

Particulars

About Your Organisation

1.1 Name of your organization

Nestl-Ç S.A.

1.2 What is/are the primary activity(ies) or product(s) of your organization?

- Grower
 - Processor and/or Trader
 - Consumer Goods Manufacturer
 - Retailer and/or Wholesaler
 - Bank and/or Investor
 - Social and/or Development NGO
 - Environmental and/or Conservation NGO
 - Supply Chain Associate
 - Affiliate
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1.3 Membership number

4-0055-09-000-00

1.4 Membership category

Consumer Goods Manufacturers

1.5 Membership sector

Ordinary

Consumer Goods Manufacturer

1. Operational Profile

1.1 Please state your main activity(ies) within the palm oil supply chain. Please select the option(s) that apply to you

- End-product manufacturer
- Food goods manufacturer
- Ingredient manufacturer
- Home & personal care goods manufacturer
- Own-brand manufacturer
- Manufacturing on behalf of other third-party brands
- Biofuels manufacturer
- Other

Other:

2. Palm Oil and Certified Sustainable Palm Oil Use

2.1 Please include details of all operations using palm oil, owned and/or managed by the member and/or all entities that belong to the group.

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2.1.1 In which markets do you manufacture goods with palm oil and oil palm products?

Applies globally

2.1.2 In the market(s)/country(ies) where you operate, do you calculate how much palm oil and oil palm product there is in the goods you manufacture?

Yes

2.2 Volumes of palm oil and oil palm products purchased

2.2.1 Total volume of crude and refined palm oil used in the year (tonnes)

290,761.00

2.2.2 Total volume of crude and refined palm kernel oil used in the year (tonnes)

134,753.00

2.2.3 Total volume of palm kernel expeller used in the year (tonnes)

0.00

2.2.4 Total volume of other palm-based derivatives and fractions used in the year (tonnes)

0.00

2.2.5 Total volume of all palm oil and oil palm products used in the year (tonnes)

425,514.00

2.3 Volume of palm oil and oil palm products used in the year in your own brand products that are RSPO-certified (in tonnes):

Description	Crude and Refined Palm Oil	Crude and Refined Palm Kernel Oil	Palm Kernel Expeller	Other palm-based derivatives and fractions
2.3.1 Book and Claim from Mill / Crusher	75250	-	-	-
2.3.2 Book and Claim from Independent Smallholder	-	-	-	-
2.3.3 Mass Balance	-	-	-	-
2.3.4 Segregated	67514	3320	-	-
2.3.5 Identity Preserved	29220	30563	-	-
2.3.6 Total volume	171984	33883	-	-

2.4 Volume of RSPO-certified palm oil and oil palm products sold to 3rd party RSPO certified companies (in tonnes)

Description	Crude and Refined Palm Oil	Crude and Refined Palm Kernel Oil	Palm Kernel Expeller	Other palm-based derivatives and fractions
2.4.1 Book and Claim from Mill / Crusher	-	-	-	-
2.4.2 Book and Claim from Independent Smallholder	-	-	-	-
2.4.3 Mass Balance	-	-	-	-
2.4.4 Segregated	-	-	-	-
2.4.5 Identity Preserved	-	-	-	-
2.4.6 Total volume	-	-	-	-

2.5 According to the information you have provided in this questionnaire, your company has not reached 100% sustainable palm yet by using the four supply chain models (Book and Claim, MB, SG, IP). Do you have plans to immediately cover the gap by using RSPO Credits?

Yes

2.5.1 When do you plan to cover the gap by using RSPO Credits?

2023

2.5.2 Please explain why

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2.6 What is the percentage of RSPO Certified Sustainable Palm Oil in the total palm oil used by your company in the following regions:

2.6.1 Africa

8%

2.6.2 Oceania

97%

2.6.3 Europe

56%

2.6.4 North America

0%

2.6.5 Latin America

8%

2.6.6 Middle East

42%

2.6.7 China

0%

2.6.8 India

4%

2.6.9 Indonesia

63%

2.6.10 Malaysia

54%

2.6.11 Rest of Asia

45%

3. Time-Bound Plan

3.1 Year of first supply chain certification (planned or achieved)

2010

3.2 Year expected to/or started to use any RSPO-certified sustainable palm oil and oil palm products in your own brand products2010

3.2.1 If target has not been met, please explain why.-

3.3 Year expected to be using 100% RSPO-certified sustainable palm oil and oil palm products from any supply chain option in your own brand products.2023

3.3.1 If target has not been met, please explain why.-

3.4 Year expected to be using 100% RSPO-certified sustainable palm oil and oil palm products from physical supply chains (Identity Preserved, Segregated and/or Mass Balance) in your own brand products.2025

3.4.1 If target has not been met, please explain why.-

3.4.2 Which markets do these commitments cover?Applies globally

3.5 Does your company use RSPO-certified sustainable palm oil and oil palm products in goods you manufacture on behalf of other companies?Yes

3.6 Does your company have a Time-Bound Plan to only use RSPO-certified sustainable palm oil and oil palm products in the goods you manufacture on behalf of other companies?Yes

3.7 When do you expect all products you manufacture to only contain RSPO-certified sustainable palm oil and oil palm products?2023

4. Trademark Use**4.1 Do you use or plan to use the RSPO Trademark on your own brand products?**No

4.2 Please select the countries where you use or intend to apply the Trademark.--

4.2.1 Please state the year that you started using the RSPO Trademark or the year you plan to start using the RSPO Trademark.

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4.3 Please explain why

- Challenging reputation of palm oil
- Confusion among end-consumers
- Costs of changing labels
- Difficulty of applying for RSPO Trademark
- Lack of customer demand
- Limited label space
- Low consumer awareness
- Low usage of palm oil
- Risk of supply disruption
- Others

Other:

Our customers generally do not request the Trademark on our products and individual sustainability claims for each ingredient used in Nestlé products would be challenging.

4.4 Have you uploaded information and images of products using the RSPO Trademark to the RSPO mobile app?**5. Actions for Next Reporting Period****5.1 Outline actions that you will take in the coming year to promote the use of RSPO-certified sustainable palm oil and oil palm products along the supply chain.**

In 2019 we are working towards 45% of total volume [40% SG + 5% Book and Claim] as RSPO certified, as well as targets of 70% traceability to plantation and 80% on track to meet our Responsible Sourcing Standard. These 2019 targets are our milestones on the way to achieving our commitments of 100% Responsibly Sourced palm oil by 2020 and 100% RSPO certified palm oil by 2023.

In support of the continuation of the RSPO process and the implementation of RSPO projects we are undertaking an active role within the RSPO by participation in consultations and working groups.

Lastly, our work plan includes additional activities promoting sustainable palm oil production, and specifically no deforestation, no peat development, no exploitation, and smallholder inclusion in our supply chains. Examples of these activities in our work plan include:

• Global supply chain monitoring of deforestation risk with Starling satellite monitoring, which in combination with traceability to plantation, HCS assessments, and conservation initiatives will work to achieve our 2020 no deforestation commitment.

• Active participation as members of the HCSA Steering Group

• Expanding our work with smallholders in our supply chain to develop resilient livelihoods and produce responsible palm oil, to reach smallholders in at least eight countries where we source in pursuit of our ambition of 100% Responsibly Sourced palm oil supply chains that are inclusive of smallholders.

• Implementing our Action Plan on Labour Rights in Palm Oil Supply Chains, launched following our 2017 Labour Rights Impact Assessment with the Danish Institute for Human Rights and Earthworm Foundation, to implement our policy on no exploitation.

• As part of our Labour Rights Action Plan, we launched an enhanced helpline co-developed by the solution developer ELEVATE and Responsible Business Alliance, with Sime Darby Plantations, that will allow workers to report on working conditions, recruitment, safety and other labor issues. In 2019, we aim to expand access to this to other suppliers in Malaysia.

6. Non-Disclosure of Information

6.1 Information in the sections above are mandatory declarations in your ACOP. For confidentiality purposes, members may choose not to display volume data in Section 2 publicly; however, RSPO reserves the right to utilise the member's data on an aggregate basis for sectoral and total analysis. Please check this box if the member chooses to have the data in Section 2 displayed publicly.

Yes - Display Publicly

7. Application of Principles & Criteria for all member sectors

7.1 Related to company's procurement or operations, do you have organisational policies that are in line with the RSPO P&C? Select all relevant options.

7.1.A Water, land, energy and carbon footprints

File: --

Link: <https://www.nestle.com/asset-library/documents/library/documents/suppliers/nestle-responsible-sourcing-standard-english.pdf>

7.1.B Land use rights

File: --

Link: https://www.nestle.com/asset-library/documents/library/documents/corporate_social_responsibility/nestle-commitment-land-rights-agriculture

7.1.C Ethical conduct and human rights

File: --

Link: <https://www.nestle.com/csv/impact/respecting-human-rights/human-rights-impacts>

7.1.D Labour rights

File: --

Link: https://www.nestle.com/asset-library/documents/library/documents/corporate_social_responsibility/nestle-commitment-labour-rights-agriculture

7.1.E Stakeholder engagement

File: --

Link: <https://www.nestle.com/csv/what-is-csv/stakeholder-engagement>

7.1.F None of the above. Please explain why.

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7.2 What best practice guidelines or information has your organisation provided in the past year to facilitate the uptake of RSPO-certified sustainable palm oil and oil palm products? What languages are these guidelines available in?

<https://www.nestle.com/asset-library/documents/library/documents/suppliers/nestle-responsible-sourcing-standard-english.pdf>

8. Greenhouse Gas (GHG) Footprint

8.1 Are you currently reporting any GHG footprint?

Yes

8.1.1 Please upload your publicly available GHG report

File: --

8.1.1.1 OR please insert the URL to the GHG section of your corporate website.

Link: <https://www.nestle.com/csv/impact/climate-change/climate-change> ;
<https://www.nestle.com/csv/performance/external-assessments>;
<https://www.nestle.com/asset-library/documents/creating-shared-value/climate-change-2017.pdf>

8.2 Please explain and justify why you are not calculating your GHG footprint. Please include any future plans you may have to calculate your GHG footprint.

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8.3 What methodology are you using to calculate your GHG footprint?

The methodology is aligned with The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard. For detailed methodology description, please see Nestlé's answer to CDP climate change available here:

<https://www.nestle.com/csv/performance/external-assessments>

9. Support for Oil Palm Smallholders**9.1 Are you currently supporting any oil palm Independent Smallholder groups?**

Yes

9.2 How are you supporting them?

Smallholders account for 40% of global palm oil production. Given this, Nestlé is collaborating with the Earthworm Foundation (EF) on seven smallholder initiatives under the EF Rurality programme in Indonesia, Malaysia, Ghana, Côte d'Ivoire, Ecuador, Brazil, and Peru. The aim is to build smallholder inclusion into our supply chains, while developing smallholders' resilience and their capability to produce responsibly. These projects aim to create value for everyone along the supply chain: smallholders, mill operators, dealers, suppliers and Nestlé. Depending on the area, these initiatives focus on efficiency, self-sufficiency, diversification, innovation and infrastructure.

Additionally, Nestlé supported the WISSH program, a smallholder training initiative in Honduras with our supplier, Wilmar, which completed its third and final year in 2018. Through WISSH, 3,300 smallholders were trained on six different sustainability topics, representing about 23% of the smallholders in Honduras. The trainings occurred over 488 training sessions, where more than 25% of participants attending over 5 trainings. 100% of participants stated that the trainings led to greater productivity.

Lastly, in 2018, Nestlé joined Pepsico to expand their smallholder palm oil program in Mexico, in partnership with Proforest, Oleofinos, and Oleopalma, to reach additional smallholders with sustainable palm oil cultivation techniques.

9.2.1 Do you have any future plans to support oil palm Independent Smallholders?

9.2.2 When do you plan to start your support for oil palm Independent Smallholders?

10. Challenges

10.1 What significant economic, social or environmental obstacles have you encountered in the production, procurement, use and/or promotion of CSPO and what efforts did you make to mitigate or resolve them?

- Awareness of RSPO in the market
- Difficulties in the certification process
- Certification of smallholders
- Competition with non-RSPO members
- High costs in achieving or adhering to certification
- Human rights issues
- Insufficient demand for RSPO-certified palm oil
- Low usage of palm oil
- Reputation of palm oil in the market
- Reputation of RSPO in the market
- Supply issues
- Traceability issues
- Others

Other:

The two main challenges have been related to logistics and compliance. For logistics, the challenge has been physically getting traceable and responsibly sourced oil in certain markets where the main supply chains come through bulk vessels which introduce additional complexity to segregation and traceable materials. To address this, we try to identify supply chains where there is greater transparency as well as focusing on initiatives to support industry transformation. For compliance, we encounter obstacles in suppliers being able to demonstrate that no deforestation (HCS) & no peat development is in the supply chain, as well as to address labour issues around which there is lower awareness in the industry. To address this, we have partnered with subject matter expert organizations to develop tools and build capacity in our supply chains.

10.2 In addition to the actions already reported in this ACOP, how has your organisation supported the vision of RSPO to transform the market for sustainable palm oil in other ways?

- Engagement with business partners or consumers on the use of CSPO
- Engagement with government agencies
- Promotion of CSPO outside of RSPO venues eg trade workshops industry associations
- Promotion of physical CSPO
- Providing funding or support for CSPO development efforts
- Research & Development support
- Stakeholder engagement
- Others

Other:

Our full update on our palm oil responsible sourcing actions in 2018 can be found here:

<https://www.nestle.com/asset-library/documents/creating-shared-value/responsible-sourcing/palm-oil-sourcing-2018.pdf>

10.3 Please attach or add links to any other information from your organisation on your palm oil policies and activities (e.g.: sustainability reports, policies, other public information)

<https://www.nestle.com/asset-library/documents/creating-shared-value/responsible-sourcing/palm-oil-sourcing-2018.pdf>