

## 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 the palm oil-related activity(ies) that describe your company or organisation as multiple selections are allowed. ACOP reporting is 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)
- ☐ I represent a palm oil Independent Smallholder farmer Group
- ☐ I own and operate palm oil mills
- ☐ I own and operate palm kernel crushing plants - Processors and/or Traders
- ☐ I trade or broker palm oil, palm kernel oil or related products - Processors and/or Traders
- ☐ I am a refiner of palm oil or palm kernel oil - Processors and/or Traders
- ☐ I am a processor of intermediate (B2B) palm oil, palm kernel oil or related fractions/derivatives - Processors and/or Traders
- ☐ I am a B2B distributor or wholesaler of palm oil, palm kernel oil or related products - Processors and/or Traders
- ☒ I manufacture final consumer (B2C) products containing palm oil, palm kernel oil or related products. This includes products manufactured by 3rd party contractors - Consumer Goods Manufacturers
- ☐ I retail final consumer (B2C) products containing palm oil, palm kernel oil or related products - Retailers
- ☐ I operate food retail outlets that use palm oil, palm kernel oil or related products - Retailers
- ☐ I am a conservation and environmental NGO supporting the sustainable development of the palm oil industry
- ☐ I am a social and human development NGO supporting the sustainable development of the palm oil industry

## 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 RSPO-certified (IP, MB, SG and RSPO Credits/Book and Claim) and Non RSPO-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)	284054.00
Total volume of crude palm kernel oil (tonnes)	141940.00
Total volume of palm kernel expeller (tonnes)	0.00
Total volume of crude palm oil/palm kernel oil-based derivatives and fractions (tonnes)	0.00
Total	425994.00

**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	0
Palm kernel oil-based derivatives and fractions	0

**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.**

Countries/Regions	Percentage
Europe	8
North America	7
Malaysia	13
Indonesia	4
China	4
India	13
Latin America	15
Africa	7
Rest of World	29

**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	126654.00	125392.00	0.00	0.00
RSPO Credits from Independent Smallholder	55000.00	8622.00	0.00	0.00
Mass Balance (MB)	4843.00	1378.00	0.00	0.00
Segregated (SG)	97557.00	6548.00	0.00	0.00
Identity Preserved (IP)	0.00	0.00	0.00	0.00
Total	284054.00	141940.00	0.00	0.00

**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	0
Certified Palm kernel oil-based derivatives and fractions	0

**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:**

100.00%

**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 mainly RSPO SG certified palm oil volumes where we are able to, as well as MB. For the remainder of our volumes we purchase B&C credits including independent smallholder credits. In this sense we have increased our smallholder credit purchases by 10,000 credits from 2023 to 2024.

**2.6 Please estimate the regional sales volume distribution of your company's RSPO certified palm oil, palm kernel oil and related products (as declared in Question 2.4) in the following countries/regions:**

<b>Countries/Regions</b>	<b>Percentage</b>
Europe	8
North America	7
Malaysia	13
Indonesia	4
China	4
India	13
Latin America	15
Africa	7
Rest of World	29

### 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.**

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**3.3 Which year did your company begin (or expects to begin) using only 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.**

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**3.4 Which year did your company begin (or expects to begin) using only 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.**

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#### 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)

- ☐ Participation in RSPO Working Group or Task Forces
- ☒ Support Independent Smallholders (ISH)
- ☐ Contribute to the RSPO Smallholder Trainer Academy
- ☐ Financial contribution to the RSPO Smallholder Support Fund
- ☒ Direct investments in Smallholder Certification projects
- ☒ Involvement/direct investments in Jurisdictional/Landscape approach
- ☒ Direct/collective investments in conservation and restoration initiatives
- ☐ Financial contribution to support members with Remediation and Compensation (RaCP) process, direct/collective investments in conservation and restoration initiatives
- ☐ Allocating FTE to promote the production or consumption of certified sustainable oil palm products
- ☐ Specific policies and action plans by the member to promote CSPO production or consumption in the upstream or downstream supply chain, including target dates or broader policies that include such efforts
- ☐ No activities planned
- ☐ Others

Other

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## 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 supply issues. For logistics, the challenge has been physically getting traceable and responsibly sourced palm oil in certain markets where the main supply 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. Besides this, Nestlé sources a large number of different palm oil-related materials and transports these to more than 170 factories around the world. This complexity of our supply chain can have an impact on availability of certified volumes, as in addition to producing specific materials to precise quality specifications, suppliers would also need to have a segregated supply chain set up, as we otherwise lose traceability with MB. Not every supplier has the facility to do this. Notwithstanding, we continue in our efforts to source segregated RSPO volumes wherever possible

**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?**

- ☐ Communication and/or engagement to transform the negative perception of palm oil
- ☐ Engagement with business partners or consumers on the use of CSPO
- ☐ Engagement with government agencies
- ☐ Engagement with peers and clients
- ☐ Promotion of CSPO through off product claims
- ☐ 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, Cargill, Oleopalma, RSPO, Proforest, and Femexpalma to support the sustainable development of the Mexican palm oil sector. In 2021, the project successfully completed the second phase for four smallholder groups (117 farmers in total) to achieve RSPO certification under the milestone A of the RSPO Independent Smallholder standard, meaning up to 70% of production can be sold as RSPO independent smallholder credits. In 2022, Cargill joined the program to allow for the collaboration to deepen their existing engagement with mills and independent producers between 2022 and 2025. In 2023, 6 mills and 45 producers were supported in their certification process and 117 smallholders participated in the organic fertilization program. In 2024 the program focused on strengthening sector capabilities and innovating for long-term impact, this included amongst others training on pest and diseases, implementing a sector wide training initiative to mitigate major national risks associated with pests and disease, working with 5 mills to achieve 100% traceability as well as an analysis of risks linked to palm plantations and Protected Natural Areas (PNAs), and implementing preventive measures to mitigate environmental impacts.

**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**

<https://www.nestle.com/sustainability/sustainable-sourcing/palm-oil>