



Good food, Good life

Corporate Business Principles



Pr

Principles
Mandatory

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Approver
Chairman and Chief Executive Officer

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Introduction

Commitment of the Chairman and the Chief Executive Officer

For Nestlé to be successful over time, we must earn the trust of our employees, consumers, customers, suppliers, shareholders and wider society. This depends on us acting with integrity at all times and upholding our commitments. Trust in our company, products, services and brands can only be built consistently step by step. This is why we take decisions with a long-term view, while ensuring we meet our commitments today.

As the Good food, Good life company, we unlock the power of food to enhance quality of life for everyone, today and for generations to come. In pursuing our purpose, we are guided by our values, which are rooted in respect.

Creating Shared Value (CSV) is fundamental to how we do business at Nestlé. We believe that our company will be successful in the long term only by creating value for our people, communities and shareholders, as well as for society and for the environment. Our activities and products should make a positive difference to society while contributing to Nestlé's ongoing success.

In line with our purpose and values and the way we do business, the Corporate Business Principles set out in this document guide the actions and behaviors of everyone at the company and reflect our culture which has developed over the span of more than 150 years. They provide a strong ethical framework, ensuring integrity of action and compliance with laws, regulations and our own commitments.

On the foundation of strong business ethics and compliance, we do business sustainably and in a way that creates shared value. We conduct business in an ethical and principles based manner even in the absence of legal or regulatory frameworks. Where our own principles and policies are stricter than local legislation, the higher standard applies. This helps Nestlé meet societal expectations and distinguishes us in the marketplace.

As the Chairman and the Chief Executive Officer of Nestlé, we are committed to making sure that our entire Company is managed and acts according to these principles and require adherence to them from all our employees around the world.



Paul Bulcke
Chairman



U. Mark Schneider
Chief Executive Officer

Internal Reference documents:

Nestlé Code of Business Conduct

External Reference documents:

United Nations *Guiding Principles on Business and Human Rights*

The Ten Principles of the *United Nations Global Compact's (UNGC)*

Corporate Business Principles – Structure

1. Consumers

- Nutrition, health and wellness
- Quality assurance and product safety
- Consumer communication

2. Our People

- Human rights
- Diversity and inclusion
- Safety and health at work

3. Value Chain

- Responsible sourcing
- Customers and business partners
- Environmental sustainability

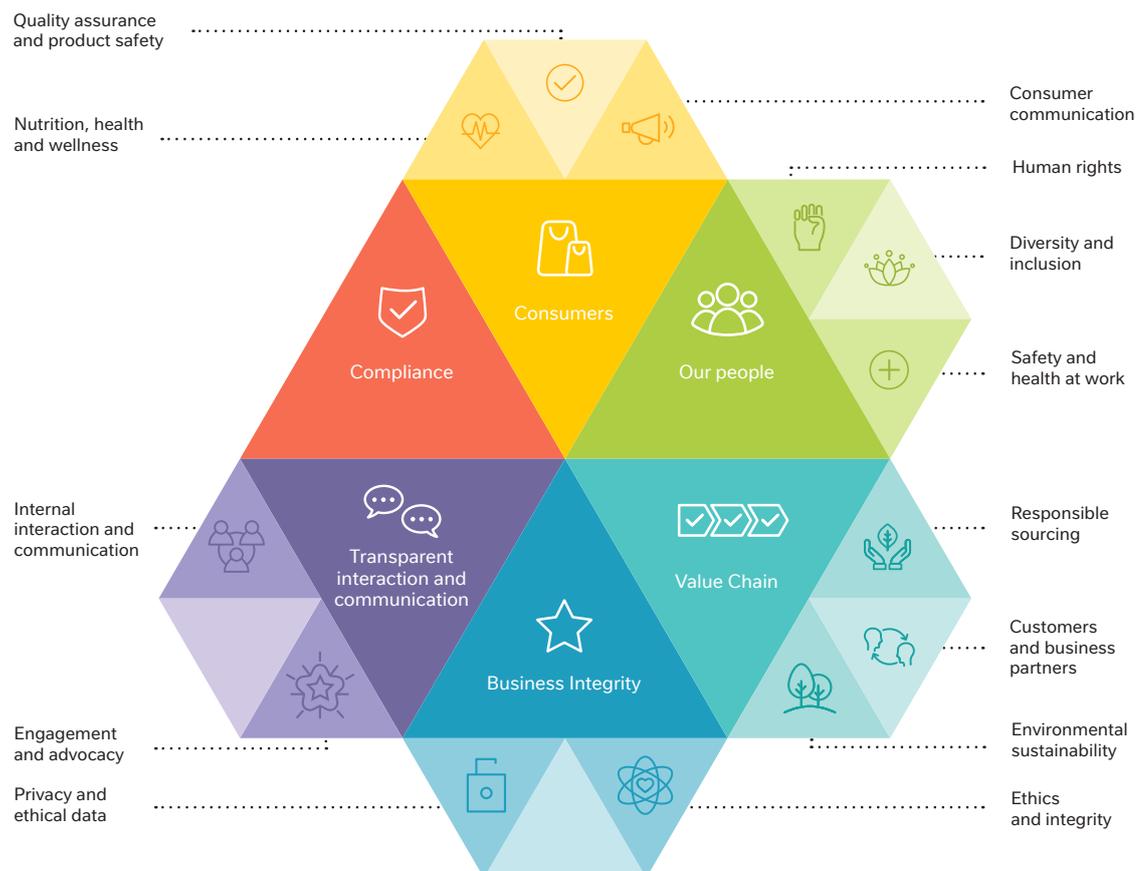
4. Business integrity

- Ethics and integrity
- Privacy and ethical data management

5. Transparent interaction and communication

- Internal interaction and communication
- Engagement and advocacy

6. Compliance



1. Consumers



Nutrition, health and wellness

Guided by our commitment to Nutrition, Health and Wellness, our objective is to offer the tastiest and healthiest choices in all of our product categories. We work to increase the nutritional value of our products. We strive to improve the overall healthiness and affordability of our portfolio of products. Our long established innovation capabilities help us innovate with speed and agility.

We are committed to providing transparent nutrition information and to encouraging healthy lifestyles. We express this via our corporate maxim “We are Nestlé, the Good food, Good life company”.



Quality assurance and product safety

Everywhere in the world, the Nestlé name represents a promise to the consumer that the product is of the highest quality and safe.

Our commitment is to never compromise on the safety of any product. Our Quality Policy summarizes the essential elements of our commitment, including:

- Developing, manufacturing and providing products and services that are trusted and preferred in order to enhance quality of life and contribute to a healthier future;
- Maintaining high food safety standards in all countries in which we operate;
- Challenging ourselves to continuously improve our management systems to guarantee product quality and safety aiming for zero defects; and
- Inspiring ownership of product quality and safety by all employees and third parties in our value chain.



Consumer communication

Our communications aim to make a positive impact on consumers’ lives. We are committed to responsible, reliable consumer communication that empowers consumers to make informed choices and promotes healthier diets. We provide an accurate representation of foods in a way that does not encourage over-consumption. Science supports all of our health claims.

Our communications to children promote healthier lifestyles and physical activity. They do not mislead, undermine parental authority, generate unrealistic expectations of success, create a sense of urgency or allude to a sense of low price.

We are committed to market to children only choices that help them achieve a nutritious diet, through responsible marketing practices.

Our objective is to provide consumers with accurate and transparent nutrition information through product labeling based on sound science in a format that helps them make informed food and beverage choices.

When providing infant nutrition solutions, we apply the following principles:

- We are committed to supporting breastfeeding as the ideal nutrition for babies;
- We recommend breastfeeding over all other feeding alternatives;
- Every child has the right to the best possible first 1000 days of life;
- Caregivers should have access to the highest quality solutions for the choices they may make;
- All solutions must be rooted in current, high quality nutritional and behavioral science;
- All caregivers should feel respected and at peace with their decision about how to feed their baby; and
- Achieving the best possible nutritional outcomes requires responsible engagement and advocacy with all stakeholders.

These principles apply equally, everywhere.

Our infant food marketing is conducted in accordance with the World Health Organization (WHO) International Code of Marketing of Breast-milk Substitutes and subsequent World Health Assembly (WHA) resolutions, as implemented by each member state of the WHO. Additionally, we have implemented the “FTSE4Good” criteria. In countries classified as ‘high risk’ for child malnutrition and mortality, we comply with our specific rules, going beyond local legal requirements when these are less strict. In these countries, we do not promote infant formulas nor “follow-up” formulas for children under 12 months of age.



Human rights

We are committed to provide our employees all over the world with good working conditions and flexible employment possibilities that support a better balance of private and professional life consistent with our expertise as a leading Nutrition, Health and Wellness company.

We respect and promote human rights in our operations and entire value chain, in line with the United Nations Guiding Principles and the Ten Principles of the UN Global Compact.

We take steps to identify and address any actual or potential adverse impacts arising directly or indirectly through our own activities or our business relationships. We manage these risks by integrating controls into our policies and internal systems, acting on the findings, tracking our actions, and communicating with our stakeholders about how we address impacts.

We are committed to the International Bill of Human Rights and the principles concerning fundamental rights set out in the International Labor Organization's Declaration on the Fundamental Principles and Rights at Work.

We are committed to the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (ILO) and the OECD Guidelines for Multinational Enterprises.

In particular, 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.

By the same token, we respect the right and freedom of association of our employees, including the organization and participation in Associations and Unions.



Diversity and inclusion

Our long-term success depends on our capacity to attract, develop, and retain the best performing employees, who respect our values and adhere to our purpose of unlocking the power of food to enhance quality of life for everyone, today and for generations to come.

Diversity and inclusion is an integral part of Nestlé's culture. We promote the inclusion of all communities, cultures and ages into our workforce and seek to leverage the diversity of thinking to drive creativity and innovation. We are committed to enhancing gender balance and providing equal opportunities for everyone at our company.

We do not tolerate any discrimination due to origin, nationality, religion, race, gender, age, physical condition, sexual orientation, or engage in or permit any kind of harassment based on any of the above or for any other reason.

We treat each other with respect and dignity and expect everyone to promote a sense of personal responsibility.

We respect international conventions concerning employees' rights. Externally, we act and engage with society and stakeholders in an inclusive way across our diverse business environments and entire value chain.



Safety and health at work

We are committed to preventing accidents, injuries and illness related to work, and to protecting employees, contractors and others involved along the value chain.

Our policy on safe and healthy lives at work establishes safety and health as an integral component of our value of respect for ourselves and for others around us. We recognize and require that everyone plays an active role in maintaining a safe and healthy working environment. Our managers must promote awareness and knowledge of safety and health to employees, contractors and anyone else related to or impacted by our business activities.

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.

3. Value chain



Responsible sourcing

We expect all of our suppliers to comply with the Nestlé Responsible Sourcing Standard. We verify supplier compliance with our requirements on a regular basis.

We are committed to implementing sustainable agricultural practices that contribute to long-term production resilience, delivering sustainable livelihoods, reduction of carbon gas emissions, protection of biodiversity and the conservation and replenishment of natural resources. We believe farmers should earn a sufficient income to maintain a decent standard of living.

We encourage the dynamic transformation of our sourcing and related production activities. We expect our suppliers to act transparently and to commit to continuous improvement in their operations. Guided by our values rooted in respect, we commit to the same principles in our relationships with suppliers and expect them to act accordingly with their own suppliers.

In this spirit of continuous improvement, we support the establishment of milestones to improve business practices, contribute to intervention projects and implement requirements to improve business integrity, labor standards, safety, health and environmental practices.



Customers and business partners

We demonstrate honesty, integrity and fairness to our customers.

In our business activities, we expect our trade partners to adhere to business principles consistent with our own. Should they demonstrate a lack of adherence with any of our business principles, we will request an open and transparent discussion, establish corrective actions or terminate the relationship, if necessary. Conversely, we respect our partners' reasonable standards.



Environmental sustainability

We commit ourselves to environmentally sustainable business practices throughout our value chain. Inspired by nature, we are committed to developing a circular economy by developing recyclable or reusable packaging materials, reducing food loss and waste and exploring circular business models.

At all stages of the product life cycle we strive to use natural resources efficiently. We favor the use of sustainably managed renewable resources and target zero waste in our operations. We are committed to reduce our greenhouse gas emissions and achieve net-zero emissions by no later than 2050, in line with the 'Business Ambition for 1.5°C' pledge including in our upstream value chain, where we will also support farmers and suppliers to adapt to climate change and new environmental standards, as well as regenerative agricultural initiatives.

Through our commitments, we contribute to overcome global warming, reduce the use of plastics and make its use sustainable.

We believe that access to water and sanitation is a basic human right. Together with other water users and partners, we are committed to managing water resources in a way that is ecologically sustainable, socially equitable and economically beneficial.



Ethics and integrity

The Nestlé Code of Business Conduct specifies certain non-negotiable minimum standards in key areas of employee behavior, including integrity, compliance with laws, conflicts of interests, antitrust and fair dealing, bribery, corruption (UNGC Principle 10), discrimination and harassment, and accurate reporting and accounting. In particular, we expect our employees and third parties in our sphere of influence to embrace the following principles:

- Nestlé acts legally and honestly, disclosing and resolving conflicts of interests in a fair and transparent manner.
- Nestlé competes in full compliance with all applicable antitrust, competition and fair dealing laws, systematically rejecting anti-competitive activities. Within the bounds of applicable law, we support collaboration with those sharing our concerns on appropriate issues to work together towards shared solutions.
- Nestlé prohibits its employees, service providers and agents from engaging in bribery and corruption, along with conduct that could give rise to the appearance or suspicion of such illicit activities.
- Nestlé ensures the accuracy of financial records and alignment with Nestlé's accounting standards to fulfill our obligations to shareholders, regulators and other stakeholders.



Privacy and ethical data management

Nestlé respects the rights of individuals in relation to their personal data and recognizes privacy as being a fundamental human right. Nestlé's commitment to protect personal data and privacy is reflected in our Global Privacy Program. This 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 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 Artificial Intelligence based on the following: (I) Transparency, (II) Diversity, Non-Discrimination and Fairness, (III) Privacy and Security, (IV) Environmental and Social Wellbeing, (V) Accountability and (VI) Technical Robustness.

5. Transparent interaction and communication



Internal interaction and communication

We promote an inspiring, innovative, transparent and open work environment, where each employee is respected, has the liberty to engage, create and contribute, always with the ability to speak up. Therefore, everyone in the organization is encouraged to speak openly on any matter. Each employee is free to discuss any matter with his or her line manager and, in order to ensure the continuous evolution of such work environment, can approach Human Resources, Compliance or access our Integrity hotline with full confidentiality.



External engagement and advocacy

Based on our purpose of unlocking the power of food to enhance quality of life for everyone, today and for generations to come, Nestlé understands and believes that it is essential to carry out responsible stakeholder engagement and advocacy to bring in relevant external views on matters related to its business activities and operations in ways that foster collaboration, knowledge sharing, open discussion, and deep dialogue. We see ourselves as part of Society.

When engaging with public authorities in relation to public policy development and implementation, Nestlé is committed to transparent, responsible interactions.

6. Compliance



Compliance

The Nestlé Corporate Business Principles are mandatory for all Nestlé employees, and are supported by our Code of Business Conduct and other policies. We integrate them into our business planning, activities, operations, performance reviews and auditing. Where our own principles and policies differ from local legislation the higher standard applies.

Our Compliance Program supports the continuous development and implementation of the Nestlé Corporate Business Principles based on ethics, integrity and a “doing the right thing for the right reason” mindset.

We assess compliance regarding human rights, conditions of work and employment, safety, health, environment and business integrity through our CARE Program, which relies on an independent external audit network. We also assess progress on our societal, responsible sourcing, quality, responsible marketing and other commitments through independent external audits and certifications.

We continuously improve communications, processes and training in order to ensure adherence to the Nestlé Corporate Business Principles and to correct gaps whenever necessary with zero tolerance for instances of non-compliance.

Internal and external Nestlé grievance mechanisms are widely accessible, so that both our employees and external stakeholders can raise concerns about potential instances of non-compliance. We investigate all concerns raised and prohibit retaliation against any employee for such reports made in good faith.

Monitoring and Reporting

The Corporate Business Principles are associated with specific principles, policies and standards. Our CARE auditors and our internal auditors regularly audit our practices against these commitments.

When assessing our internal control systems, our external auditors consider how the Corporate Business Principles fit into the overall corporate governance framework of the Group.

Findings and recommendations are reported through the Board Audit Committee to the Nestlé S.A. Board of Directors.

