

Particulars

About Your Organisation

1.1 Member Name

Nestlé S.A.

1.2 Membership number

4-0055-09-000-00

1.3 Membership sector

Consumer Goods Manufacturers

1.4 Membership category

Ordinary

1.5 Country

Switzerland

2.0 Does your company or organisation produce, process, consume or sell any palm oil or any products containing derivatives of palm oil?

Yes

2.1 Please select all description(s) that describe the palm oil-related activities of your company or organisation. Multiple selections are allowed, and not limited to the primary sector of the member's RSPO membership. You will be required to complete the relevant ACOP section based on your selection(s).

- I own and operate oil palm estate(s) and/or palm oil mill(s)
- I represent a palm oil Independent Smallholder farmer Group
- I own and operate independent palm oil mills
- I own and operate independent palm kernel crushing plants
- I trade or broker palm oil, palm kernel oil or related products
- I am a refiner of palm oil or palm kernel oil
- I am a processor of intermediate (B2B) palm oil, palm kernel oil or related ingredients
- I am a B2B distributor or wholesaler of palm oil, palm kernel oil or related products
- I manufacture consumer (B2C) products containing palm oil, palm kernel oil or related products. This includes products manufactured by 3rd party contractors.
- I retail consumer (B2C) products containing palm oil, palm kernel oil or related products
- I operate food retail outlets that use palm oil, palm kernel oil or related products
- I support the sustainable development of the palm oil industry as a conservation and environmental NGO
- I support the sustainable development of the palm oil industry as a social and human development NGO

Consumer Goods Manufacturers

1. Operational Profile

1.1 Please state your company's main activity within the palm oil supply chain.

- Food Good Manufacturer - own brand
- Food Good Manufacturer - third-party brand
- Home & Personal Care Good Manufacturer - own brand
- Home & Personal Care Good Manufacturer - third-party brand
- Ingredient Manufacturers
- Biofuels
- Other

Other

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2. Palm Oil and Certified Sustainable Palm Oil Consumption

Information in Section 2.0 - Palm Oil and Certified Sustainable Palm Oil Consumption - is a mandatory declaration in your ACOP. This includes volume data on palm oil, palm kernel oil and related products consumed, to enable the RSPO to accurately calculate uptake of individual members, sectors and RSPO members as a whole. ACOP reports without reported volume data will be considered as incomplete and will not be accepted. Incomplete ACOP reports may lead to suspension or termination of RSPO membership.

2.1 Please list down all operations and subsidiaries using palm oil, palm kernel oil and related products that are owned and/or managed by the member, including those under Group Membership

Applies globally

2.1.1 In which markets does your company sell goods with palm oil and oil palm products?

Europe, North America, China, India, Malaysia, Indonesia, Africa, Latin America, Rest of the World

DL.2.0 In order to facilitate ease of reporting and transparency, RSPO members operating within the palm oil demand supply chain can now choose to report palm oil and palm oil product volumes on:

an aggregate level (as in previous ACOP reporting cycles)

2.2 Total volume of uncertified and certified palm oil, palm kernel oil and related products purchased for use in your company's own-brand and third-party brand products

Description	Tonnes
Total volume of crude palm oil (tonnes)	309786.0
Total volume of crude palm kernel oil (tonnes)	142933.0
Total volume of palm kernel expeller (tonnes)	0.0
Total volume of crude palm oil/palm kernel oil-based derivatives and fractions (tonnes)	0.0
Total	452719.0

2.2.1 Please estimate the percentage of derivatives and fractions (reported in Question CG.2.2) derived from palm oil or from palm kernel oil. The default split for volumes is assumed to be 80% palm oil-based derivatives and 20% palm kernel oil-based derivatives.

Description	Percentage
Palm oil-based derivatives and fractions	-
Palm kernel oil-based derivatives and fractions	-

2.3 Please estimate the regional distribution of your company's uncertified and certified palm oil, palm kernel oil and related products sales (as declared in Question 2.2) in the following countries/regions. In cases where sales distribution data is not available, members may use manufacturing regions as a proxy for regional usage of certified volumes.

Countries/Regions	Percentage
Europe	12.0
North America	9.0
Malaysia	8.0
Indonesia	4.0
China	3.0
India	10.0
Latin America	14.0
Africa	10.0
Rest of World	30.0

2.4 Volume of RSPO-certified palm oil, palm kernel oil and related products purchased for use in your company's own-brand and third-party brand products in the year:

Description	Crude/Refined Palm Oil (CSPO)	Crude/Refined Palm Kernel Oil (CSPKO)	Palm Kernel Expeller (CSPKE)	Certified Derivatives and Fractions
RSPO Credits from Mill / Crusher	150000.0	0.0	0.0	0.0
RSPO Credits from Independent Smallholder	10000.0	0.0	0.0	0.0
Mass Balance (MB)	0.0	0.0	0.0	0.0
Segregated (SG)	89382.0	7092.0	0.0	0.0
Identity Preserved (IP)	13165.0	3540.0	0.0	0.0
Total	262547.0	10632.0	0.0	0.0

2.4.1 Please estimate the percentage of RSPO-certified derivatives and fractions (reported in Question CG.2.4) derived from RSPO-certified palm oil or from RSPO-certified palm kernel oil. The default split for volumes is assumed to be 80% palm oil-based derivatives and 20% palm kernel oil-based

Description	Percentage
Certified Palm oil-based derivatives and fractions	-
Certified Palm kernel oil-based derivatives and fractions	-

2.5 According to the volume information you have provided in Question 2.2 and Question 2.4, your company's certified palm oil and palm oil products uptake is:

60.34%

2.5.1 Please provide additional information on your certified palm oil, palm kernel oil and related products uptake. This may include your usage of RSPO Credits to cover gaps in certified uptake, changes due to business environment, variations due to stock positions or efforts to support independent smallholders beyond volume commitments.

We purchase RSPO SG or IP where we are able and purchase credits for the remainder of our time bound plan commitments. To the extent available, we purchase IS credits for the credit purchase.

2.6 Please estimate the regional distribution of your company's RSPO certified palm oil and palm oil-products usage (as declared in Question CG.2.3) in the following countries/regions:

Countries/Regions	Percentage
Europe	42.0
North America	1.0
Malaysia	25.0
Indonesia	1.0
China	0.0
India	0.0
Latin America	4.0
Africa	6.0
Rest of World	21.0

3. TimeBound Plan

3.1 Which year did your company achieve (or expects to achieve) the RSPO supply chain certification?

2010

3.2 Which year did your company begin (or expects to begin) using RSPO-certified sustainable palm oil and palm oil products in own-brand products

2010

3.2.1 If the previous target year has not been met, please explain why.

-

3.3 Which year did your company begin (or expects to begin) using 100% RSPO-certified sustainable palm oil and palm oil products from any supply chain option in own-brand products.

2023

3.3.1 If the previous target year has not been met, please explain why.

-

3.4 Which year did your company begin (or expects to begin) using 100% RSPO-certified sustainable palm oil and palm oil products from physical supply chain options (Identity Preserved, Segregated and/or Mass Balance) in own-brand products.

2025

3.4.1 If the previous target year has not been met, please explain why.

-

3.5 If the TimeBound Plan commitments declared above do not cover all countries in which the member operates, please explain why

Applies Globally

4. Trademark Use

4.1 Does your company use or plan to use the RSPO Trademark in own-brand products?

No

4.3 Please explain why your company does not plan to use the RSPO Trademark in own-brand products

- 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

Others

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5. Actions for Next Reporting Period

5.1 Please outline activities that your company will take in the coming year to promote the production or consumption of certified sustainable palm oil (CSPO)

In 2021 we are working towards 63% of total volume as RSPO certified, with preference for RSPO SG/IP, but to be complemented by MB or Book and Claim, as well as targets of 100% on track to meet our Responsible Sourcing Standard and our No Deforestation commitment.

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 no deforestation commitment.
 - Reforesting at least 3 million trees around our palm oil supply chains and launching additional initiatives to address conservation and restoration of forests in palm oil producing landscapes
 - Supporting the development and use of the NDPE Implementation Reporting Framework within our supply chains.
 - Working collaboratively for industry transformation via active participation as members of the HCSA Steering Group and the Consumer Goods Forum's Palm Oil Working Group.
 - Expanding our work with smallholders in our supply chain to develop resilient livelihoods and produce responsible palm oil, to reach smallholders through at least 4 landscape initiatives 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
 - Implementing our roadmap to achieve net-zero GHG emissions by 2050, including in our palm oil supply chains.
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Shared Responsibility

The Board of Governors of the Roundtable on Sustainable Palm Oil approved new Shared Responsibility rules on 31 October 2019, requiring all members to share sustainability requirements and obligations. Reporting of Shared Responsibility indicators will be done through several channels, including ACOP. As the implementation of Shared Responsibility reporting is still on-going and in development, the Shared Responsibility section in ACOP is not yet final and may change in future ACOP cycles. For more information on Shared Responsibility, please go to <https://rspo.org/news-and-events/news/what-are-the-new-shared-responsibility-rules> or email the ACOP team at acop@rspo.org

Labour & Labour Rights

1.1 Does your company have a publicly-available policy covering Labour & Labour Rights?

Yes

1.1.1 Does the policy cover:

- No discrimination
- Wage and working conditions
- Freedom of association
- No child labour
- No harassment
- No forced or trafficked labour

Ethical Conduct & Human Rights

1.2 Does your company have a publicly-available Policy covering Ethical Conduct & Human Rights?

Yes

1.2.1 Does the policy cover:

- Recruitment
- Contractors
- Sub-Contractors & Third-Party Contractors

Land Use

1.3 Does your company have a publicly-available Policy covering Land Use?

Yes

1.3.1 Does the policy cover:

- Free Prior and Informed Consent (FPIC)
- Compensation

Occupational Health & Safety

1.4 Does your company have a publicly-available Policy covering Occupational Health & Safety?

Yes

Climate Change & Greenhouse Gas (GHG)**1.5 Does your company have a publicly-available policy covering Climate Change & Greenhouse Gas (GHG)?**

Yes

1.5.1 Does the policy cover:

- Identification and assessment of GHG
- Monitored implementation plan to reduce or minimise GHG emissions

Complaints & Grievances**1.6 Does your company have a Complaints & Grievances Mechanism?**

Yes

1.6.1 Is your Complaints & Grievance mechanism in line with the principles of the RSPO's grievance mechanism, which are the elements of fairness, transparency, and impartiality?

Yes

Smallholders**1.7 Does your company support oil palm independent smallholder groups?**

Yes

1.7.1 Does this support cover:

- Fair and transparent dealings with Smallholders
- Improved Smallholder livelihoods

1.7.2 How is your company supporting them?

Smallholders account for 40% of global palm oil production. To ensure smallholder inclusion in our supply chains and support them to adopt sustainable production practices and enable resilient livelihoods, Nestlé continued to support seven palm oil smallholder projects in Indonesia, Malaysia, Côte d'Ivoire, Brazil, Peru, Ecuador, and Mexico. Six of these projects are through the Earthworm Foundation's Rurality initiative, an approach to engaging smallholders that focuses on helping them develop their own capacity through strategic use of market links and supply chains. The seventh project is in Mexico, implemented by Proforest. 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 is supporting two landscape initiatives in Indonesia with Earthworm Foundation and several other companies, aimed to end deforestation via multi-stakeholder sustainable land use planning and support for local communities. The initiative takes place in Southern Aceh and in Aceh Tamiang. The work in these landscapes includes ongoing analysis and use of information from Starling satellite monitoring to inform the land use planning.

In 2020, Nestlé bought 10,000 IS-CSPO credits.

Sustainable Palm Oil Policy

1.8 Does your company have a publicly-available Policy covering the implementation of RSPO Shared Responsibility principles?

Yes

Waste Management

1.9 Does your company have a waste management plan?

Yes

Water Management

1.10 Does your company have a water management plan?

Yes

Energy Use

1.11 Does your company have an energy use plan covering fossil fuels and renewable energy?

Yes

RSPO Services and Support

1.12 Does your company provide services and support to the RSPO, eg. participation in RSPO Working Groups and Task Forces

Yes

Shared Responsibility Resourcing

1.13 Does your company have a plan to commit resources to ensure effective implementation of RSPO Shared Responsibility principles?

Yes

Challenges and Support

1.1 What significant obstacles or challenges has your company encountered in the promotion of certified sustainable palm oil (CSPO)? What efforts has your company taken to address these obstacles or challenges?

- 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
- No challenges faced
- Others

Others

The two main challenges have been related to logistics and compliance. For logistics, the challenge has been physically getting traceable and responsibly sourced palm 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 & 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

1.2 In addition to the actions already reported in this ACOP report, what other ways has your company supported the vision of the RSPO to transform markets to make sustainable palm oil the norm?

- Engagement with business partners or consumers on the use of CSPO
- Engagement with government agencies
- Promotion of CSPO outside of RSPO venues such as trade workshops or industry associations
- Promotion of physical CSPO
- Providing funding or support for CSPO development efforts
- Research & Development support
- Stakeholder engagement
- No actions taken
- Others

Others

In Chiapas and Tabasco, Mexico, the Mexico Palm Oil Holistic Program is a collaborative effort from Nestlé, PepsiCo, Oleopalma, RSPO, Proforest, and Femexpalma to support the sustainable development of the Mexican palm oil sector. 153 smallholders will be able to earn RSPO credits and will complete the RSPO membership process. In 2020, the project successfully completed the preparation for five smallholder groups to achieve RSPO certification under the eligibility phase of the new RSPO Independent Smallholder standard, by completing the legalization of the smallholder groups, a simplified HCV study, a Land Use Change Assessment (LUCA) and an FPIC study.

1.3 If your company has any other publicly-available reports or information regarding its palm oil-related policies and activities, please provide the links here

Nestle 2020 Palm Oil Responsible Sourcing Progress report.

<https://www.nestle.com/sites/default/files/2021-03/responsible-palm-oil-sourcing-2020.pdf>