs' land rights and Human Rights Defenders (HRDs), including Nestlé's <i>Responsible Sourcing Core Requirements</i> , as needed. | Global |
| Review and support emerging sector-level commitments on respecting IPLCs' land rights as relevant. | Global |



⁴ Our action plan will be reviewed and updated as necessary as we increase our understanding of impacts and risks, and monitor the effectiveness of actions taken in delivering on our vision and approach.

Assess: Our risk exposure

Prevention and mitigation of actual or potential adverse land rights impacts in our value chain starts with understanding the nature and scale of risks and impacts we may cause or contribute to through our own activities, or which may be directly linked to our operations or products by our business relationships.

Because our approach to land rights due diligence is risk-based, the measures we take to prevent and mitigate land rights risks and impacts need to be prioritized and be commensurate with the severity and the likelihood that our activities or those of our suppliers and business partners will result in an adverse impact on people.

The lenses through which we assess IPLCs' land rights risk

Our risk assessment approach comprises four interrelated lenses, each currently at varying levels of maturity. Through this approach, we seek to assess both *potential* and *actual* adverse human rights impacts. Our assessment approach therefore seeks to understand both the risks that adverse impacts may occur (in order to prevent and mitigate such risks) and where adverse impacts have already occurred (and thus need to be stopped and remediated).

We understand the value of multiple tools to assess our exposure to land rights issues and the importance of a dynamic system that periodically updates our understanding of risks and issues.

Informed by global datasets such as Verisk Maplecroft, assessments done by Nestlé Sustainable Sourcing team for specific raw materials and information from stakeholders.

We generate a global-level overview of priority countries

We use this data to prioritize:

- 1 Countries for more granular assessments.
- 2 Business activities and raw materials, for engagement.
- 3 Support to our relevant staff and suppliers.

Informed by subnational datasets, desk-based risk assessments, information from rightsholders or their credible representatives, grievance information, data from our *Sustainable Sourcing Program* (e.g. landscape initiatives or site assessments).

We generate country- or location-specific risk information

We use this data to make decisions about where and what action to take at national, subnational, landscape or site level within priority countries.

Informed by desk-based risk assessments, information from and consultations with rightsholders or credible representatives, grievance information, data from our *Sustainable Sourcing Program* (e.g. landscape initiatives or site assessments).

We generate raw material- or business activity-specific risk information

We use this data to refine our list of priority countries for specific raw materials or business activities and to inform decisions about how and why to engage with sectoral actions whether at global, country or regional levels.

Informed by our Supplier Human Rights and Environmental Due Diligence (HREDD) Assurance Framework, grievance information, and site assessments.

We generate supplier-specific risk information

We use this data to prioritize suppliers for engagement or support based on the maturity of suppliers' systems for carrying out HREDD.

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Results of our initial global assessment for IPLCs' land rights risks and issues

Based on global datasets, such as Verisk Maplecroft data, information from stakeholders and raw material-specific risk assessments on land rights risks, we have identified 10 priority countries for this 2023–2025 phase of the action plan (see below). The following steps informed our prioritization of countries:

- 1 Identification of countries categorized as 'priority' for the combined results of the two Verisk Maplecroft land rights indices.⁵
- 2 Analysis of the number of relevant raw materials under our [Sustainable Sourcing Program](#)⁶ and that were at high or very high risk for land rights and for which we source medium or high volumes from these countries. This provides us with the scale of the footprint Nestlé has in the countries categorized as 'priority'.
- 3 Addition of countries considered 'priority' in relation to one or more of the raw or recycled materials we source, for which we had information available.

Our list of priority countries does not imply that action will be limited to these countries. Although some of the actions we have listed in this plan (see *Address: Our priority actions*) will focus on priority countries, many of the actions are business-wide (e.g. real estate transactions or sourcing of renewable energy), or raw material-wide (e.g. our Supplier HREDD Assurance Framework).

Priority countries

- Brazil
- Canada
- Chile
- Colombia
- Côte d'Ivoire
- India
- Indonesia
- Mexico
- Thailand

⁵ This is a combination of two sets of indicators: Land, Property and Housing Rights and Indigenous Peoples' Rights.

⁶ These are: beef; cereals and grains; cocoa; coconuts; coffee; dairy; hazelnuts; palm oil; pulp and paper (virgin sourcing); soya; spices; and sugar.

Risk assessment going forward

As we are still improving our understanding of IPLCs's land rights risks, there may be actual and potential adverse impacts on IPLCs' land rights in countries not included in our priority list.

To this end, we will gradually improve the information we have through the following different risk lenses.

| Lens | Actions |
|---|--|
| Global-level overview of priority countries | <ul style="list-style-type: none"> • Refine the existing global risk assessment methodology with additional external and internal sources of data and information. |
| Country- or location-specific risk information | <ul style="list-style-type: none"> • Further improve our understanding of risks on the ground, such as through rapid appraisal research and regional stakeholder consultations in priority countries, including rightsholders and their representatives, as well as grievance mechanisms and landscape information. • Use grievance and landscape information to inform our understanding of country- and location-specific risk. • Explore how to support community-based monitoring, reporting, and verification of social and environmental impacts in high-risk landscapes. |
| Raw material-specific or business-activity-specific risk information | <ul style="list-style-type: none"> • Further improve the level of traceability of raw materials in scope for this action plan. • Expand our assessment of risk to include other parts of our business, particularly our sourcing of renewable energy, and carbon credits purchase and retirement. |
| Supplier-specific risk information | <ul style="list-style-type: none"> • Use information gathered through our Supplier HREDD Assurance Framework to better understand direct suppliers' risks related to IPLCs' land rights and prioritize those we need to engage and support. • Use direct suppliers' links to IPLCs' land rights grievances to better understand supplier-specific risks. |

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Address: Our priority actions

Nestlé: Taking action within our value chain

Our actions will focus on different levels of our value chain:

- Our own operations, in particular, our real estate transactions (e.g. buying land for a new factory) and our Nestlé Waters business, may impact the land rights of Indigenous peoples and local communities. For these operations, Nestlé has direct responsibility and control over ensuring the land rights of the people surrounding our operations are respected.
- Our agricultural raw materials sourcing has been identified through our risk assessment as the area of highest risk and impact to land rights. Given Nestlé's position in the supply chain, where we do not produce raw materials and in many cases do not source directly from producers, we will work with our suppliers to ensure they are also committed to respect the land rights in their own operations and supply chains, and they have the adequate HREDD systems in place.
- Other business relationships, such as our sourcing of renewable energy and carbon credits purchase and retirement, may expose us to risk and we will take steps to identify risks and define action.

Own operations

Objective

Put systems in place to address current and potential impacts and mitigate future land rights risks.

Action

Review and revise (as necessary) our sustainability guidelines for real estate transactions to align with best practice on respecting IPLCs' land rights where relevant.

Scope

Global

Review and revise (as necessary) the strategy and process for Nestlé Waters' business to align with best practice on respecting IPLCs' land rights, including Nestlé Waters' Community Relations process.

Nestlé Waters business

Support a review of the Alliance for Water Stewardship Standard by experts and in consultation with Indigenous peoples and local communities to ensure alignment with best practices.

Nestlé Waters Business



NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Supply chain and other business relationships

Objectives

- Engage direct suppliers on Nestlé's commitments on land rights as part of our Supplier HREDD Assurance Framework.
- Engage and support prioritized direct suppliers in taking actions to address land rights impacts and risks in their own operations and supply chains.
- Effectively use and help strengthen voluntary certification as a tool for suppliers to demonstrate the assessment, mitigation, remediation and monitoring of land rights issues.
- Integrate land rights due diligence into our sourcing of renewable energy and carbon credits purchases and retirements.

Action

Scope

Strengthen supplier engagement and capacity building

Engage and support direct suppliers prioritized through our Supplier HREDD Assurance Framework process on improving practices and addressing risks, impacts and grievances on IPLCs land rights (e.g. action plan development, capacity building, project co-funding).

Prioritized raw materials⁷

Through our direct suppliers, engage and support prioritized indirect/upstream suppliers on respecting IPLCs' land rights at production level.

Prioritized raw materials

Review and help strengthen relevant certification schemes

Review to what level different certification and verification schemes can provide assurance that land rights have been respected.

Relevant raw materials

Contribute to improving practices in the sector, starting with the certification and verification schemes already used by certain raw materials as part of our sustainable sourcing strategy for these raw materials.

Use findings of review to inform raw materials' sourcing strategies (e.g. increasing certified volumes if it is determined to have a positive impact on respect of land rights).

Integrate IPLCs' land rights in engagement with other business relationships

Review and ensure respect for IPLCs' land rights is considered in the due diligence process for our sourcing of renewable energy.

Global

Review and revise (as necessary) the Nestlé Carbon Credit Purchase and Retirement Guidelines to align with best practice on respecting IPLCs' land rights where relevant.

Global

⁷ We will start with our forest-risk commodities (beef, cocoa, coffee, palm oil, pulp and paper, soy and sugar).

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Collective action: Helping tackle root causes with relevant stakeholders

Many of the issues and challenges around respect for the land rights of Indigenous peoples and local communities are complex and linked to a wide range of factors (as outlined in *The challenges in addressing this issue* section above) that cannot be addressed by Nestlé on our own.

Tackling these issues and their root causes requires collaboration between many different stakeholders, including Indigenous peoples and local communities themselves, companies, governments, as well as multilateral, non-governmental and civil society organizations. We are, therefore, committed to collaborate with rightsholders and stakeholders both in specific landscapes in production countries as well as at global and sectoral levels to promote and help strengthen the land and resource rights of Indigenous peoples and local communities and support them in becoming stewards of their lands.

Production country and on-the-ground initiatives

Objective

Support the respect and strengthening of Indigenous peoples' and local communities' land rights in production areas.

Action

Identify and prioritize specific interventions on strengthening respect of IPLCs' land rights at national and subnational levels where the raw materials we source are produced through:

- Engagement or advocacy at national or regional government level.
- Supporting sectoral-, landscape- or jurisdictional-level initiatives.
- Supporting *Global Reforestation Program (GRP)* projects.

Develop and integrate minimum expectations and safeguards on the respect of land rights and the inclusion of IPLCs in current and future on-the-ground efforts that Nestlé is supporting, in particular, through:

- Reviewing our current portfolio of landscape initiatives.
- Developing a *Landscape Due Diligence Framework*, which will include how we assess, address, monitor and report on landscape level risks.
- Reviewing and revising (if necessary) Nestlé's *Global Reforestation Program's* project cycle to align with best practice on respecting IPLCs' land rights where relevant.

Scope

Priority countries

Global

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Global and sectoral collaboration and advocacy

Objectives

- Collaborate with peers and stakeholders at global and sector level to address systemic issues and develop common approaches for respecting Indigenous peoples' and local communities' land rights.
- Raise awareness of, and advocate for, the respect and strengthening of Indigenous peoples' and local communities' land rights within the sectors Nestlé is involved in.

Action

Identify and prioritize sector initiatives where Nestlé can advocate or support respect for land rights (e.g. certification schemes or sector collaboration groups).

Scope

Global

Identify and leverage collaborative initiatives that are developing common approaches and tools on respecting land rights in order to promote and support the development and uptake of strong, effective tools to mitigate, address, and remediate land rights issues (see *Key partners* section below).

Global



NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Grievance mechanisms

Objectives

- Support access to remedy via safe and effective grievance mechanisms for Indigenous peoples and local communities affected by our operations, business relationships and agricultural supply chains.
- Address the land rights grievances linked to us through our supply chains, and help remediate such grievances when relevant, starting with our prioritized raw materials.

| Action | Scope |
|---|--------|
| Ensure our employees and workers in our supply chain potentially affected by our operations can raise grievances and have access to remedy, including through Speak Up (Nestlé's grievance mechanism). | Global |
| Ask direct suppliers to have grievance mechanisms and management systems in place. | Global |
| Ensure IPLCs can raise grievances and have access to remedy in the landscape/ jurisdictional initiatives and on-the-ground projects of which we are a part. | Global |
| Engage in collaborative approaches to develop or strengthen community-based or government-based grievance mechanisms for use within our supply chains and on-the-ground projects (e.g. landscapes). | Global |
| Engage in collaborative approaches to manage and address land rights grievances at sector-wide level, including supporting the development of common tools and approaches for identifying and engaging suppliers on grievances. | Global |

Monitor and report on indicators, overall performance and challenges

We are committed to transparently communicating our progress on implementing this action plan, as well as sharing our learnings and the challenges we face.

We will publicly report on the following indicators in relation to this action plan by the end of 2025.

Cross-cutting indicators:

1. Grievance mechanism performance

- Number of material grievances received through Speak Up related to Indigenous peoples' and local communities' land rights, of which number of material grievances substantiated and addressed.
- Number of material grievances received through other channels related to Indigenous peoples' and local communities' land rights, of which number of material grievances under investigation and number addressed.

2. Sustainable sourcing

- Percentage of volumes of key ingredients produced sustainably.

3. Impact on people

- Number of cases Indigenous peoples and local communities living around our operations and supply chains benefited from our interventions on land rights.

Issue-specific indicator:

- To be defined, approved and released in 2025.

As we progress toward implementation of this plan, we will develop more impact focused indicators.

CONNECTION WITH OTHER SALIENT ISSUE ACTION PLANS



Land is a foundational resource for human shelter, food, water and livelihoods. It is intrinsically linked to other salient issues we have identified, in particular:

| | |
|--|--|
| Living income and living wage | Secure land rights can lead to increased agricultural productivity by providing incentives to invest in land and crop improvements. As such, land rights are a key factor to creating an enabling environment that promotes agricultural productivity and improved incomes. |
| Gender equity, non-discrimination and non-harassment | <p>Securing women's land rights can elevate women's status within households and communities and build access to markets and public spaces, helping fulfill human rights to gender equality, livelihood, and identity.</p> <p>Stronger land rights can empower women while also increasing investments in land, spending on food and education, and improving child nutrition.</p> |
| Right to water and sanitation | In many circumstances, a community's right to water is dependent on rights to land. Interventions supporting sustainable and equitable water stewardship should consider the land rights of Indigenous peoples and local communities. |
| Right to food and access to nutritious, affordable and adequate diets | Ensuring secure access to land and related productive resources is crucial for guaranteeing the right to adequate food. For example, right to food would be at risk where land users are deprived of the land on which they rely either to produce or gather food for their own consumption, to feed their communities, or to produce for the markets. Additionally, strengthened land rights are linked to improved food security and nutrition indicators. |

CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS (SDGs)

The actions laid out in this action plan will contribute – directly or indirectly – to SDGs 1, 2, 15 and 17, in particular:

Goal



End poverty in all its forms everywhere

Target 1.4: By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance.



End hunger, achieve food security and improved nutrition and promote sustainable agriculture

Target 2.3: By 2030, double the agricultural productivity and incomes of small-scale food producers, in particular women, Indigenous peoples, family farmers, pastoralists and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets and opportunities for value addition and non-farm employment.



Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

Target 15.2: By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally.



Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development

Target 17.17: Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships.

GOVERNANCE FOR THIS ISSUE

Nestlé Executive Board

Approves this action plan.

Nestlé ESG and Sustainability Council

Provides strategic leadership and execution support for this topic.

Nestlé Advocacy Coordination Group

Provides strategic leadership and execution on the engagement and advocacy strategy related to this action plan.

Nestlé ESG Climate and Sustainable Sourcing Workstream

Is responsible for the implementation of the action plan.

Nestlé Human Rights Community

Leads the human rights agenda throughout the company. It coordinates the implementation of Nestlé's *Human Rights Framework and Roadmap* throughout the value chain. Finally, it monitors the implementation of the framework and roadmap, and the efficiency of the program.

Nestlé Markets

Support the implementation of this action plan in relation to our country operations, in alignment with the global team.

Forest Positive External Advisory Council

Was formed in 2021 to help Nestlé ensure the sound development of our Forest Positive strategy. It currently comprises eight external members, whose expertise includes agricultural supply chains and land use change; landscape initiatives; forestry; plant ecology; and land tenure rights.



KEY PARTNERS

Main implementing partners

| Partner | Activities |
|-----------------------------|--|
| Earthworm Foundation | <ul style="list-style-type: none"> • Implementing landscape initiatives we support as well as other interventions in our supply chains to help address IPLCs' land rights risks. • Developing a forest footprint use case for land rights. |
| Landesa | <ul style="list-style-type: none"> • Providing strategic advice to Nestlé on the development and implementation of this action plan. • Developing Land and Natural Resource Risk (LRR) profiles in key sourcing landscapes. |
| Proforest | <ul style="list-style-type: none"> • Providing strategic advice to Nestlé on the development and implementation of this action plan and human rights risk assessment approach. • Implementing selected on-the-ground projects (e.g. landscape initiatives) Nestlé is supporting to address IPLCs' land rights risks. |

Main industry and multi-stakeholder collaborations

| Platform | Workstreams | Nestlé's involvement |
|---|---|---|
| The Consumer Goods Forum's Forest Positive Coalition | Indigenous Peoples and Local Communities Working Group | <ul style="list-style-type: none"> • We support the group's work, setting standard requirements for suppliers on respecting IPLCs' rights, developing approaches and guidance for respecting IPLCs' rights in landscape initiatives and setting standard KPIs for downstream reporting on IPLCs' rights. • We use this forum to share our approach (e.g. the jurisdictional land rights profiles for prioritizing landscape initiatives) and tools on land rights, as well as learn from peers. |
| Interlaken Group | Steering Committee | <ul style="list-style-type: none"> • We supported the development of community-based monitoring best practice document. • We will further explore how to leverage these best practices for monitoring within our supply chains and in our landscape initiatives. |
| Palm Oil Collaboration Group | Social Issues Working Group, including IPLCs subgroup | <ul style="list-style-type: none"> • We support the work of aligning assessment tools under the Human Rights Due Diligence (HRDD) subgroup. • We use this forum to share our approach and tools on land rights as well as learn from peers. • We use this forum to push for common approaches and collaboration in addressing land rights grievances. |
| | Implementation Reporting Framework (IRF) Active Working Group | <ul style="list-style-type: none"> • We are supporting the continued development and piloting of the land rights IRF for palm oil. • We support the development and piloting of this tool, and integrate it within our supplier engagement and monitoring systems. |
| | Independent Verification Working Group on land rights | <ul style="list-style-type: none"> • We are supporting the development of an <i>Independent Verification Framework</i> for land rights in palm oil. |

REFERENCES

- i See, for example: Tuck, L. and Zakout, W. '7 reasons for land and property rights to be at the top of the global agenda.' World Bank. March 25, 2019. Available at: [https://www.landesa.org/land-rights-from-the-ground-up/](https://blogs.worldbank.org/voices/7-reasons-land-and-property-rights-be-top-global-agenda#:~:text=Research%20has%20shown%20that%20secure,are%20essential%20for%20urban%20development; 'Land Rights: From the Ground Up.' Landesa. Available at: <a href=); 'Women Gaining Ground: Securing Land Rights as a Critical Pillar of Climate Change Strategy.' Landesa. Available at: https://www.landesa.org/wp-content/uploads/LCWLR_WomenGainingGround.pdf; Jenny Springer. 'USAID Issue Brief: Land and Resource Tenure and Social Impacts.' USAID. February 2016. Available at: <https://www.land-links.org/issue-brief/land-and-resource-tenure-and-social-impacts/>.
- ii IPCC. 'Climate Change and Land: An IPCC Special Report on climate change, desertification, land degradation, sustainable land management, food security, and greenhouse gas fluxes in terrestrial ecosystems.' 2019. Available at: <https://www.ipcc.ch/srccl/>. 'Indigenous + Community Response To IPCC Report.' 2019. Available at: <https://ipccresponse.org/our-response>
- iii World Bank. 'Why Secure Land Rights Matter.' March 24, 2017. Available at: <https://www.worldbank.org/en/news/feature/2017/03/24/why-secure-land-rights-matter>
- iv Prindex Comparative Report 2020. Available at: <https://www.prindex.net/data/>.
- v WRI. 'The Scramble for Land Rights. Reducing Inequity between Communities and Companies.' 2017. Available at: <https://wriorg.s3.amazonaws.com/s3fs-public/scramble-land-rights.pdf>.
- vi See, for example, 'USAID Issue Brief: Land and Resource Tenure and Social Impacts,' supra note i.
- vii See, for example, McLain, R. 'Drivers and Consequences of Tenure Insecurity and Mechanisms for Enhancing Tenure Security. A Synthesis of CGIAR Research on Tenure Security (2013-2020).' IFPRI. December 2021. Available at: <https://ebrary.ifpri.org/utils/getfile/collection/p15738coll2/id/134965/filename/135175.pdf>; 'USAID Issue Brief: Tenure and Social Impacts,' supra note 4.
- viii Human rights defenders are individuals or groups who act to promote, protect or strive for the protection and realization of human rights and fundamental freedoms through peaceful means. See: [OHCHR. 'About human rights defenders.'](#)

Disclaimer

This action plan is dynamic by essence and subject to change. Any reliance placed on this action plan is done solely at the risk of the person placing such reliance. To the maximum extent permitted by applicable law and regulation, Nestlé disclaims all representations, warranties, conditions and guarantees, whether express, implied, statutory or of other kind, nor does it accept any duty to any person, in connection with this action plan. To the maximum extent permitted by applicable law and regulation, Nestlé shall not be liable for any loss, damage or expense whatsoever, whether direct or indirect, howsoever arising, whether in contract, tort (including negligence), strict liability or otherwise, for direct, indirect, incidental, consequential, punitive or special damages arising out of or in connection with this action plan, including (without limitation) any course of action taken on the basis of the same.



Nestlé Good food, Good life

Nestlé's Salient Issue Action Plan:

DATA PROTECTION AND PRIVACY

First published in February 2023.
Updated in January 2025.

[nestle.com/sustainability/humanrights](https://www.nestle.com/sustainability/humanrights)



This action plan is one of a series that forms part of our [Human Rights Framework and Roadmap](#). You can find all our action plans, which address Nestlé's salient issues, on our [dedicated human rights webpage](#).

These plans guide our due diligence approach and enable us to act as a force for good. They articulate our strategy for embedding, assessing, addressing and reporting on each salient issue, defining what we need to do across our value chain, as well as what collective action can be taken.

We harnessed the strengths and capacities of each Nestlé department to clearly define the actions we will take in the years to come, in consultation with external partners and stakeholders. With collaboration built into each action plan, we hope to spark new engagement and inspire collective action with peers, business partners, civil society, non-governmental organizations (NGOs) and governments. This way, we can tackle the root causes of our salient issues and create positive impact at scale.

We want these action plans to be dynamic and reflect the evolution of stakeholders' expectations and of the contexts in which we operate. Input and feedback are welcome and can be sent to us by email: humanrights@nestle.com.

We will report on progress against the indicators identified in each action plan by the end of 2025.



¹ Nestlé throughout this document refers to the Nestlé Group.

EXECUTIVE SUMMARY

Definition of the issue

Data protection is about securing data against unauthorized access. Data privacy is concerned with the collection, storage and use of personal data and the rights of the individual whose information is being stored.

Why it matters

Data has enormous value, especially in our highly digitized society. It can help businesses to better engage with consumers, conduct innovative research and development and deliver valued products. However, if not handled with care, it can lead to interference with people's private lives.

Geographical priority
Global



Value chain relevance

Own Operations and Downstream

Key strategy and activities to address the risk

- The Nestlé Privacy Program and maturity self-assessment
- Privacy Impact Assessment as part of the privacy-by-design principle
- Compulsory Data Privacy iLearn module for relevant employees
- Data Ethics as part of the Nestlé *Responsible Sourcing Standard*
- Regular internal and external audits

Indicators we will report on

- Number of data breaches annually

Value chain priority



BACKGROUND

What we are talking about

Data protection is about securing data against unauthorized access.

Data privacy is concerned with the collection, storage and use of personal data and the rights of the individual whose information is being stored.

Why it matters

The digital age and technological advancements have made data a key asset for businesses. It can help organizations better engage with consumers, conduct innovative research and development and deliver valued products. However, if not handled with care, it can lead to interference with people's private lives.

The law protects the fundamental right to privacy and provides people with greater autonomy over the way their data is collected and used. It also sets baseline standards for what companies can and cannot do with data.

There is a clear and growing trend for established data protection and privacy laws to be strengthened (such as the EU's GDPR) and for countries without laws to create new law. There is also a trend of greater consumer, investor, customer and regulator expectations in respect of privacy, data protection and how data is being used by corporations.

In addition, data ethics is becoming an area of increasing social and regulatory focus. Data ethics is about not only doing what is legal with data, but also what is right. In the digital age, where data and technology are inextricably linked collide, it is ethics rather than law that will guide us on how to use data. It is not only the 'what' but the 'how'. Data ethics and ethical data management is critical in this emerging world of the digital economy.

The challenges in addressing this risk

Nestlé is a multinational company operating in almost all jurisdictions. This means we are subject to many laws and regulations, sometimes conflicting. This can make day to day working processes extraordinarily complex.

We believe that the most effective approach is to have privacy legislation that is based on internationally recognized data protection principles and promotes transparency in data use practices.

How we currently address this issue in our corporate policies, commitments and programs

The Nestlé Privacy Program is the way we address the issue. It comprises:

- **Nestlé Privacy Policy** that defines a commitment to privacy and sets out key principles such as (i) privacy-by-design, (ii) processing for specific purposes, (iii) lawful, fair and transparent processing, (iv) properly manage personal data, (v) rights of individuals, (vi) security of personal data.
- **Nestlé Privacy Standard** that supplements the Nestlé Privacy Policy, reflects the Nestlé Group's commitment to respect privacy and sets out the data privacy standards for how personal data is processed by the Nestlé Group. It covers the personal data of Nestlé's consumers, employees and other individuals (e.g., individual employees of customers, suppliers and service providers).
- **Record Retention & Destruction Standard** applies to all records generated in the course of the operations of the Nestlé Group that we hold or have control over.

- The appointment of **Group Data Protection Officer** and **Data Protection Champions** in the markets and businesses. Having the right people in place to address data protection and privacy matters is an integral part in protecting the employee, consumer and customer data of Nestlé.
- Compulsory **Data Privacy iLearn** module for relevant employees.
- The *Nestlé Binding Corporate Rules* as a framework for data transfers within the Nestlé Group.

In addition, all our suppliers must follow our *Responsible Sourcing Core Requirements*, which sets out the requirements that we ask our suppliers to respect and to adhere to at all times when conducting business with us, including data protection, confidentiality and privacy. We also incorporated a *Data Ethics Addendum* into the Nestlé *Responsible Sourcing Standard*.

NESTLÉ'S VISION AND APPROACH

Why this issue is relevant and important for us

At Nestlé, our values are rooted in respect: respect for ourselves and respect for others, including respect for the privacy of individuals. This commitment to privacy is reflected in the [Corporate Business Principles](#). Through this commitment, we, as Nestlé, strive to be trusted for our privacy practices and to succeed in the digital reality by living up to the changing expectations of our stakeholders.

With more data, comes greater responsibility in protecting that data. Nestlé prides itself on being a company that is trusted by its consumers, employees and business partners. When our consumers trust us, they are likely to share more personal data with us, allowing us to know them better and to deliver greater personalization and enhanced user experience. This is in line with our digital and e-business ambitions and reflected in the Nestlé Privacy Program, and apply to all Nestlé entities across the world, even if local law is more lenient.

Our vision and approach

As part of Nestlé's vision and ambition for data, we have made numerous commitments to process and protect personal data of all our stakeholders in a compliant way. Our Global Privacy Program reinforces this commitment.

Nestlé is committed to respecting the rights of individuals in relation to their personal data. We recognize the right to privacy as a fundamental human right. We believe that maintaining the trust of our consumers, employees and business partners and managing their data responsibly are of critical importance.

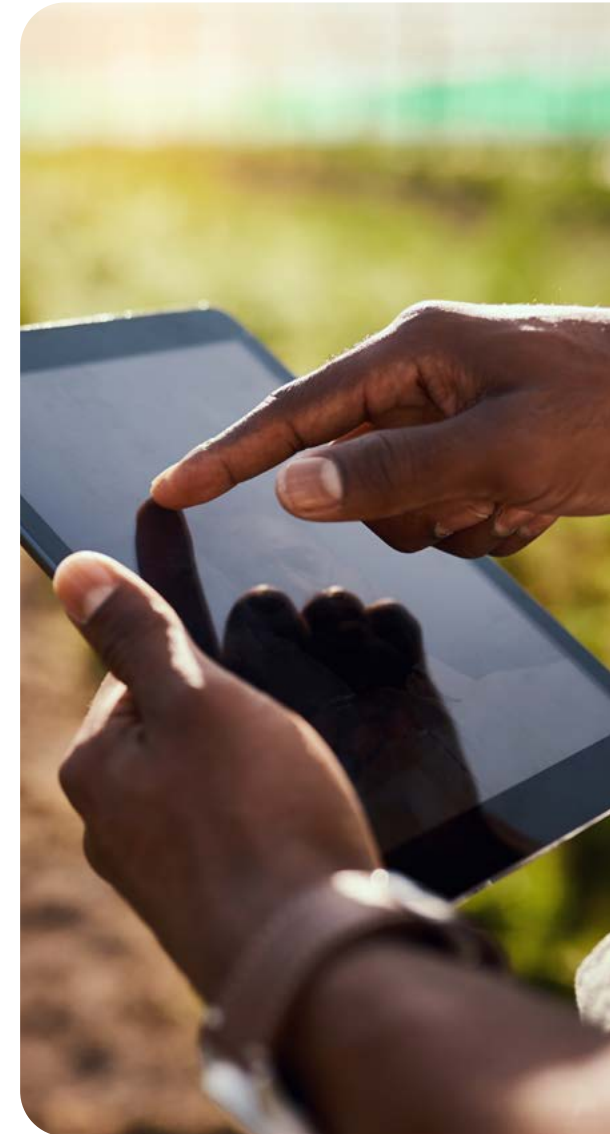
The Nestlé Privacy Program ensures that privacy is embedded into our business operations and that the personal data we collect is processed lawfully and fairly, is kept secure against unauthorized processing, unlawful or accidental destruction, loss or misuse, and is deleted when it is no longer required.

We aim to prevent and address privacy issue wherever it occurs within the Nestlé Group and in our vendors. If we receive reports of data incidents, we investigate allegations and take an action if there is evidence of wrongdoing.

We strive to be transparent with individuals in relation to how we process their data and to provide them with meaningful control over how their personal data is collected and used, including responding to their requests and complaints.

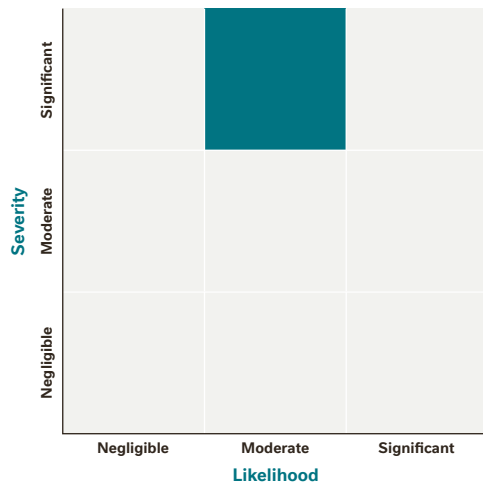
We avoid using data and technology in ways that are unethical or could lead to discrimination, exploitation or cause harm. We are committed to the ethical use of data based on the following principles: (I) Environmental and Social Wellbeing, (II) Transparency, (III) Diversity, Non-Discrimination and Fairness, (IV) Privacy and Security, (V) Accountability and (VI) Technical Robustness. Our commitment to data ethics is reflected in [Nestlé Data Ethics Framework](#).

We will continue playing our part in helping to protect personal data of our consumers, employees and business partners through monitoring new data protection and privacy laws worldwide, collective actions and engagement with all relevant stakeholders to improve our standards.



NESTLÉ'S ACTION PLAN (2023–2025)

Assess: Our risk exposure



The severity of the issue on the heatmap represents the measures of a risk. It is linked to potential fines and corporate reputation. In the case of data privacy, the risk is significant. Likelihood represents the possibility of a risk to occur. Although we may have all data privacy controls in place, a potential data breach can happen.

In order to mitigate the risk, we use the following tools:

- Maturity self-assessment
- Privacy Impact Assessment as part of privacy-by-design principle
- Internal and external audits

Address: Our priority actions

Nestlé: Taking action within our value chain

- Close collaboration on data breaches with our vendors (if applicable) as well as local authorities
- Data breach procedure with internal security team includes root cause analysis of every data incident
- Trainings to employees how to protect personal data and report potential data breaches

Collective action: Helping tackle root causes with all relevant stakeholders

Data breaches may happen due to cybersecurity threats or human errors in every company. We are committed to better understand and help tackle the root causes of this serious issue in close collaboration with internal security teams and vendors (if applicable) as well as local authorities.

We take an active role in the development of the regulations, policies and programs that are needed to make our vision a reality, including through industry associations we are part of:

- Word Federation of Advertisers (WFA) – helps set standards for responsible marketing communications worldwide, and encourages leadership initiatives, which go beyond compliance with existing industry standards.
- International Association of Privacy Professionals (IAPP) – a not-for-profit association with an objective to providing a forum for privacy professionals to share best practices, track trends and advance privacy management issues.
- European Round Table for Industry (ERT) – advocate policies that underpin the values of freedom, tolerance, equality and openness.

Grievance mechanism

- If individuals are concerned about Nestlé's use of their personal data, they can contact the Nestlé Group Data Protection Office or local markets by using contact details included in our [privacy notice](#) available on all Nestlé websites.
- Concerns can also be raised via our [Speak Up](#) platform.

We take an active role in the development of the regulations, policies and programs that are needed to make our vision a reality

Monitor and report on indicators, overall performance and challenges

We will publicly report on the following indicators in relation to this action plan by the end of 2025.

Cross-cutting indicators:

1. Audit performance

- Number of material non-conformities related to data protection and privacy identified through third-party audits of our own operations and addressed.
- Number of material non-conformities related to data protection and privacy identified through third-party audits of our direct suppliers and addressed.

2. Grievance mechanism performance

- Number of material grievances received through Speak Up related to data protection and privacy, of which number of material grievances substantiated and addressed.
- Number of material grievances received through other channels related to data protection and privacy, of which number of material grievances under investigation and number addressed.

3. Impact on people

- Number of cases employees, on-site contractors and consumers benefited from our interventions on data protection and privacy.

Issue-specific indicators:

Number of data breaches reported to the regulator.

GOVERNANCE FOR THIS ISSUE

Headquarter level

- Data protection and privacy matters are led by the Group Data Protection Office and Group Data Protection Officer, both in Group Legal and Compliance.
- The Nestlé Group Data Protection Office is supported by Data Protection Champions (DPC) who are the first point of contact within the markets/businesses/functions. The DPC and the Nestlé Group Data Protection Office form together the Nestlé Privacy Network (NPN).
- The Information Security Committee is the steering committee responsible for validating strategic privacy-related decisions.

Zone level

- Matters can be escalated to Zone Compliance Committees and Zone Management, as necessary.

Market level

- The Market Compliance Committees are responsible to ensure compliance with the Nestlé Privacy Program at Market level.
- Local Data Protection Champions.



REFERENCES

Disclaimer

This action plan is dynamic by essence and subject to change. Any reliance placed on this action plan is done solely at the risk of the person placing such reliance. To the maximum extent permitted by applicable law and regulation, Nestlé disclaims all representations, warranties, conditions and guarantees, whether express, implied, statutory or of other kind, nor does it accept any duty to any person, in connection with this action plan. To the maximum extent permitted by applicable law and regulation, Nestlé shall not be liable for any loss, damage or expense whatsoever, whether direct or indirect, howsoever arising, whether in contract, tort (including negligence), strict liability or otherwise, for direct, indirect, incidental, consequential, punitive or special damages arising out of or in connection with this action plan, including (without limitation) any course of action taken on the basis of the same.



Nestlé Good food, Good life

Nestlé's Salient Issue Action Plan:

RIGHT TO FOOD AND ACCESS TO NUTRITIOUS, AFFORDABLE AND ADEQUATE DIETS

First published in February 2023.
Updated in January 2025.

[nestle.com/sustainability/humanrights](https://www.nestle.com/sustainability/humanrights)

This action plan is one of a series that forms part of our [Human Rights Framework and Roadmap](#). You can find all our action plans, which address Nestlé's salient issues, on our [dedicated human rights webpage](#).

These plans guide our due diligence approach and enable us to act as a force for good. They articulate our strategy for embedding, assessing, addressing and reporting on each salient issue, defining what we need to do across our value chain, as well as what collective action can be taken.

We harnessed the strengths and capacities of each Nestlé department to define the action areas we will focus on in the years to come, in consultation with external partners and stakeholders. With collaboration built into each action plan, we hope to spark new engagement and inspire collective action with peers, business partners, civil society, non-governmental organizations (NGOs) and governments. This way, we can work together to tackle the root causes of our salient issues and create positive impact at scale.

We want these action plans to be dynamic and reflect the evolution of stakeholders' expectations and of the contexts in which we operate. Input and feedback are welcome and can be sent to us by email: humanrights@nestle.com.

We will report on progress against the indicators identified in each action plan by the end of 2025.



1 Nestlé throughout this document refers to the Nestlé Group.

EXECUTIVE SUMMARY

Definition of the issue

According to the United Nations Committee on Economic, Social and Cultural Rights: "The right to adequate food is realized when every man, woman and child, alone or in community with others, has physical and economic access at all times to adequate food or means for its procurement."¹ Availability, accessibility and adequacy are key elements of the right to food.

Why it matters

The coexistence of overnutrition, undernutrition and micronutrient deficiencies is referred to as the triple burden of malnutrition. The number of people who suffer from overweight and obesity has nearly tripled since 1975 and keeps rising. In 2016, 13.1% of the global adult population was overweight or obese, an increase from 11.8% in 2012. By contrast, in 2019, 690 million people, or 8.9% of the global population, were undernourished and 2 billion people were food insecure, i.e. lacking reliable access to a sufficient quantity of affordable, nutritious food. These numbers have been rising since 2014 and are expected to continue to rise. The situation is made worse by the 'hidden hunger' phenomenon: micronutrients such as iron, vitamin A, vitamin D, iodine, folate and zinc are fundamental to full physical and

mental development, yet they are lacking from the diets of many in the world. Over 2 billion people globally suffer from deficiency of at least one micronutrient.

Key actions

- Continue to guide people in making more nutritious food choices, by providing on-pack nutritional information, consumption guidance and services to support balanced eating
- Benchmark our entire portfolio using a credible international scientific nutritional profile rating
- Support 50 million children to adopt balanced diets and lifestyles through Nestlé for Healthier Kids by 2030
- Roll out our revised Policy on the Marketing of Breast-Milk Substitutes to not promote infant formula for babies up to six months of age, as a minimum, globally
- Provide nutritional solutions for all to fulfill specific needs at every life stage, from pre-conception to healthy aging
- Roll out our upgraded Policy on Marketing Communication to Children
- Ensure all of our confectionery and ice cream categories have on-pack portion, consumption guidance or limited portion size, where regulation allows

- Roll out offline and online services in our key markets and activate nutrition education programs that are relevant to consumers
- Roll out our 2024–26 Roadmap for Employee Health and Well-being, including nutrition-focused programs such as our #Healthylives training and the availability of healthy foods in Nestlé canteens
- Expand our offering of more nutritious products by CHF 20–25 billion by 2030, representing about 50% growth over 2022 sales

Value chain priority



We recognize the importance of listening to and consulting consumers and farmers on issues that affect them. As we implement this action plan, we will engage with them to strengthen our understanding of risk and the impact and sustainability of our actions.

Contribution to Sustainable Development Goals (SDGs)

The actions laid out in this action plan will contribute – directly and indirectly – to SDGs 2, 3, 12 and 17.



Geographical priority
Global



BACKGROUND

What we are talking about

According to the [United Nations Committee on Economic, Social and Cultural Rights \(CESCR\)](#): “The right to adequate food is realized when every man, woman and child, alone or in community with others, has physical and economic access at all times to adequate food or means for its procurement.”ⁱ The right to food is recognized in the 1948 [Universal Declaration of Human Rights](#) as part of the right to an adequate standard of living, and is enshrined in the 1966 [International Covenant on Economic, Social and Cultural Rights](#).

The right to food is not simply a right to a minimum ration of calories, proteins and other specific nutrients. It is a right to all nutritional elements that a person needs to live a healthy and active life, and to the means to access them.

The CESCR has defined key elements of the right to food:ⁱⁱ

- **Availability** requires on the one hand that food should be available from natural resources either through the production of food, by cultivating land or animal husbandry, or through other ways of obtaining food, such as fishing, hunting or gathering. On the other hand, it means that food should be available for sale in markets and shops.

- **Accessibility** requires economic and physical access to food to be guaranteed. Economic accessibility means that food must be affordable. Individuals should be able to afford food for an adequate diet without compromising on any other basic needs, such as school fees, medicines or rent. Physical accessibility means that food should be accessible to all, including to the physically vulnerable, such as children, the sick, persons with disabilities or the elderly, for whom it may be difficult to go out to get food.
- **Adequacy** means that the food must satisfy dietary needs, taking into account the individual’s age, living conditions, health, occupation, sex, etc. Adequate food should also be culturally acceptable.

Why it matters

The triple burden of malnutrition refers to the coexistence of overnutrition, undernutrition and micronutrient deficiencies.

Overweight and obesity are the most widespread forms of malnutrition globally and are associated with a greater number of deaths worldwide than undernutrition.ⁱⁱⁱ In every region of the world, apart from sub-Saharan Africa and Asia, there are more people living with obesity than those who are underweight.ⁱⁱⁱ

The number of people who suffer from overweight and obesity has nearly tripled since 1975 and keeps rising.ⁱⁱⁱ In 2016, 13.1% of the global adult population was overweight or obese, an increase from 11.8% in 2012.^{iv} Once thought to be a high-income country issue, today, overweight and obesity affect most countries in the world, with over 70% of adults living with obesity found in low- or middle-income countries.^v Child obesity is showing similar upward trends. In 2019, 5.6% of the world population under the age of 5 was overweight or obese, a slight increase since 2012.ⁱⁱⁱ

In 2019, 690 million people, or 8.9% of the global population, were undernourished and 2 billion people were food insecure – these numbers have been rising since 2014 and are expected to rise, partly as a result of the COVID-19 pandemic.^{iv} Among the categories of people most vulnerable to undernutrition are children: in 2019, 21.3% of children under 5 years of age were stunted, or too short for their age, and 6.9% were wasted, or too thin for their height.^{iv}

Micronutrients such as iron, vitamin A, vitamin D, iodine, folate and zinc are fundamental to full physical and mental development, yet they are often lacking from the diets of many in the world: over 2 billion people globally suffer from at least one micronutrient deficiency.^{vi} Micronutrient deficiency, also known as hidden hunger, is especially common among low-income populations and more prevalent in regions and countries with low dietary diversity, with the largest proportion in South and East Asia and Sub-Saharan Africa.^{vii} Hidden hunger affects people who are overweight or obese as well as people who are undernourished. Among the populations most vulnerable to hidden hunger are women and children. According to a recent study in *The Lancet*, the global prevalence of deficiency in at least one of three micronutrients is 56% among preschool-aged children and 69% among non-pregnant women of reproductive age, equivalent to 372 million preschool-aged children and 1.2 billion non-pregnant women of reproductive age.^{viii}

BACKGROUND CONTINUED

Why this issue is relevant and important for us

As part of the [just transition to a regenerative food system](#), we want to play a key role in supporting millions of people so they can access a balanced diet and the nutrients they need.

Food and good nutrition are fundamental to everyone's health, well-being and enjoyment, as well as being part of people's cultural identity. Yet too many people around the world are either not getting enough food or eating too much food with limited nutrients.

As such, there is an increasing demand for more nutritious products. We are working tirelessly to help unlock the power of food and meet those requirements. As a food innovator, we aim to make safe, enjoyable and sustainable products that are nutritious, accessible and affordable.

Affordability of nutrient-dense food is a key concern. More than 2 billion people are unable to afford a nutrient adequate diet. The economic downturns resulting from the COVID-19 pandemic delivered a major blow to world hunger levels, contributing to a significant increase in undernourishment and increasing the need for affordable nutrition products. This is why we want to play our part in expanding our offering of affordable, nutritious foods and beverages and in contributing to food security.

As part of the transition to a regenerative food system, we want to play a role in supporting millions of people so they can access the key nutrients they need as part of a balanced diet.

The challenges in addressing this issue

The growth in global prevalence of undernutrition, as well as in food insecurity witnessed in recent years, marks the continuation of the trend of rising hunger that started in 2014, when decades-long progress toward achieving SDG 2, 'Zero Hunger', started being reversed. As a result of conflict, poverty and climate change, the world was not on track to achieve SDG 2 by 2030 before Covid-19. Compounded by the economic fallout of the pandemic, conflict, climate change and high inflation rates are exacerbating the already dire state of undernutrition globally. In March 2021, a joint statement by the [United Nations Food and Agriculture Organization \(FAO\)](#) and the [World Food Programme \(WFP\)](#) warned that 34 million people are in the emergency phase of food insecurity, or 'one step away from starvation'.

According to estimates by the [Potsdam Institute for Climate Impact Research](#), 45% of the world's population will be overweight or obese by 2050.^x There are several reasons for the dramatic increase in the prevalence of obesity, including increasingly sedentary lifestyles accompanied by a greater availability of calorie-rich foods, enabled by food supply chains that have been geared to supply

quantity calories rather than nutrients.^{xi} As a result of rising consumption of energy-dense, nutrient-poor diets, overweight and obesity today are also associated with poorer micronutrient status.^{xii}

Food loss and waste further exacerbate these challenges. According to Champion 12.3, a multi-stakeholder coalition dedicated to accelerate progress toward achieving SDG Target 12.3 on this issue, 'around a third of all food produced for human consumption is lost or wasted from the farm to the fork. This huge level of inefficiency has economic, social and environmental impacts. Food loss and waste causes about \$940 billion per year in economic losses'.^{xiii}

To fulfill the global sustainable development agenda and meet the [2025 Global Nutrition Targets](#), efforts to combat malnutrition must increase significantly. In 2021, the UN Food Systems Summit identified and drove commitments from all actors toward the transformation of food systems to make them more sustainable, equitable and resilient.



NESTLÉ'S VISION AND APPROACH

Our vision and approach

We aim to offer safe, enjoyable and sustainable food as part of a balanced diet that is nutritious, accessible and affordable. As a food company with a global presence, our extensive portfolio ranges from beverages and meal solutions to confectionery and health-care nutrition products. We leverage our decades of experience and our Research & Development (R&D) expertise to offer safe, affordable, sustainable and high-quality products for people everywhere and across all life stages. We are committed to developing products that are good for people and good for the planet.

We have been focusing on expanding our range of affordable products that are fortified with important micronutrients to help address conditions such as anemia, especially in vulnerable populations.

We take a scientific approach to nutrition, promoting a balanced diet and addressing nutritional needs across all stages of life. This is reflected in the breadth and depth of our portfolio, including (but not limited to) maternal and infant nutrition and healthy aging.

Our approach includes:

- Growing our offering of more nutritious products by increasing positive nutrients and ingredients often lacking in diets, such as whole grains or essential vitamins and minerals, while continuing to reduce nutrients of concern such as sodium and sugar.

- Guiding people towards a balanced diet by providing on-pack nutritional information, consumption guidance and services to support balanced eating while implementing our strict responsible marketing practices, in particular of infant formula and more indulgent products.

- Providing nutritional solutions for diet-related ailments through [Nestlé Health Science](#).

We follow strict standards regarding advertising and marketing to children.

We want all kids to have a healthy start in life and don't advertise to children under 6. We only market foods and beverages to older children that are part of a nutritious and balanced diet. These products must meet the [EU Pledge Nutrition Criteria](#), under our [Policy on Marketing Communication to Children](#).

How we are currently addressing this issue

The right to food and access to nutritious, affordable and adequate diets are governed through the Nestlé Good for You Council (see also the *Governance* section for this issue).

Nestlé has a long-standing commitment to respecting and promoting the right to food and access to nutritious, affordable and adequate diets:

- Our [Policy on Micronutrient Fortification of Foods & Beverages](#) aims to promote the micronutrient fortification of foods and beverages at levels that help to improve and maintain health, in amounts that do not increase the risk of developing adverse consequences from excessive consumption.
- We made a commitment to reduce sodium in frequently consumed products by 2025.
- In 2022, we strengthened our industry-leading responsible marketing practices, as part of our efforts to help bring balanced diets within reach for people around the world. We voluntarily restrict our marketing to kids under the age of 16, while at the same time continuing our long-standing efforts to help families establish healthy eating and lifestyle habits.
- We invest heavily in ensuring our breast-milk substitutes (BMS) marketing complies with the principles of the [Nestlé Policy For Implementing the WHO Code](#) and the local laws.

In addition, each year, Nestlé may commission external verifications to assess compliance with our policy implementing the WHO Code.

We are committed to developing products that are 'good for you and good for the planet': Leveraging our R&D expertise, we have developed new foods and beverages that increase access to quality protein and help prevent micronutrient deficiencies (see also *Affordable nutrition for underserved people* on [page 6](#)).

NESTLÉ'S VISION AND APPROACH CONTINUED

Transparency on the nutritional value of our portfolio

We make the nutritional value of our global portfolio transparent in our yearly reporting, starting with the 2022 Annual Report. We also report on local portfolios in 13 countries using their respective government endorsed front-of-pack labeling systems. These commitments build on the belief that transparency is key to trust. They are also an extension of our long track record of helping people enjoy a variety of foods and beverages as part of a balanced diet. As part of our global reporting commitment, we benchmark our food and beverages against the Health Star Rating (HSR) system, a nutrient profiling system used by the Access to Nutrition Index and on front-of-pack nutrition labels in some countries. HSR considers the total energy of a food, the amount of positive nutrients and ingredients, such as fiber, protein and legumes, as well as the amount of nutrients of concern, such as sugar, saturated fat and salt. HSR provides a single basis of comparison for our broad, global offering of food and beverages across 186 countries, except for our specialized nutrition products.

Affordable nutrition for underserved people

We aim to provide accessible and affordable nutrition to lower-income consumers with a focus on emerging countries. By leveraging our global footprint and expertise along the value chain, including in R&D, we can offer a wide range of products and services. These are designed to cater affordably to local consumer nutritional needs, tastes and formats, while delivering on our environmental targets.

With our affordable nutrition offerings, we are helping to close nutrient gaps through fortification, using essential micronutrients such as iron, iodine, zinc and vitamin A. In 2023, we provided 127.6 billion servings of affordable nutrition with micronutrient fortification.

We have also developed new foods and beverages that make plant-based proteins more accessible.

- In Nigeria, we launched a new affordable fortified dairy and plant blend, Nido Milk and Soya. This combines milk and locally sourced soy, for a blend of essential nutrients such as protein, fiber, and is a source of iron and calcium.
- Maggi Soya Chunks is a new, affordable plant-based alternative to replace meat in rice, stews and pasta for consumers in Central and West Africa. Each pack provides enough protein for up to eight people, with less saturated fats and cholesterol and at a lower cost when compared to animal protein. They are also fortified with iron and zinc.

Nutritional needs across all life stages for people

Nutritional needs vary throughout life stages, from pre-conception to healthy aging. Good nutrition during pregnancy and early life is crucial for children's development. We acknowledge the superiority of breast milk as the ideal nutrition for babies. For babies who cannot be optimally breastfed, infant formula helps them thrive. We offer fortified products to help tackle malnutrition and enrich the nutrition of kids and adults. To help close women's health gap, we develop dedicated nutritional solutions that satisfy the specific health needs of women of different ages.

For older adults, the right balance of energy, protein and other nutrients helps in maintaining strength and cognitive abilities, allowing them to live a fulfilling and active life. For example, our fortified all-in-one milk powder, Yiyang, which caters to the specific needs of people aged 45 years and over in China, contains vitamins, minerals, essential amino acids, protein and fish oils to enhance brain health.

Reducing food waste and loss

Around one third of food produced globally is either lost or wasted. Given the global resources that are devoted to food production and distribution – in land, water, fertilizer and fuel costs, as well as in greenhouse gases produced – this inefficiency has profound implications for the environment and the ability of the food sector to operate sustainably. Food loss and waste can occur at any point between where it is produced and where it is consumed. To help prevent that, we have implemented a number of practical, technological and educational initiatives that are designed to help reduce food loss and waste. For example, we have developed a nutritious sorghum-based porridge that upcycles a Milo side stream to fully valorize raw materials and avoid nutrient loss. Using the sorghum side stream is a double win. It provides an affordable source of protein and fiber, and helps to reduce food waste and nutrient losses. We work alongside farmers, agricultural scientists, researchers and non-profit organizations internationally. And we are helping people understand how they can prevent food waste at home. We also actively support the Champions 12.3 coalition and its plans to halve global food loss and waste by 2030.

NESTLÉ'S VISION AND APPROACH CONTINUED

Improving employee health and well-being through nutrition

We make significant efforts to enhance employee health and well-being through various nutrition-related programs and initiatives. The first Nestlé Roadmap for Employee Health, launched in 2021, successfully achieved all deliverables by the end of 2023. A new roadmap for 2024–2026 has been introduced. Educational programs like #HealthyLives training have played a crucial role in promoting informed decisions on healthier lifestyle choices, with over 55 000 employees watching the videos by the end of 2023. The My Health Numbers program monitors overall health risks and has seen participation from 118 401 employees since its introduction in 2018. Nestlé also conducts global campaigns, reaching 227 000 views in 2023, focusing on physical, mental, and financial well-being. Additionally, efforts have been made to provide healthy meals in canteens and offer spaces for rest in 96% and 38% of markets, respectively.

Gathering experts on the right to food

In 2021, in collaboration with Tufts University in the United States, we convened a [UN Food Systems Summit Dialogue](#) to explore key questions around the transition to a regenerative food system while fulfilling the right to food. The dialogue involved 57 participants from academia, NGOs, the private sector and multilateral organizations. It addressed the major barriers to making healthy diets affordable, accessible and adequate for everyone. Recommendations made by participants – including on portfolio management, R&D investments, micronutrient fortification, shifting consumer behavior through labeling and marketing, as well as farmer access to expertise, skills, land and technology – are captured in this action plan.

NESTLÉ'S ACTION PLAN (2023–2025)²

Embed: Policies and processes

Objectives

- Mainstream the right to food and access to nutritious, affordable and adequate diets in our governance structure, policies and control systems.
- Clarify and strengthen Nestlé's commitments on the right to food and access to nutritious, affordable and adequate diets in line with existing and emerging best practice and in consultation with rights holders and stakeholders.

Action

Scope

Governance, capacity-building and incentives

| | |
|--|--------|
| Leverage the Human Rights Community and Good for You Council created in 2022 to foster cross-departmental exchange on the right to food and access to nutritious, affordable and adequate diets. | Global |
|--|--------|

Policies and control systems

| | |
|---|--------|
| Roll out our revised Policy on Marketing Communication to Children. | Global |
|---|--------|

| | |
|---|--------|
| Roll out our revised Policy on the Marketing of Breast-Milk Substitutes to not promote infant formula for babies up to six months of age, as a minimum, globally. | Global |
|---|--------|

| | |
|---|--------|
| Review and support emerging sector-level commitments on the right to food and access to nutritious, affordable and adequate diets, as relevant. | Global |
|---|--------|

² Our action plan will be reviewed and updated as necessary as we increase our understanding of impacts and risks, and monitor the effectiveness of actions taken in delivering on our vision and approach.

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Assess: Our risk exposure

Prevention and mitigation of actual or potential adverse impacts on the right to food and access to nutritious, affordable and adequate diets includes the nature and scale of risks and impacts we may cause or contribute to through our business activities, with a specific focus on the marketing of breast-milk substitutes and marketing communication to children.

We do this through the policies, control systems and grievance mechanism we already have in place (see the *How we are currently addressing this issue* section).

Objective

- Further strengthen our capacity to assess and prevent risks to the right to food and access to nutritious, affordable and adequate diets.

Action

Continue to assess and prevent risks of non-compliance with the provisions contained in our policy for the implementation of the WHO Code, in particular when they are stricter than local legislation in 'higher risk' countries.^{xiv}

Monitor and report on our compliance with our upgraded marketing to children policy, with a focus on the growing digital media channels.

Scope

Higher risk countries

Global



NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Address: Our priority actions

Nestlé: Taking action within our value chain

Nestlé plans to take actions in four main areas: portfolio, children's nutrition, responsible consumption and supply chain.

Portfolio

Objectives

- Increase our offering of more nutritious products.
- Transparently report on the nutritional profile of our entire portfolio.

| Action | Scope |
|---|--------|
| Expand our offering of more nutritious foods. | Global |
| Benchmark our entire portfolio using credible international scientific nutritional profile ratings. | Global |

Children's nutrition

Objective

Advance children's nutrition through better products, education and responsible marketing.

| Action | Scope |
|--|--------|
| Support 50 million children to adopt balanced diets and lifestyles through <i>Nestlé for Healthier Kids</i> by 2030. | Global |
| Implement our updated Policy on Marketing Communication to Children. | Global |

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Supporting balanced diets

Objectives

Promote responsible consumption and help people adopt a balanced diet.

Action

Ensure 100% of our confectionary and ice cream categories have on-pack portion, consumption guidance or limited portion size where regulation allows.

Scope

Global

Roll out offline and online services in our key markets.

Global

Women's health

Objective

Promote and support women's health, focusing on maternal health.

Action

Strengthen women's health solutions in key geographies.

Scope

Global

Workforce nutrition

Objective

Promote and encourage healthy eating habits among employees, fostering a positive workplace environment that supports overall well-being and productivity.

Action

Create awareness and provide resources for employees to adopt and maintain healthy eating habits.

Scope

Global



NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Collective action: Helping tackle root causes with relevant stakeholders

Many of the issues and challenges around the right to food and access to nutritious, affordable and adequate diets are complex and linked to a wide range of factors (as outlined in *The challenges in addressing this issue* section on [page 4](#)) that cannot be addressed by Nestlé on our own.

Tackling these issues and their root causes requires collaboration between many different stakeholders, including consumers and farmers themselves, companies, governments, and multilateral, non-governmental and civil society organizations. We are therefore committed to collaborating with rights holders and stakeholders both at global and sectoral levels to promote and help strengthen the right to food and access to nutritious, affordable and adequate diets

Global and sectoral collaboration and advocacy

Objective

Collaborate with peers and stakeholders at global and sector levels to address systemic issues and develop common approaches for respecting and promoting the right to food and access to nutritious, affordable and adequate diets.

Action

Identify and prioritize sector initiatives where Nestlé can advocate or support respect for the right to food and access to nutrition.

Scope

Global

Identify and leverage collaborative initiatives that are developing common approaches and tools on the right to food and access to nutritious, affordable and adequate diets (see *Main industry and multi-stakeholder collaborations* section on [page 16](#)).

Global

Grievance mechanism

Objective

Support access to remedy via safe and effective and grievance mechanisms for consumers affected by our operations and products.

Action

Continue to operate our Nestlé consumer services hotline, including addressing issues and grievances related to the right to food and access to nutritious, affordable and adequate diets.

Scope

Global

NESTLÉ'S ACTION PLAN (2023–2025) CONTINUED

Monitor and report on indicators, overall performance and challenges

We are committed to transparently communicating our progress in implementing this action plan, as well as sharing our learnings and the challenges we face.

We will publicly report on the following indicators in relation to this action plan by the end of 2025.

Cross-cutting indicators:

1. Grievance mechanism performance

- Number of material grievances received through Speak Up related to the right to food and access to nutritious, affordable and adequate diets, of which number of material grievances substantiated and addressed.

- Number of material grievances received through other channels related to the right to food and access to nutritious, affordable and adequate diets, of which number of material grievances under investigation and number addressed.

2. Impact on people

- Number of cases farmers in our supply chains and consumers benefited from our interventions on the right to food and access to nutritious, affordable and adequate diets.

Issue-specific indicators:

- Number of servings of affordable nutrition with micronutrient fortification.

As we progress toward implementation of this plan, we will develop more impact-focused indicators.



CONNECTION WITH OTHER SALIENT ISSUE ACTION PLANS

The right to food and access to nutritious, affordable and adequate diets is linked to multiple salient issues we have identified, in particular:

Living income

Helping farmers fill the living income gap through targeted interventions such as increased productivity and diversified sources of income contributes to improving food availability and dietary diversity.

Living wage

Inflation can have a serious impact on people's lives and their right to food. Making sure that they have access to nutritious and affordable diets must be a priority, including during economically difficult times.

Indigenous peoples and local communities' land rights

Ensuring secure access to land and related productive resources is crucial for guaranteeing the right to adequate food. For example, the right to food would be at risk where land users are deprived of the land on which they rely either to produce or gather food for their own consumption, to feed their communities or to produce for the markets. Additionally, strengthened land rights are linked to improved food security and nutrition indicators.

Gender equality, non-discrimination and non-harassment

Amongst the populations most vulnerable to hidden hunger – characterized by a lack of micronutrients in diets – are women and children. Women play a vital role in providing access to nutritious food to their family and to children in particular.

CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS (SDGs)

The actions laid out in this action plan will contribute – directly or indirectly – to SDGs 2, 3, 12 and 17 as follows:

Goal



End hunger, achieve food security and improved nutrition and promote sustainable agriculture

Target 2.1: By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round.

Target 2.2: By 2030, end all forms of malnutrition, including achieving, by 2025, the internationally agreed targets on stunting and wasting in children under 5 years of age, and address the nutritional needs of adolescent girls, pregnant and lactating women and older persons.

Target 2.3: By 2030, double the agricultural productivity and incomes of small-scale food producers, in particular women, indigenous peoples, family farmers, pastoralists and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets and opportunities for value addition and non-farm employment.

Target 2.4: By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality.

Target 2.a: Increase investment, including through enhanced international cooperation, in rural infrastructure, agricultural research and extension services, technology development and plant and livestock gene banks in order to enhance agricultural productive capacity in developing countries, in particular least developed countries.

Goal



Ensure healthy lives and promote well-being for all at all ages

Target 3.1: By 2030, reduce the global maternal mortality ratio to less than 70 per 100 000 live births.

Target 3.2: By 2030, end preventable deaths of newborns and children under 5 years of age, with all countries aiming to reduce neonatal mortality to at least as low as 12 per 1,000 live births and under 5 mortality to at least as low as 25 per 1,000 live births.

Target 3.4: By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being



Ensure sustainable consumption and production patterns

Target 12.3: By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses



Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development

Target 17.17: Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships.

GOVERNANCE FOR THIS ISSUE

Nestlé Executive Board

Approves all the salient issue action plans.

Nestlé Good for You Council

Provides strategic leadership and execution on this topic.

Nestlé WHO Code Compliance Committee

Oversees Nestlé's WHO Code compliance management system, and adherence to our policy, the national regulations implementing the WHO Code and the FTSE4Good breast-milk substitutes criteria.

Nestlé Advocacy Coordination Group

Provides strategic leadership and execution on the engagement and advocacy strategy related to this action plan.

Nestlé Human Rights Community

Leads the human rights agenda throughout the company. It coordinates and monitors the implementation of *Nestlé's Human Rights Framework and Roadmap* throughout the value chain.

Nestlé Markets

Supports the implementation of this action plan in relation to our country operations, in alignment with the global team.



KEY PARTNERS

Main industry and multi-stakeholder collaborations

| Platform | Workstreams | Nestlé's involvement |
|---|-------------------------------|--|
| Consumer Goods Forum (CGF) | Coalition for Healthier Lives | We are members of the coalition where we, together with other industry partners, explore ways to enable healthy workforces by implementing employee health and well-being programs and through the Workforce Nutrition Alliance, co-created with the Global Alliance for Improved Nutrition (GAIN) . |
| Champions 12.3 | Food Loss and Waste | We underlined our company's commitment to reducing food loss and waste by joining a new coalition, Champions 12.3, which will work to inspire action on this issue. Champions 12.3 brings together CEOs, politicians, leaders from global institutions and civil society to accelerate progress toward the fulfillment of Target 12.3 of the UN SDGs , which seeks to halve per capita food waste and reduce food losses by 2030. |
| World Business Council for Sustainable Development (WBCSD) | Healthy and Sustainable Diets | Nestlé's involvement: As members of WBCSD, we have been working on how to scale up micronutrient fortification of foods, as well as on strengthening members' approach to affordable nutrition. |

REFERENCES

- i <https://www.ohchr.org/en/special-procedures/sr-food/about-right-food-and-human-rights#:~:text=The%20right%20to%20food%20defined&text=The%20Committee%20declared%20that%20%E2%80%9Cthe,or%20means%20for%20its%20procurement.>
- ii <https://www.ohchr.org/sites/default/files/FactSheet34en.pdf>
- iii WHO (2020). Fact sheet on obesity and overweight. Available at: <https://www.who.int/news-room/fact-sheets/detail/obesity-and-overweight>. (Accessed: 06 June 2021).
- iv FAO, IFAD, UNICEF, WFP and WHO (2020). 'The State of Food Security and Nutrition in the World 2020: Transforming Food Systems for Affordable Healthy Diets'. Rome: Food and Agriculture Organization of the United Nations (FAO). Available at: <http://www.fao.org/3/ca9692en/CA9692EN.pdf> (Accessed 06 June 2021).
- v World Bank (2020). 'The crippling costs of obesity'. Available at: <https://www.worldbank.org/en/news/infographic/2020/01/29/the-crippling-costs-of-obesity>. (Accessed: 06 June 2021).
- vi Centers for Disease Control and Prevention (2020). 'Micronutrient facts'. Available at: <https://www.cdc.gov/nutrition/micronutrient-malnutrition/micronutrients/index.html> (Accessed: 2021); Byatnal, A. (2019), Devex, 3 June. Available at: <https://www.devex.com/news/malnutrition-a-global-problem-in-search-of-global-solutions-95011> (Accessed: 2021).
- vii Ritchie, H. and Roser, M. (2017). 'Micronutrient Deficiency'. Our World in Data. Available at: <https://ourworldindata.org/micronutrient-deficiency> (Accessed: 2021).
- viii <https://www.thelancet.com/action/showPdf?pii=S2214-109X%2822%2900367-9>
- ix FAO (2021). 'Acute hunger set to soar in over 20 countries, warn FAO and WFP'. FAO, 23 March. Available at: <http://www.fao.org/news/story/en/item/1382490/icode/> (Accessed 06 June 2021).
- x Bodirsky, B.L., et al. (2020). 'The ongoing nutrition transition thwarts long-term targets for food security, public health and environmental protection'. Scientific Reports 10 (19778). Available at: <https://doi.org/10.1038/s41598-020-75213-3> (Accessed 06 June 2021).
- xi Global Panel on Agriculture and Food Systems for Nutrition (2016). 'Foresight 1.0: Food systems and diets: Facing the challenges of the 21st century'. London: Global Panel on Agriculture and Food Systems for Nutrition. Available at: <https://www.glopan.org/foresight1/> (Accessed 06 June 2021).
- xii Wells, J.C., Sawaya, A.L., Wibaek, R., Mwangome, M., Poullas, M.S. and Yajnik, C.S. (2020). 'The double burden of malnutrition: aetiological pathways and consequences for health'. *The Lancet* 395 (10217): 75-88. Available at: [https://doi.org/10.1016/S0140-6736\(19\)32472-9](https://doi.org/10.1016/S0140-6736(19)32472-9) (Accessed 06 June 2021).
- xiii <https://champions123.org/target-123>
- xiv List available here: https://research.ftserussell.com/products/downloads/F4G_BMS_Criteria.pdf, p.8

Disclaimer

This action plan is dynamic by essence and subject to change. Any reliance placed on this action plan is done solely at the risk of the person placing such reliance. To the maximum extent permitted by applicable law and regulation, Nestlé disclaims all representations, warranties, conditions and guarantees, whether express, implied, statutory or of other kind, nor does it accept any duty to any person, in connection with this action plan. To the maximum extent permitted by applicable law and regulation, Nestlé shall not be liable for any loss, damage or expense whatsoever, whether direct or indirect, howsoever arising, whether in contract, tort (including negligence), strict liability or otherwise, for direct, indirect, incidental, consequential, punitive or special damages arising out of or in connection with this action plan, including (without limitation) any course of action taken on the basis of the same.