



Nestlé Good food, Good life

# Modern Slavery Statement

2023 Australia & UK

## About this statement

This document serves as a statement complying with the Modern Slavery Act 2018 in Australia and the Modern Slavery Act 2015 in the UK.

It covers the structure, operations and supply chain of the Nestlé business in Australia and the UK for the period ending on December 31, 2023.

Nestlé in Australia ('Nestlé Australia') comprises Nestlé Australia Ltd, a wholly owned subsidiary of Nestlé SA, and the following subsidiaries: ACN 058 023 260 Ltd (formerly known as Supercoat Holdings Australia Ltd), The Better Health Company (Australia) Pty Ltd and Vitaflo Australia Pty Ltd. Supercoat Holdings Australia Ltd is inactive, and none of these subsidiaries are reporting entities for the purposes of the Modern Slavery Act 2018.

Nestlé in the UK ('Nestlé UK') comprises Nestlé UK Ltd, a wholly owned subsidiary of Nestlé SA, in addition to a number of sister companies and joint ventures.

In addition to its consolidated operations, Nestlé has a 50% interest in the Cereal Partners Worldwide joint venture with General Mills, which competes in the ready-to-eat cereal category in markets outside North America.

Globally, Nestlé has policies and processes in place relating to modern slavery and human rights in our operations and supply chains that cover both Nestlé Australia and Nestlé UK.

These policies are promulgated by, and on behalf of, Nestlé SA, which is the principal governing entity of the Nestlé group of companies, of which Nestlé Australia and Nestlé UK are part, and the entities within the group operate on a consultative basis.

In addition, Nestlé Australia and Nestlé UK have many shared suppliers due to the nature of Nestlé's procurement structure. For this reason, this document provides a consolidated description of Nestlé's actions to assess and address modern slavery risks.

References to Nestlé in this document refer to the Nestlé Group. The process of preparing this statement involved the participation of a wide range of internal stakeholders across Nestlé. It has been approved by directors of the relevant reporting entities.



# Contents

Introduction	3
Our structure, operations and supply chain	4
Our approach to human rights and risks of modern slavery practices in our operations and supply chains	5
Our human rights framework	6
Identifying and mitigating risk	7
Salient issues	8
Child labour risks	9
Cocoa	11
Coffee	13
Palm oil	15
Recycled materials for packaging	17
Seafood	18
Sugar	19
Responsible recruitment	20
Grievance reporting: Speak Up	21
Nestlé Australia update	22
Nestlé UK update	24
Looking ahead	26

# Introduction

**Our 2023 Modern Slavery Statement highlights our unwavering dedication to combating the abhorrent practices of modern slavery within our supply chain. Nestlé has zero tolerance for slavery in all its forms, as it goes against our core values and beliefs.**

People and respect for human rights lie at the heart of our culture and values, serving as one of our key Corporate Business Principles. While this report focuses on modern slavery risks and indicators, our commitment to human rights extends across our entire value chain, encompassing a broader scope than addressing modern slavery alone.

Our ambition to advance regenerative food systems at scale remains steadfast. Respecting and promoting human rights throughout our supply chain is crucial to achieving this and supporting our farmers to ensure a just transition.

## Key progress

In 2023, we achieved significant progress:

- We released a new **human rights policy** and a set of dedicated **Salient Human Rights Issue Action Plans**, which we continue to roll out.
- Our governance structure was strengthened further to oversee the implementation of our **Human Rights Framework and Roadmap** and associated action plans.
- We continued to implement programmes and initiatives on the ground to promote human rights in our operations and value chain. This aligns with the **United Nations Guiding Principles on Business and Human Rights** (UNGPs) and the **Ten Principles of the UN Global Compact**. We diligently assessed and addressed risks while reporting on progress and challenges.

## Due diligence

As part of our longstanding commitment to have a positive impact on society, we have voluntarily integrated human rights and environmental due diligence processes into our policies and procedures throughout our value chain for more than a decade. We also have put in place a group-wide Human Rights Due Diligence Program.

We are committed to the **International Bill of Human Rights**, the **International Labour Organization's Declaration on the Fundamental Principles and Rights at Work**, the **ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy** and the **OECD Guidelines for Multinational Enterprises**.

We require our direct suppliers to have policies or commitments that meet global **Nestlé Responsible Sourcing Core Requirements** and have management systems and processes in place to implement those policies and processes in line with the UNGPs. For the UK, we have also continued to invite our Tier 1 suppliers to participate in modern slavery training.

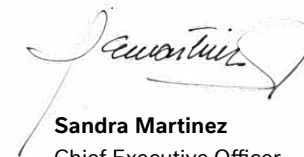
In line with our **Salient Human Rights Issue Action Plans**, we are actively working to improve our suppliers' Human Rights and Environmental Due Diligence (HREDD) systems. These plans help us comply with, and stay ahead of, emerging human rights legislation globally and have a positive impact on people locally. Additionally, we are developing a tool to assess the maturity of our suppliers' Human Rights and Environmental Due Diligence (HREDD) management systems, enabling us to collaborate with them in remedying any identified issues.

## Collaboration

We value dialogue deeply and actively seek collaboration with stakeholders across our value chain, including our employees, on-site contractors, suppliers, business partners, workers and farmers in our supply chains, local communities and consumers. We pay particular attention to individuals or groups who may be more vulnerable or marginalised, such as migrant workers, children, women and girls, sexual and gender minorities, ethnic and racial groups and indigenous peoples.

As the world's largest food and beverage company, we are committed to respecting and advancing human rights in our operations and supply chains. Leveraging our size and scale, we strive to raise awareness, build capacity among our colleagues and business partners, and empower communities and individuals. Together, we can create a future where human rights are safeguarded and upheld for all.

**This statement was approved by the board of Nestlé Australia Ltd.**



**Sandra Martinez**  
Chief Executive Officer  
Nestlé Australia  
June 2024

**On behalf of Nestlé UK Ltd.**



**Richard Watson**  
Chief Executive Officer  
Nestlé UK & Ireland  
June 2024

# Our structure, operations and supply chain

**Nestlé's business spans a diverse range of products, from healthcare nutrition, breakfast cereal and coffee to catering products, confectionery and beverages.**

We have more than 2,000 brands in seven product categories and our products are distributed and consumed in 188 countries around the world. Behind this, as the world's largest food and beverage manufacturer, Nestlé employs around 270,000 people and operates 340 factories in 76 countries.

In Australia, key brands include *KitKat*, *Allen's*, *Uncle Tobys*, *Nescafé*, *Nespresso*, *Maggi*, *Purina*, *NAN*, *Milo*, *Sustagen* and *Starbucks at Home*. At the end of 2023, we employed over 4,000 people across sites including factories, offices, distribution centres and a network of retail boutiques. We also partner with a range of third-party manufacturers in Australia.

In the UK, key brands include *Shredded Wheat*, *Buxton*, *KitKat*, *Nescafé*, *Nespresso*, *Purina*, *Carnation*, *SMA Nutrition*, *Maggi* and *Starbucks at Home*. At the end of 2023, Nestlé UK employed 8,185 people across 60 different sites, including offices, factories, distribution centres, Product Technology Centre/Research & Development sites and boutiques.

Nestlé products in Australia and the UK may also be manufactured in Nestlé factories outside the market or, in some instances, by third-party manufacturers.

For the areas of our operations that are under our direct control, our commitment to ensure decent employment, including meeting relevant local laws as a minimum and avoiding practices which can contribute to inadvertent labour abuses, means that modern slavery is low risk.

Nestlé works with a vast number of suppliers worldwide, including thousands of farmers. As our raw ingredients are sourced from various locations, our agricultural supply chains present the highest risk for modern slavery and other human rights abuses.

These are the primary focus of our activity and of this report. Globally, human rights risks in agriculture, including child labour and forced labour, are widespread. This is exacerbated by agriculture's seasonal nature, which leads to greater use of third-party recruiters as well as temporary and migrant workers.

All our sourcing falls under the scope of our **Responsible Sourcing Core Requirements**, which need to be complied with by all actors forming, directly or indirectly, part of our supply chain. By volume, 14 agricultural raw materials cover 95% of our annual sourcing: palm oil, hazelnuts, sugar, coffee, cocoa, fish and seafood, dairy, pulp and paper, soya, cereals and grains, meat, poultry and eggs, and vegetables.

## Nestlé in numbers

**+2,000** brands worldwide

selling products in **188** countries

**270,000** employees

**340** factories in **76** countries



# Our approach to human rights and risks of modern slavery practices in our operations and supply chains

People and respect for human rights are at the core of Nestlé's culture and values, and one of our key **Corporate Business Principles**.

Our commitment to respecting and promoting human rights is critical to our business strategy and a key part of our ambition to enable a just transition to a regenerative food system at scale.

Our vision of a regenerative food system has people at the centre. Along with sustainable, nutritious and affordable food for the global population, a regenerative food system needs to provide resilient, fair livelihoods and dignified work for people across the world to support themselves and their families.

## Our approach

We aim to use our scale, experience and resources to raise awareness of human rights risks, promote best practices and empower people across our operations and within our supply chains.

We were early adopters of the **United Nations Guiding Principles on Business and Human Rights**. Since 2011, they have guided our fieldwork and corporate programmes in this area. We also observe other international standards such as the **Organisation for Economic Cooperation and Development's Guidelines for Multinational Enterprises**.

Our **Human Rights Policy** expresses our overall strategy on human rights, from principles to operational approach and governance. The Board is responsible for Nestlé's strategy, organisation and oversight. The Executive Board is responsible for the execution of our approach. It has set out clear roles and responsibilities within Nestlé to ensure the implementation of our **Human Rights Framework and Roadmap** and our new **Human Rights Salient Issue Action Plans** throughout our business categories and geographies. Our Human Rights Steering Committee, which is chaired by our EVP Group General Counsel, oversees the implementation of our salient issue action plans and monitors our progress.

We signed up to the **Institute for Human Rights and Business Employer Pays Principle (EPP)** and have integrated the EPP into our Responsible Sourcing Core Requirements.

As part of our framework and roadmap, we identified our 10 most salient human rights issues. These build on our long experience carrying out human rights due diligence across our business activities and geographies and



reflect the inputs we have collected from local and global stakeholders along the way.

Our **salient issue action plans** articulate our strategy for assessing, addressing, monitoring and reporting on each human rights-related issue we identify as salient, defining what we need to do across our value chain, as well as what collective action can be taken.

External support for the implementation of our **Human Rights Salient Issue Action Plans** is provided by a range of expert organisations, including **Verité, Sustainable Food Lab, Proforest, Landesa, Business for Social Responsibility** and others. We also work with multi-stakeholder organisations, such as the **International Cocoa Initiative**, the **Fair Labor Association** and the **ILO-led Child Labour Platform** and participate in industry stakeholder groups, such as the **World Business Council for Sustainable Development, AIM-Progress,**

**UN Global Compact** and the **Consumer Goods Forum**, to help move this agenda forward.

We expect all our suppliers to comply with our **Responsible Sourcing Core Requirements** and verify supplier compliance with our requirements on a regular basis. We commit to the same principles in our relationships with suppliers and expect them to act accordingly with their own suppliers, including through adequate human rights due diligence systems and grievance mechanisms.

Given the scale and complexity of human rights challenges across the world, we aim to address the root causes by collaborating and building strong relationships with all actors across our value chain, including public authorities, international and local organisations, industry and multi-stakeholder platforms.

# Our human rights framework

The Nestlé Human Rights Framework and Roadmap places **due diligence at the heart of our approach and identifies five key enablers that are crucial to helping us address the most serious human rights issues we face.**

Our Human Rights Framework has two aims:

1. To strengthen our level of due diligence across our value chain.
2. To support enabling environments for the respect and promotion of human rights.

We will achieve the first aim by implementing our dedicated **salient issue action plans** and leveraging our five enablers to implement them effectively.

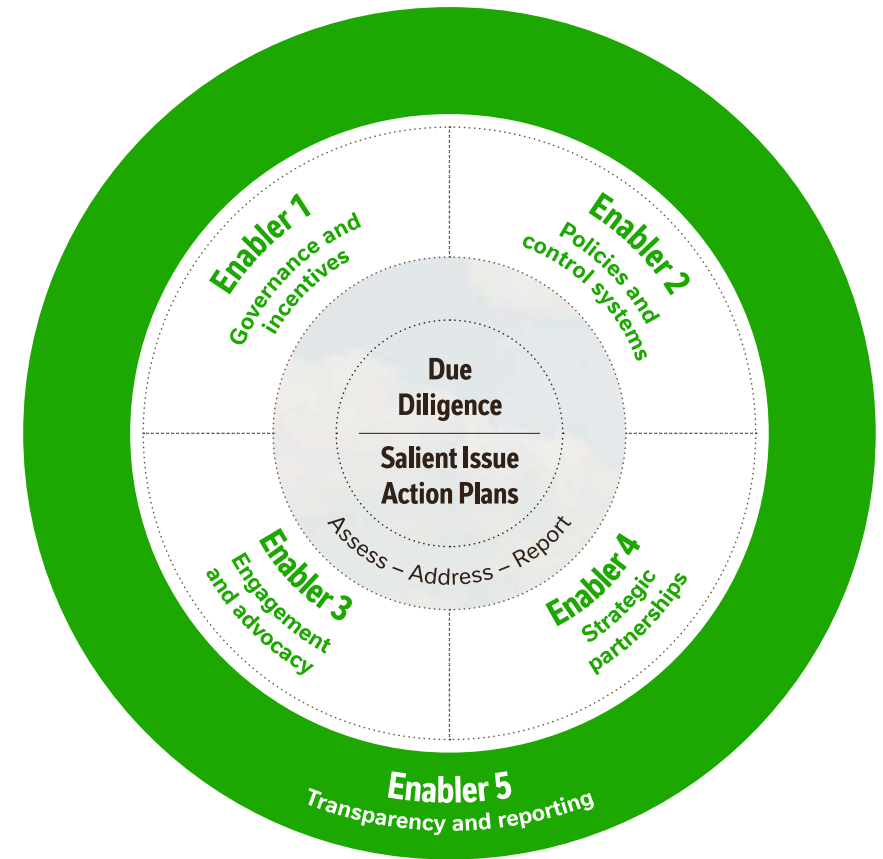
We will achieve our second aim by brokering global and local partnerships for more effective on-the-ground collaboration, by leveraging our market-based network of experts and by supporting legislation that encourages companies to assess, address and report on their potential impacts on human rights.

Throughout our journey, we will share our learnings and challenges with the aim of inspiring collective solutions that we can help scale.

## Our five enablers

Respecting and advancing human rights must be carefully integrated into the way businesses operate. To enhance our due diligence approach, we have identified five key enablers that are crucial to helping us address the most serious human rights issues we face.

- 1. Governance and incentives** help us integrate human rights at all levels of our governance structure.
- 2. Policies and control systems** ensure human rights are embedded throughout the organisation.
- 3. Engagement and advocacy** help us engage with key stakeholders and advocate for smart due diligence legislation and collective action on the ground.
- 4. Strategic partnerships** help us partner with thought-leading and local organisations.
- 5. Transparency and reporting** help us provide a high level of transparency on the progress we make and the challenges we face.



# Identifying and mitigating risks

**We have programmes and tools that help us identify and mitigate human rights risks. We take preventive measures in our own operations, as well as in our direct and upstream supply chains.**

Our global CARE audit programme is our bespoke compliance audit process. It aims to verify that all our employees and sites operated by Nestlé comply with local legislation, our Corporate Business Principles and our Code of Business Conduct. External auditors assess compliance with our Corporate Business Principles against seven pillars, including human rights. The programme is mandatory for each Nestlé site every three years.

We verify alignment to, and compliance of, our direct suppliers with our **Responsible Sourcing Core Requirements** through different methods at different tiers of the supply chain. These include self-declaration, desk-based assessments and second- or third-party site audits or assessments. The tools used to assess compliance depend on the supply chain tier and the level of risk.

We are also working to improve our suppliers' Human Rights and Environmental Due Diligence (HREDD) systems. This includes integrating HREDD in supplier contracts and developing a tool to assess suppliers' HREDD maturity, with the objective of helping them improve.

The prevention and mitigation of actual or potential human rights risks and adverse impacts in our upstream supply chain starts with understanding the nature and scale of risks. Because our approach to human rights due diligence is risk-based, the measures we take to help address these risks need to be prioritised and should be commensurate with the severity of the impacts on people.

Our risk assessment approach comprises four interrelated lenses, each currently at varying levels of maturity.

## Countries in a global context

The Nestlé responsible sourcing team uses global data sets such as Verisk Maplecroft and insights from stakeholders on specific raw materials. Insights are used to select which countries to assess, which suppliers and raw materials to engage and how to support local teams.

## Country or specific locations

We use data sets, desk-based risk assessments, grievance reports, information from rights holders and insights from our Responsible Sourcing Programme. This data is used to guide actions at national, regional, landscape or site levels.

## Raw materials or business activities

We use data sets, desk-based risk assessments, grievance reports, information from rights holders and insights from our Responsible Sourcing Programme. We use this to prioritise countries and to decide on engagements at a sectoral level, and whether engagements should be global, national or regional.

## Individual suppliers

We combine information about the maturity level of our suppliers' HREDD management systems, site assessment and grievance information. This enables us to prioritise suppliers for engagement or support.

We use this approach to consider both future and current human rights risks and impacts. We seek to prevent and mitigate risks and help remediate impacts that may already be occurring.

Based on country risk data and the analysis of the number and volumes of priority raw materials sourced under our Responsible Sourcing Programme, we have identified priority countries for most of our salient issue action plans. This means that some actions will be focusing on these priority countries, while others are concerned with business or raw material.

## Involving stakeholders on the ground

To enhance our appreciation of the root causes of human rights issues on the ground, we aim to liaise with these groups:

- Farmers in our supply chain and their families
- Workers in our supply chain, including at farm level
- Communities in and around our operations and supply chains, including women and children
- Our employees and on-site contractors
- Consumers.

## Contribution to the UN Sustainable Development Goals

We are committed to respecting and advancing human rights in our operations and supply chains and to supporting the UN Sustainable Development Goals.



# Salient issues

## In February 2023, we launched the Nestlé Human Rights Salient Issue Action Plans.

At the core of our Human Rights Framework and Roadmap, these set out how we assess, address and report on the 10 most significant human rights risks across our value chain. They also address how human rights are considered within our wider environmental and social plans. Guided by the UN Guiding Principles on Business and Human Rights and the OECD Due Diligence Guidance for Responsible Business Conduct, these plans help us comply with and stay ahead of emerging human rights legislation globally and have a positive impact on people locally.

Internally, we have created a new Human Rights Steering Committee, which meets quarterly. It oversees and guides the strategic direction and implementation of the Human Rights Salient Issue Action Plans, ensuring alignment with organisational goals and effective resource allocation. Multi-functional teams have been set up to ensure the successful implementation of the action plans across our value chain.

We have appointed local, dedicated human rights coordinators in priority countries. These human rights coordinators work in close collaboration with the owners of the action plans and report to a local operational governance body.

Our salient issues are informed by our human rights impact and risk assessments, as well as our strengthened audit, monitoring and grievance processes.

We have outlined a number of actions that will be taken in the Human Rights Salient Issues Action Plans, and will report on progress against the indicators by the end of 2025.

The Human Rights Salient Issue Action Plans help us address each issue, and are aimed at strengthening our due diligence approach. So far, our efforts have focused initially on spreading awareness, training employees and developing or improving processes.

This includes improving our understanding of human rights risks across our own operations and supply chains, developing tools to assess our suppliers' due diligence systems and reviewing how different certification and verification schemes can provide assurance that human rights risks have been mitigated. The plans bring together all our existing programmes in a holistic way across geographies, categories and ingredients, human rights and our value chain.

Action plans are now being embedded within our wider programmes. These include the Nestlé Cocoa Plan, through which we are also addressing child labour risks by helping to improve the living incomes of cocoa-farming families. The Nescafé Plan 2030 is tackling child labour and forced labour risks, and the Nespresso AAA Sustainable Quality™ Programme is working toward the empowerment of coffee communities, while ensuring children are protected.



## Our 10 salient issues are:



Child labour and access to education



Freedom of association and collective bargaining



Forced labour and responsible recruitment



Right to water and sanitation



Living income and living wage



Indigenous peoples and local communities' land rights



Gender equity, non-discrimination, and non-harassment



Data protection and privacy



Safety and health at work



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



# Child labour risks

Based on our global risk assessment, potential risks of child labour may occur in the supply chain of some of the raw materials we purchase. Nestlé is committed to helping address child labour risks alongside efforts to enhance access to education.



In addition to permanently monitoring this risk, the following specific policies and measures support the approach:

- **Our Corporate Business Principles** state that we take action against any violations of human rights in our operations and value chain, with zero tolerance on child labour, forced labour and modern slavery.
- **Our Human Rights Policy** states that we pay particular attention to individuals or groups who may be at greater risk due to their vulnerability or marginalisation, such as migrant workers, children, women and girls, sexual and gender minorities, ethnic and racial groups and Indigenous peoples.
- **The Nestlé Responsible Sourcing Core Requirements**, which are embedded in all our supplier agreements, include requirements related to combatting child labour, such as clauses on the minimum age for employment as well as specific conditions to be met for family farm work. We verify our direct suppliers' compliance with our Responsible Sourcing Core Requirements via independent audits that follow the **Sedex Members Ethical Trade Audit** (SMETA) Best Practice Guidance. These audits include requirements related to child labour. We also map our upstream agricultural supply chains and carry out farm assessments with partner organisations.
- **Our Child Labour and Access to Education Action Plan** which articulates our strategy for embedding, assessing, addressing and reporting on the specific risk of child labour, follows the approach of the **UN Guiding Principles on Business and Human Rights**.



# Child labour risks

## Measures taken as part of the Child Labour and Access to Education Action Plan

As part of our [Child Labour and Access to Education Action Plan](#), we have carried out an initial global assessment for child labour risks and issues. Based on global datasets, such as those provided by [UNICEF](#) and the [US Department of Labor](#) (DoL) and information from stakeholders and raw material-specific risk assessments on child labour, we have identified 20 priority countries for the 2023–2025 phase of our action plan.

The priority countries are Brazil, Cameroon, Chile, Colombia, Côte d'Ivoire, Ecuador, Ghana, Guatemala, Honduras, India, Indonesia, Mexico, Nigeria, Pakistan, Peru, the Philippines, Thailand, Türkiye, Uganda and Vietnam.

## The following steps informed our prioritisation of countries:

1. Identification of countries categorised as 'priority' for the combined results of the Verisk Maplecroft's Child Labour Index, UNICEF Children's Rights in the Workplace Index, as well as the US DoL's list of goods produced by child labour or forced labour.
2. Analysis of the number of relevant raw materials under our Responsible Sourcing Programme and recycled materials that were at high or very high risk for child labour and for which we source medium or high volumes from the priority countries. This provides us with the scale of the footprint Nestlé has in the countries categorised 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.

Together with our partners, we also focus on helping address the complex factors that contribute to the risk of child labour. These include widespread rural poverty, increasing climate risks and a lack of access to financial services and basic infrastructure such as water, healthcare and education.



**Child labour is particularly prevalent in the cocoa-growing sector. Therefore, we prioritised efforts to mitigate these risks in our cocoa supply chain. The following measures were taken:**

- Implementing a Child Labour Monitoring and Remediation System in our cocoa supply chain in Côte d'Ivoire and Ghana, in collaboration with the [International Cocoa Initiative](#).
- Ensuring that all the cocoa that comes from Côte d'Ivoire and Ghana is [Rainforest Alliance](#) certified. This confirms that these volumes are covered under a due diligence system to assess and address child labour risks. Traceability types include mass balance, segregation and mixed identity preserved.
- For non-certified cocoa coming from Brazil, Ecuador, Mexico and Venezuela, assessing and addressing child labour risks in cocoa fields through our own programmes under the Nestlé Cocoa Plan or supplier programmes, consisting of verifications by credible third parties.
- Helping cocoa farmers to reach a living income through our [income accelerator program](#). This aims to help reduce child labour risks and increase incomes for cocoa-farming families and farmers.

# Cocoa

Cocoa is a key ingredient in our confectionery products, but cultivating cocoa involves challenges such as deforestation, child labour risks and low incomes for cocoa-farming families.

## The Nestlé Cocoa Plan

The **Nestlé Cocoa Plan** is our plan for building a more sustainable supply chain for cocoa. We are working with farmers, communities and local and international organisations to develop and implement solutions to the numerous challenges facing cocoa-farming communities.

Along with **Rainforest Alliance** certification, the Plan allows us to help tackle these social and environmental issues to create a sustainable cocoa supply chain.

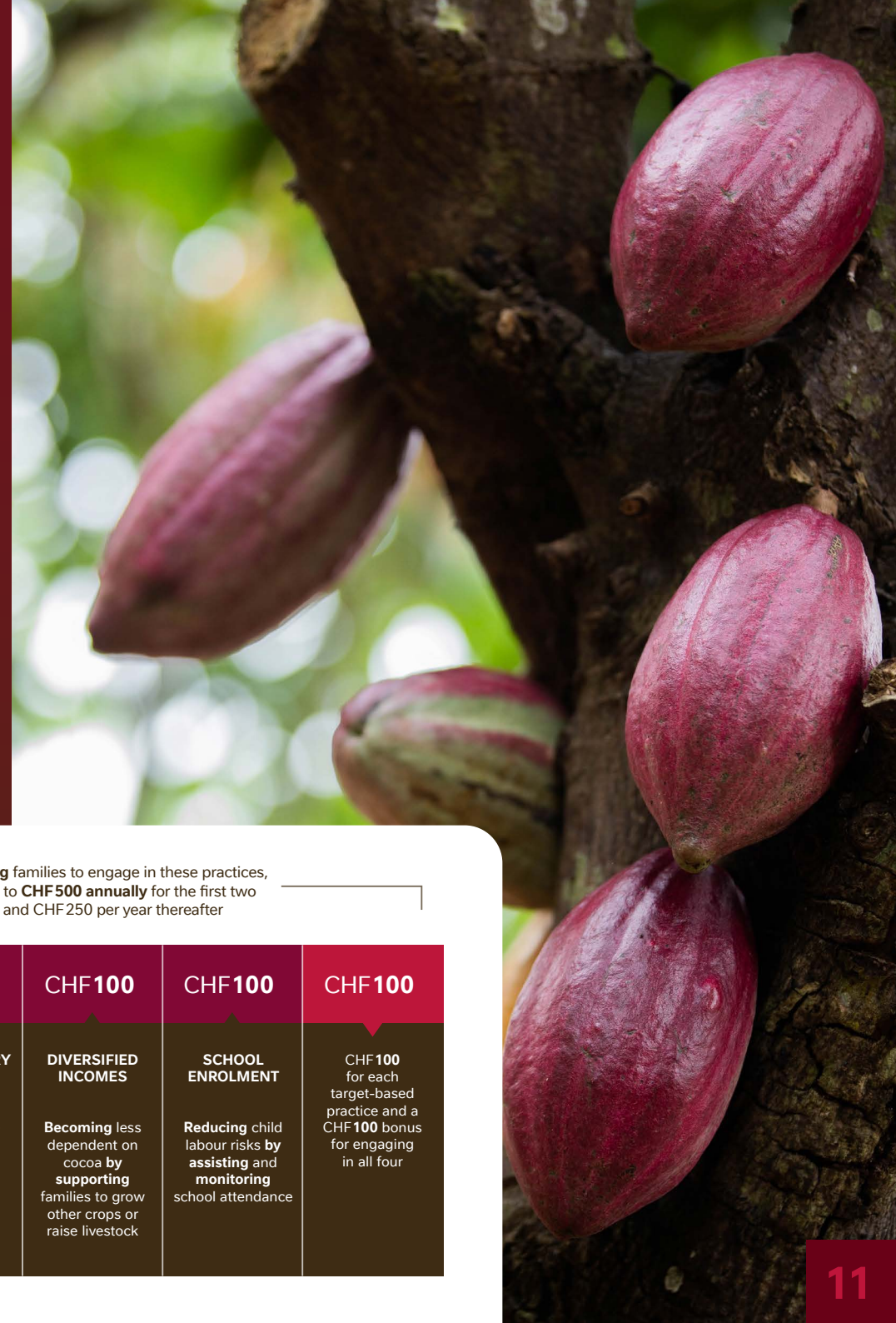
We are aiming to source 100% of our cocoa through the Nestlé Cocoa Plan by 2025.

## Income accelerator programme

In 2022, we launched a new **income accelerator programme** to build on Nestlé’s longstanding efforts to tackle child labour risks by incentivising and supporting change in cocoa-farming households to help them towards a living income.

It does this through cash incentives and support across four areas:

- Improving the livelihoods of cocoa-farming families
- Incentivising enrolment of children in school
- Advancing regenerative agriculture practices
- Advancing gender equality



Incentivising families to engage in these practices, to earn up to **CHF500 annually** for the first two years and CHF250 per year thereafter

CHF100	CHF100	CHF100	CHF100	CHF100
<p><b>GOOD AGRICULTURAL PRACTICES</b></p> <p>Helping farmers improve cocoa production by training and subsidising pruning groups</p>	<p><b>AGROFORESTRY ACTIVITIES</b></p> <p>Creating more resilient farms by providing forest and fruit trees</p>	<p><b>DIVERSIFIED INCOMES</b></p> <p>Becoming less dependent on cocoa by supporting families to grow other crops or raise livestock</p>	<p><b>SCHOOL ENROLMENT</b></p> <p>Reducing child labour risks by assisting and monitoring school attendance</p>	<p>CHF100 for each target-based practice and a CHF100 bonus for engaging in all four</p>

# Cocoa

## Key progress

The income accelerator programme is helping cocoa farmers substantially improve cocoa productivity as well as increase their net income, according to a report published by the [KIT Institute](#).

### Increased yields

The report states that 75% of farmers adopted high-quality cocoa tree pruning (vs 48% in comparison group), contributing to a 32% increase in cocoa yields (vs 15% in comparison group).

### Living income

The total net income of income accelerator households rose by 38% (vs 29% in comparison group), resulting in a higher proportion of households achieving a living income.

The programme has facilitated income diversification, promoted financial access and positively influenced female empowerment and child schooling rates.

### School enrolment

School enrolment is a key focus area of the income accelerator programme, and 89% of children are now attending school (vs 86% in comparison group), representing a 10% increase in the 18-month period between the baseline and midline assessments (vs 5% in comparison group).

## Diversified incomes

The programme also promotes women's financial inclusion by facilitating their participation in Village Savings and Loans Associations (VSLAs), with 79% of women registered in VSLAs (vs 47% in comparison group). These associations provide opportunities for savings and loans, with a particular focus on women looking to start or expand their own business. They offer various trainings on topics such as gender equality and entrepreneurship.

More households within the income accelerator programme communities are setting up small businesses, such as agro-processing boutique, barbershop or soap-making. The proportion of households involved in such activities is more than double, rising from 21% in 2022 to 55% in 2023.

## Scale up

The income accelerator test-at-scale was launched in January 2022 and has so far supported more than 10,000 families in Côte d'Ivoire. The benefits are more than financial and we believe they will support the farming community and their children for years to come. The results and recommendations are guiding the scale-up of our programme in both Côte d'Ivoire and Ghana, as we work toward reaching an estimated 160,000 cocoa-farming families in our supply chain by 2030.

## Our partners

The programme rollout would not have been possible without the assistance and collaboration of our partners: [KIT Royal Tropical Institute](#), [International Cocoa Initiative](#), [IDH-The Sustainable Trade Initiative](#), [Rainforest Alliance](#), local cooperatives in Côte d'Ivoire, the Government of Côte d'Ivoire and cocoa farmers.



[Learn more about our cocoa sourcing strategy](#)

# Coffee

Coffee is one of the world's most traded commodities and is a vital export crop for many countries.

We source most of our coffee from smallholder farmers, making them a key part of our global supply chain. Our coffee supply chain is a complex global network and, with suppliers in multiple countries, we must comply with a diverse range of regulations and standards, unique conditions and risks.

Nestlé is committed to keeping human rights abuses out of our coffee supply chain, including forced and child labour and other labour rights violations. We work to promote and embed best practices to respect and empower the farmers and communities, working continuously to ensure labour rights compliance across all our coffee origins, focusing on identified hotspots.

## Sustainable supply chain

Demand for coffee continues to rise globally, but other crops are competing with coffee for limited arable land. This means farmers face considerable challenges, including profitability, human rights risks, and the effects of climate change in coffee-growing regions across the world.

We are committed to 100% of our coffee being produced sustainably by 2025. We have a constant focus on the traceability of our coffee – knowing where our beans come from is essential to assessing the suppliers and farmers we source from and empowering them to improve their practices to become part of a more sustainable supply chain.



## Empowering the next generation of coffee growers

Nestlé worked with non-profit **Swisscontact** to develop a training programme for young coffee farmers in Honduras on future trends and new regulations focusing on human rights, child labour risk prevention and female empowerment.

With our partners we initiated a pioneering training programme with an ambitious goal to train 5,500 Honduran coffee farmers on the best social practices to create fairer working conditions, close the knowledge gap and develop the coffee leaders of tomorrow.

The aim is to have at least 35% youth and 30% women participants enrolling and graduating from the programme.

The initiative has already benefited thousands of young people, including many young women. The **CoHonducafé Foundation**, which also supports the programme, has held training sessions on female leadership, knowledge acquisition, business planning and assessing and mitigating the risks of child labour.

In January 2024, a group of young coffee growers – **Jóvenes Caficultores** – attended their first annual meeting to share knowledge and ideas on learning, as well as on implementing social practices at their farms.




[Learn more about our coffee sourcing strategy](#)

# Nescafé Plan 2030

Renewing the world of coffee to help uplift lives and livelihoods with every cup

## 2030 Vision

An **integrated** strategy to use **regenerative agriculture** to help address **climate change**, aiming to:

-  **Reduce greenhousegas emissions**
-  **Increase farmers' income**
-  **Create better social conditions**

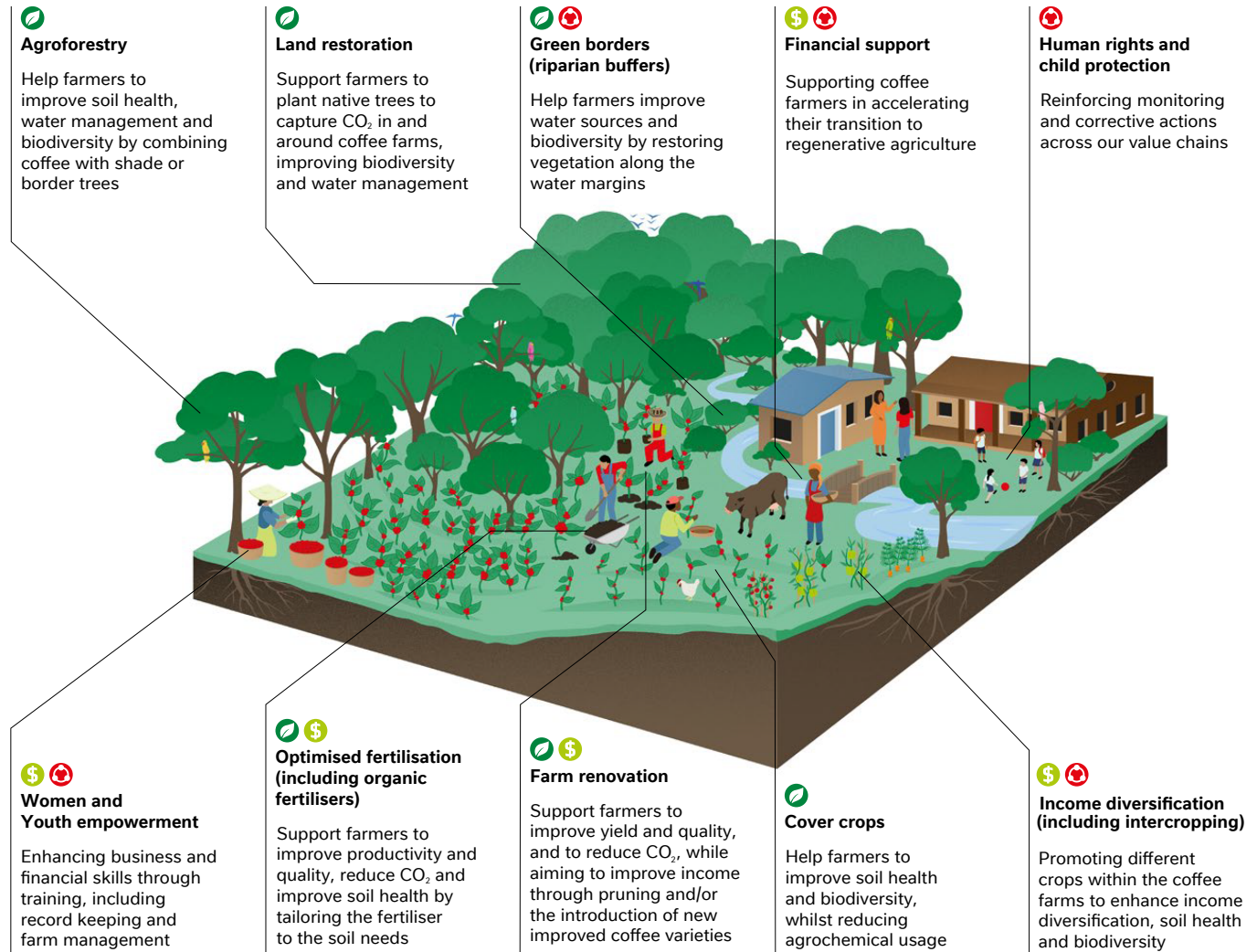
## Our goals:

### By 2025

- 100% responsibly sourced coffee
- Source 20% of our coffee through regenerative agricultural methods

### By 2030

- Source 50% of our coffee through regenerative agricultural methods
- 50% greenhouse gas emissions reduction



Over a decade ago, we launched a global coffee sustainability initiative called the Nescafé Plan. Through the Nescafé Plan 2030, we are accelerating our action to support a more inclusive and sustainable future for the coffee sector, using our heritage, scale and reach to help uplift lives and livelihoods from farm to cup. Regenerative agriculture sits at the heart of the Plan. We are working with farmers to help them adopt regenerative agriculture practices that will contribute to reducing carbon emissions and support improving farms' productivity, with the aim of improving farmers' incomes.

We also support and implement various types of training for farmers that support their economic resilience and build a body of knowledge around best practices. These cover topics like helping address

local human rights issues, such as gender disparities. We engage in collective and pre-competitive actions via sector-wide initiatives such as the **International Coffee Organization's Public-Private Taskforce**, the multi-stakeholder **Global Coffee Platform** and the **Sustainable Coffee Challenge**.

The Nescafé Plan 2030 includes a reinforcement of human rights and child protection activities that go beyond certification and verification checks. In farmer groups where we engage more deeply for regenerative agriculture, we are developing specific partnerships with specialised organisations to implement training sessions and visits to high-risk farms in our supply chain to assess the risks and allow us to act with appropriate remediation.

# Palm oil

Nestlé sources palm oil from more than 80 suppliers in over 20 countries. Its production is labour intensive, conducted over vast swathes of land, often in remote locations. Workers are vulnerable to long hours, low wages and restricted movement, often unable to collectively advocate for better conditions. The industry attracts migrant workers who may have been unethically recruited or forced to pay excessive fees to get a job.

As part of our [palm oil labour action plan](#), Nestlé developed a framework to help prioritise supplier engagement and systematically take action based on suppliers' risk profiles and their capacity to address labour rights issues. Under the framework, we are working with external partners to develop corrective action plans for suppliers and put monitoring systems in place to track against a set of key performance indicators.



## Supporting children living on plantations

The presence of children on plantations is a risk in some parts of our palm oil supply chains. Working with [Earthworm](#), a Child Risk Assessment Framework has been developed to support palm grower companies. The Framework covers topics such as education, childcare, maternity protection, healthcare, nutrition, birth registration and child sexual exploitation prevention. A training model on the use of the Framework has also been developed and rolled out.

In East Kalimantan, Indonesia, we supported Earthworm in its multi-stakeholder engagements with the government and suppliers on two themes: children on plantations and fair employment for casual workers. These consultations included a workshop for 54 representatives from palm oil companies, the government, civil society organisations and labour unions.

We continue to support a programme developed by our supplier Wilmar to protect children living on plantations, in collaboration with [Business for Social Responsibility](#). It includes holding a series of stakeholder consultation workshops on implementing Wilmar's Child Protection Policy for Indonesian plantation companies, government representatives, trade unions and industry associations. Following the workshops, Wilmar published its [Child Protection Policy Implementation Manual](#) which is being further refined for potential use outside of Wilmar's supplier base.



# Palm oil



## Other partners and projects

### Roundtable on Sustainable Palm Oil

We are working with industry bodies to increase awareness of the importance of sustainable practices and certification among producers to address a market shortage of palm oil produced to this standard.

### Consumer Goods Forum (CGF)

As Board members of the CGF, we are actively involved in initiatives, including those which address challenges in the palm oil sector. We work with other members as part of the Palm Oil Working Group, addressing environmental and labour rights challenges at the industry level.

### Palm Oil Collaboration Group (POCG)

As a member of the POCG, we work with other brands, traders and producers to accelerate effective implementation of the No Deforestation, No Peat, No Exploitation commitments.

### Palm Oil Transparency Coalition (POTC)

As part of POTC, we work collaboratively with other company members to assess the first importers of palm oil on their approaches to addressing deforestation and exploitation in order to promote transparency and encourage progress beyond certification.

### Giving workers a voice

In 2018, we partnered with our supplier, Sime Darby Plantation, to create a helpline for palm oil workers in Malaysia to report human and labour rights abuses. This third-party worker support line enables workers to safely report on working conditions, recruitment, safety and other rights abuses.

Helpline coverage was extended in 2021 to cover all Sime Darby Plantations operations, or about 35,000 workers. More than 4,500 workers have participated in in-person training, and many more have received informational posters, **videos** and other forms of outreach.

We also participate in the development of industry-wide grievance mechanisms. These include MY VOICE, by the Social Accountability Initiative which could enable workers to have more influence on the implementation of a social compliance system in the palm oil sector in Malaysia.

### Forest Positive Strategy

Our **Forest Positive Strategy** builds on our decade-long work to end deforestation in our supply chain. Our strategy includes mitigating deforestation risks, helping to conserve and restore forests and landscapes, and respecting community and land rights.

By the end of 2023, 93.4% of our primary supply chains for coffee, cocoa, meat, palm oil, pulp and paper, soy and sugar were assessed as deforestation-free, according to Nestlé's standards. We remain committed to working towards achieving and maintaining 100% assessed deforestation-free in our primary supply chains for meat, palm oil, pulp and paper, soy and sugar, and for cocoa and coffee by 2025.

Our progress in tackling deforestation and safeguarding human rights has been recognised by external ranking bodies – Nestlé topped the **World Benchmarking Alliance** Nature benchmark in 2023. In 2024, Nestlé was recognised in the **Forest 500** as the company that scored the best over the last decade on our actions on deforestation, conversion and safeguarding human rights.

 Learn more about our palm oil sourcing strategy



# Recycled materials for packaging

**Waste pickers play an important role in the circularity of packaging waste and we support them based on the [UN Guiding Principles on Business and Human Rights](#).**

Waste pickers, both in informal and cooperative settings, play a pivotal role in collecting, sorting and recycling plastics and packaging waste in many countries around the globe. From waste bins, streets and unregulated landfills, roughly 20 million waste pickers are responsible for diverting almost 60% of the plastic that is recycled worldwide.

We believe this group merits the same human rights protections as anyone else in our value chain and so we apply the **10 Fair Circularity Principles**. We developed the Principles in collaboration with the **Fair Circularity Initiative** (FCI), which includes development charity Tearfund, the Coca-Cola Company, PepsiCo and Unilever.

In line with our **Human Rights Salient Issue Action Plans**, the issues that we identified as the most salient for our waste management projects are: Child Labour, Forced Labour, Responsible Recruitment and Safety and Health at Work.

In selected priority countries where waste management is a cause of concern, we are conducting assessments to ensure that the rights of workers are respected. We interview key stakeholders to ensure an inclusive and adequate assessment process where concerns are captured.

For any issues encountered, we develop action plans with our partners. We support this work by conducting and publishing studies. In 2023, they included *'Resident Attitudes toward Open Burning of Waste'*, and *'Methodologies and Assessments for Living Incomes for Informal Sector Waste Workers'*, developed with the FCI.

The FCI is now developing implementation guidance and a reporting framework to support the wider industry. The increased adoption of the 10 Fair Circularity Principles will help to reduce the impacts of plastics for communities and the environment, as well as help make life safer and more equitable for the waste workers.



# Seafood

**We aim to ensure that the raw materials we use for pet food products are responsibly sourced.**

We collaborate on innovative solutions to tackle the most pressing challenges faced by the seafood industry, such as labour conditions and poor environmental practices, as well as illegal, unreported and unregulated fishing.

We understand the importance of sourcing from fisheries and aquaculture farms with healthy fish harvests and responsible labour practices. Our aim is to verify that the fish and seafood we source come from fisheries and farms that meet our **Responsible Sourcing Core Requirements**.

To best identify the origins of fish products, our buyers work closely with their suppliers to collect relevant data. This includes information on the species and country of origin, along with the fishing practices used.

As part of our **Human Rights Framework**, we have developed action plans for the most salient issues in our supply chains. Labour rights violations have been identified as key challenges within the fish and seafood supply chain.

In 2023, Nestlé's partner **Verité** completed a lengthy and comprehensive human rights risk assessment of all countries where our seafood is processed, all countries from which farmed fish is sourced and all vessel flags from which wild fish is sourced. We are using this information to identify high-risk sources of supply and developing a human rights plan to further assess and take action to address potential risks to worker rights abuses and human rights violations.

This work is in addition to our current efforts in Thailand alongside our partners the Royal Thai Government, industry association the **Seafood Taskforce** and our suppliers. Together, we have been taking action to address these challenges in our supply chain. We also work with the non-governmental organisation **Issara Institute**, which provides workers with grievance mechanisms.

**The actions we have taken include**

- Developing a business case for safe living and working conditions on vessels
- Deployment of **Issara Institute's** worker voice and remediation tools throughout our supply chains
- Requiring responsible recruitment of workers into Thai seafood-processing facilities in our supply chain and supporting several initiatives to extend this practice further upstream.

**i** Learn more about our fish and seafood sourcing strategy



# Sugar

**Sugar is an essential ingredient in many of the foods and beverages we produce. We source both sugar cane and sugar beet from more than 160 suppliers in 60 countries.**

Sugar cane harvesting can be dangerous, and labour conditions are often challenging. We are committed to working with our suppliers to help uphold labour rights, for example by tackling child labour risks and seeking fair pay and working conditions for employees.

## Responsible recruitment

Responsible recruitment practices are a key issue within our sugar supply chain as the low-skilled or seasonal labour required presents a higher risk for modern slavery. We assess suppliers' compliance with our **Responsible Sourcing Core Requirements** through **Sedex Members Ethical Trade Audit** as well as farm assessments. We also provide training to many of our Tier 1 suppliers on responsible recruitment through our Human Rights and Environment Due Diligence capacity building engagement.

## Responsible sourcing

Assessments have identified a range of challenges in some of the countries where we source sugar, including child labour risks, working and living conditions for sugar cane cutters and environmental challenges like deforestation and agrochemical applications. Together with our suppliers and implementing partners, such as **Proforest**, we are actively working to address them.

To drive industry-wide transparency, we have published the list of our **Tier 1 sugar suppliers** and the mills in our supply chain, along with their countries of origin.

## Mapping and assessing our suppliers

We work with **Proforest** to map our sugar supply chain and assess our suppliers with the aim of tracing the sugar we source back to the sugar mills across our global supply base.

The assessment process may include exploratory and full site visits, as well as analysis of traceability. Findings inform the development of strategies for mills to improve practices, implement changes and roll out appropriate training across their supply bases.



**i** Learn more about our sugar sourcing strategy

# Responsible recruitment

More than 27 million people are estimated to be subjected to forced labour around the world, mostly in unregulated industries dependent on large numbers of manual labourers, such as agriculture.

Forced labour 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 labour is intrinsically linked to several of our salient issue action plans. Nestlé can play an important role in helping address this issue – for example, by using our influence to promote and ensure fair and equitable recruitment practices.

Alongside our [Responsible Sourcing Core Requirements](#), our [action plan on forced labour and responsible recruitment](#) is one of our 10 salient human rights issues, which will help us address the risks associated with forced labour.

## Addressing workers' rights

We are addressing the risk of forced labour in various agricultural supply chains by developing programmes targeting forced labour indicators like unethical recruitment practices. For example, we have supported the development of a human rights-based due diligence tool for ethical recruitment in palm oil supply chains that can be used by suppliers looking to responsibly recruit workers.

We have been a project partner on the [Fair Labour Association's Harvesting the Future](#) project since 2019. The project seeks to help producers improve working conditions for seasonal workers who migrate across different food industries in Türkiye and surrounding countries on a six-to-eight month cycle. Central to the project is training employees within our supplier organisations and guiding them in improving recruitment and employment practices.

In Thailand, we work with the [Issara Institute](#) to analyse recruitment practices within the fishing industry to root out unfair and unethical arrangements.


## Our key actions on forced labour

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

As well as ongoing work with our existing partners, we have signed up to the [Institute for Human Rights Employer Pays Principle](#) (EPP) which states that no worker should pay for a job and that the costs of recruitment should be borne by the employer, and have integrated the EPP into our Responsible Sourcing Core Requirements.

We contributed to the Consumer Goods Forum [Human Rights Coalition Guidance on Repayment of Recruitment Fees](#) designed to advance the implementation of the Priority Industry Principles through practical steps for companies to address recruitment fees and related costs.

And we are participating in the [AIM Progress](#) initiative to implement the Ganapati Project, an innovative approach to improve the implementation of responsible recruitment standards and practices by suppliers in Thailand and Malaysia.

 Learn more about what we are doing to combat forced labour and promote responsible recruitment



# Grievance Reporting: *Speak Up*

*Speak Up* is the Nestlé accessible grievance mechanism tool to capture complaints and feedback from employees and any external stakeholders. It helps enable a compliance culture and daily adherence to the values of our Corporate Business Principles.

Every allegation reported through *Speak Up* is professionally and confidentially handled. A continued increase in awareness of *Speak Up* led to an increase in the volume of messages received in 2023.

The number of substantiated cases has also increased compared to 2022. In 2023, we received 2,874 messages on non-compliance

allegations and compliance-related questions. Of the cases investigated and closed, 691 were substantiated. As a consequence of substantiated cases, 122 employees had to leave the Company and 15 service providers' contracts were terminated. Our global KPIs on 'total messages received, closed and substantiated through *Speak Up* system' clearly show the effectiveness of the tool.

In 2023, we have piloted different tools with various suppliers and industry-wide bodies in different countries and supply chains. We intend to reach as many rights holders as possible and embed these mechanisms throughout our value chain. We are also in the process of implementing a grievance mechanism as a mandatory clause in supplier contracts.

## *Speak Up* cases Total cases through *Speak Up*



## Non-compliance concerns raised through *Speak Up* by category

Messages received through <i>Speak Up</i> system	Messages received	Messages substantiated
Abuse of power and/or mobbing/bullying	768	227
Unfair treatment	565	68
Labour practice	249	69
Harassment (excluding sexual harassment)	214	44
Fraud (misappropriation or misconduct in accounting/financial statement)	131	43
Safety and health	88	21
Violation of laws/regulations	104	27
Gifts, families and relatives, conflicts of interest	109	30
Bribery and corruption	47	5*
Violence and discrimination	172	53
Sexual harassment	104	29
Confidential information, Privacy Policy (data privacy, trade secrets, intellectual property)	51	18
Third-party compliance	135	48
Seeking compliance advice	65	0
MANCOM members related	46	3
Human rights (child labour, forced labour and modern slavery risks)	1	1
Environmental impact	8	1
Economic sanctions	2	0
Antitrust and fair dealing	8	0
Non-compliance with WHO Code	7	4
Executive Board member/senior managers in Switzerland	0	0

\* Messages substantiated did not involve government officials.



# Nestlé Australia update

**In a year of continued turbulence, there have been a number of challenges that have posed risks, some inadvertently, to some people upstream.**

## Compliance

To make sure our employees and Nestlé-operated sites have the right work and employment conditions rooted in our values and respect, we own and operate globally the CARE social audit programme.

CARE is a social audit programme carried out by external firms to ensure that we meet our human rights commitments. The programme is mandatory for every Nestlé site every three years.

We require our suppliers to undertake third party responsible sourcing audits, both within and outside of Australia. These audits cover a comprehensive range of criteria, including human rights, business ethics, environmental practices and safety standards. Where we find non-compliance during audits, we work with the supplier to address the gaps and ensure corrective actions are taken within agreed timeframes.

During our 2023 audit programme in Australia, which includes both domestic suppliers and international suppliers to Australia, we found some instances of non-compliance with our **Responsible Sourcing Core Requirements** in relation to human rights.

Some of the specific areas of non-compliance included: a lack of confidential grievance mechanisms, insufficient attendance records for employees, insufficient records of age verification for employees, working hours more than the recommended 60hrs/week and underpayment for additional duty allowances. In such cases, non-compliant suppliers are given a fixed term to rectify the issues and meet our standards.

## Supplier contracts

To strengthen our efforts in integrating our human rights and environmental policies into our supply chain, we have introduced a Human Rights and Environmental Due Diligence (HREDD) clause in our contracts.

The HREDD clause represents a further step in our longstanding commitment to respecting and promoting human rights and the environment. In accordance with this clause, suppliers are requested to exercise due diligence to identify, prevent, mitigate and show how they address impacts on human rights and the environment occurring in their own operations or through their business relationships directly linked to supplying Nestlé.

The HREDD clause is a mandatory provision captured in all our above-market contracts with suppliers and is being incorporated into local contracts as relevant when tenders are undertaken and contracts come up for renewal.

Requiring suppliers to disclose their HREDD systems will help to give us a better understanding of risks across our Tier 2 suppliers and beyond.

# Nestlé Australia update



## Training

Nestlé has been actively implementing human rights e-learning for all employees. This training aims to equip our staff with the necessary knowledge and understanding of human rights principles

In 2023, 417 Nestlé Australia employees successfully completed this training, bringing the total number of employees to 4,682.

By the end of 2025, it will be mandatory for every employee to undertake this training, even as a refresher, to ensure a broad understanding of human rights and their application in our daily operations – including the ability to spot modern slavery risks in in our local value chain.

## Emerging risks

As part of our ongoing commitment to sustainability, we are actively increasing the use of recycled content in our packaging, including recycled plastic certified by the **ISCC**.

Our recycled content packaging is sourced from both locally manufactured and imported sources. We understand the importance of considering the entire value chain and the potential risks to workers involved in these industries. We will continue to work closely with certifiers to assess and address any potential risks, ensuring the protection of human rights throughout the supply chain.

# Nestlé UK update

## Nestlé UK was shortlisted for two awards in the Unseen Business Awards in 2023.

We are very proud to work with Unseen and continue to be inspired by their journey. We look forward to continuing this relationship in 2024 and beyond.



**Andrew Wallis**  
CEO for Unseen

Nestlé was shortlisted for the "Individual Impact Award" and "Unseen's Star of the Year Award".

In 2023, we took some significant steps to update our Modern Slavery strategy for Nestlé UK & Ireland, while building on our previous Five Step strategy reported in 2022, including:

1. External engagement and participation in working groups
2. Establish a Nestlé employee awareness training programme
3. Join the **Unseen** Business Portal
4. Enhance the Supplier Engagement Programme
5. Implement the Survivor Support Programme.

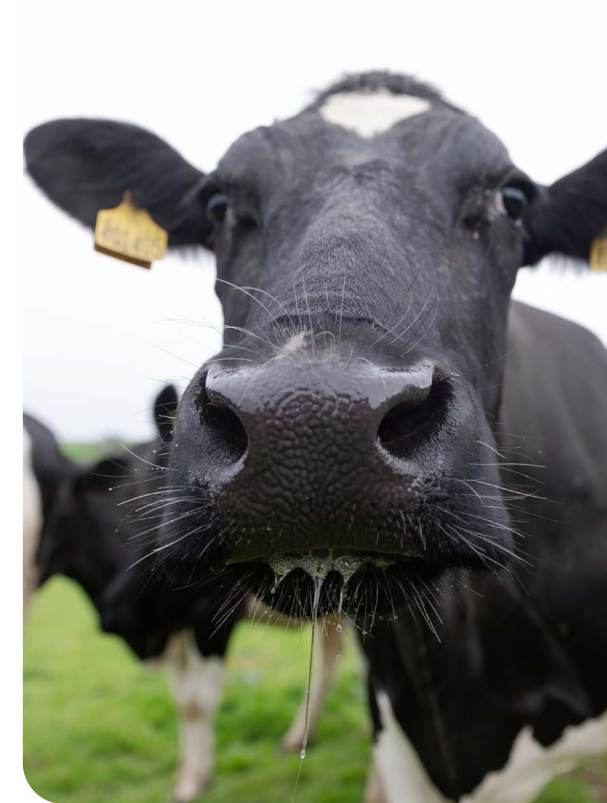
We started working on a longer term strategy in 2023 that focuses on 'Educate, Investigate & Eliminate'.

## Educate

In 2023, we continued to engage with external working groups. We renewed our membership of the **United Nations Global Compact** Human Rights Working Group and continued to contribute and engage with this forum. In 2023, our General Counsel took part in a panel discussing human rights and modern slavery at Chatham House. In addition, our Responsible Sourcing Manager participated in a discussion on this topic at World Contracting Day.

### Educating Nestlé colleagues

Our Nestlé employee awareness training programme continued in 2023, and so far, over 300 colleagues have attended Modern Slavery Training since 2018. Our training programme is in partnership with UK modern slavery charity Unseen, which involves sharing the latest statistics around modern slavery, recent changes to the legislative landscape and the typical signs to spot in a modern slavery victim. The training is thought-provoking and has been well received by colleagues who work across the business, including the Supply Chain, Logistics, Procurement, Co-manufacturing, Legal and Human Resources teams. We will continue with our training programme in 2024.



### Educating suppliers

For the last few years, we have included our suppliers in our Modern Slavery Training with Unseen. So far, 18 different suppliers have participated, two of which have since formally partnered with Unseen. By educating our suppliers on the issue of modern slavery and the work we are doing with Unseen, we hope to encourage and inspire them to pursue a similar journey within their own organisations and with their own suppliers. We are also reviewing our procurement tender process for new suppliers and exploring opportunities to incorporate the issue of modern slavery. The ambition is that suppliers commit to modern slavery training, delivered by Unseen, as part of becoming a Nestlé supplier.



# Nestlé UK update

## Investigate

In 2022, we joined the Unseen Business Portal. The portal is a secure online platform which draws on situational information reported by the UK public to the Unseen UK Modern Slavery & Exploitation Helpline. The portal provides the opportunity to see first-hand what cases of modern slavery are being reported to Unseen and enables access to real-time reports of cases relevant to our UK supply chain, as well as more broadly within the UK food and beverage industry.

In 2023, we were notified of a suspected modern slavery case for one of our suppliers. We worked with Unseen and other organisations connected to this supplier to carry out a thorough investigation to assess the legitimacy of the concern, and ensure proper remediation was in place.

We participated in a collaborative call with the named supplier, Unseen and the other organisations affected. After a thorough investigation the supplier was found to be free of modern slavery concerns but did make significant improvements to ensure the initial concerns were rectified and that correct procedures were in place. This case highlights the invaluable resource Unseen's Business Portal provides, as we were informed about this case when it was first noticed and were able to support its resolution.

## Eliminate

As part of our **Responsible Sourcing Core Requirements**, we ensure our suppliers are independently audited, using the **SEDEX SMETA** Best Practice guidance. In 2023, we found that five of our suppliers had specific human rights audit gaps. All five of these suppliers set out a comprehensive action plan and have put corrective actions in place. One of the common themes highlighted found that 4 out of the 5 suppliers did not have a Child Labour Statement and Child Labour Remediation Policy in place. These have now been successfully implemented as part of fulfilling our audit gaps. This emphasises the commitment Nestlé has to ensuring all our suppliers have appropriate procedures and policies in place to prevent Human Rights breaches.

A long-term goal for Nestlé UK & Ireland is to implement a survivor support programme in collaboration with Unseen. We hope that employees will consider using their volunteering days to help survivors to learn skills such as using computers and preparing CVs. We will also look at mentoring opportunities. We will work with Unseen to ensure that any support we create will be effective and appropriate for survivors.

# Looking ahead

**Forced labour is illegal and a grave human rights violation wherever it occurs. Nestlé can play an important role in helping address this issue. Our ambition is to advance a regenerative food system at scale, while enabling a just transition. Our commitment to respecting and promoting human rights is a key part of enabling this move to a fairer food system that protects the rights of the people working within it.**

We will continue to support and empower the most vulnerable individuals and communities across our value chain. As such, we will continue to collaborate with our partners to build the foundations of a fairer food system, but there is still much to be done. We will remain focused on promoting human rights due diligence legislation, training our employees, working with suppliers and promoting responsible recruitment practices.

## Reporting our progress

Last year we launched our salient issue action plans for those locations around the world where we have human rights risks, including modern slavery. We will continue to be transparent, reviewing and sharing our progress, learnings and challenges. We will continually assess and, if required, adapt our approach to meet on-the-ground realities to ensure we meet our goals. We will continue to hold ourselves to high standards of transparency by regularly reporting our progress and performance and sharing our learnings and challenges. And by 2025 we will report our progress against our salient issue action plans.

## Potential risks

The world observed an increase in modern slavery issues in the last year, mainly due to the ongoing unrest in Ukraine and the Middle East. This has adversely impacted the vulnerability of individuals, leaving many at risk of being exploited in modern slavery.

The food industry, with its complex supply chains, is a key area where individuals may be exploited. None of this has changed, so Nestlé will remain vigilant. We will continue to assess human rights risks across our agriculture supply chains. In addition, waste pickers remain vulnerable in the recycling ecosystem, and the

issue of recruitment fees continues to be a significant problem. We have signed up to the Employer Pays Principle and will actively work with our service providers to ensure this is upheld.

## Focus areas in the coming years

As the world's largest food and beverage company with a global supply chain, our products are consumed in millions of homes around the world. As such, we recognise the role that we can play to help tackle modern slavery. We have the size, scale and reach to inspire others and help drive collective action.

A specific area of focus is grievance mechanisms and remediation. It is fundamental that we actively look for modern slavery in our supply chain and then report on findings and what has been done to prevent or remediate the situation. We will build this into our modern slavery strategy and subsequently take learnings from our findings and apply them back into our ways of working so that we are continuously evolving.

Finally, we will ensure that we are ready and equipped to comply with new human rights regulations that will directly impact our UK and Australian supply chains.





Nestlé Good food, Good life



To learn more about Nestlé's human rights policies and actions, visit:

