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The Nestlé Policy on transparent interaction with authorities and organisations



Issuing Function

Public Affairs

Author/issuing department

Public Affairs

Target audience

This Policy applies to Nestlé employees. If engaging with third parties, who will represent the interest of Nestlé, a contractual commitment to follow the same Policy has to be made.

Repository

All Nestlé Principles and Policies, Standards and Guidelines can be found in the Centre online repository at:

<http://intranet.nestle.com/nestledocs>

The Nestlé Supplier Code can also be found at:

www.nestle.com/suppliers

Approver

Nestlé Executive Board

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Preamble

Companies are increasingly playing an active role in the development of society, including development of laws, rules and policy documents. Often business is expected and even asked to do so. Providing our expertise for more informed decision making, in a collaborative environment with governments, authorities and other relevant bodies is therefore an important responsibility. Such advocacy activities are generally called lobbying, and it is of great importance to ensure that our behaviour doesn't undercut trust and the credibility of our company.

Nestlé's approach to transparent interaction with authorities and organisations must be based on what is good not only for the company but for consumers and society at large. This approach is basic for how we do business. We call this Creating Shared Value, which means that we build a successful long term business through building value also for society.

The purpose of this Policy is to ensure:

- that relevant Nestlé staff assigned to conduct advocacy activities have a good understanding of transparent, responsible and thus professional interaction
- that accurate and consistent processes and procedures for transparent interaction with authorities and organisations are implemented in order to reassure the public that lobbying is done professionally and with high standards.

There is no general consensus behind what the term "lobbying" means. We define it as all activities carried out with the objective of providing input on policy formation and decision making processes through various forms of advocacy directed at policy-makers, may it be politicians, public officials or other relevant bodies.

General principles

As is true for everything we do, any action undertaken in the context of advocacy activities must **comply** with the Nestlé Corporate Business Principles, the Nestlé Code of Conduct and other relevant internal rules. Below are some general principles for appropriate behaviour:

- When interacting with politicians, public officials and other relevant bodies, Nestlé employees must at all times act with **integrity and honesty** and in a **fair and professional manner**.
- Employees must always be **open and transparent** about the **purpose** of the contact and communication.
- In situations not governed by specific laws or business practices, employees shall use **good judgement and common sense**, always guided by the principles set out in this document and seek advice and direction of their managers
- When contacting authorities and organisations within the framework of a trade association or talking directly to companies, applicable external and internal **anti-trust or competitions rules** must be fully complied with.

Specific guidance (non-exhaustive)

Contacts with authorities and organisations

Any advocacy activity that is undertaken on behalf of Nestlé, including key messages and positions, requires the prior approval of the assigned Issue Manager and Department/Market Head. Issues Managers are identified for all relevant issues at HQ as well as local level.

Transparency

Nestlé employees must, when making a representation to a politician, a public official or other relevant body disclose their identity and relationship with Nestlé, the identity of the organization, on whose behalf the representation is made including the purpose of the representation and the position or standpoint. The same is true if a third party is acting on behalf of the Company.

Accurate information

Employees must use best efforts to ensure factual accuracy of the information provided. The information must be clear about what are facts vs. opinion. Employees must never knowingly mislead anyone and shall use proper care to avoid doing so inadvertently.

Confidential information

Employees must respect and honour third parties intellectual property and Nestlé confidential information, and not divulge such information to third parties. Under exceptional circumstances and for very special purposes, Nestlé confidential information can be disclosed in full agreement with the assigned Issue Manager and the Department Head/Market Head.

Conflicting opinions

Depending on the situation, it is as appropriate for Nestlé to act as an independent company as it is to act within the framework of a trade association. Should Nestlé not agree with the opinion of e.g. a trade organisation or any of its member companies, employees must be transparent about potential conflicting or competing interests, in agreement with the assigned Issues Manager and the Department/Market Head. Nestlé will use best efforts to prevent our opinions and statements being misused to support viewpoints with which we disagree.

Improper influence

Employees must never, directly or indirectly or through intermediaries, offer or promise any personal or improper financial or other advantage to an official of a government, a government-controlled entity or other relevant institutions for the purpose of obtaining information or influencing decision making. Moreover, the Nestlé employee must refrain from any activity or behaviour that could give rise to the appearance or suspicion of such conduct or the attempt thereof. On the contrary, employees should foster an open dialogue and convince by using factual accurate information, compelling evidence and robust arguments.

Employment of former public office holders

If employing former public officials, necessary measures should be taken to fully understand and comply with the rules and regulations laid down by the government, the relevant institution and with established best-practices in particular with regards to confidentiality and potential conflict of interest.

Examples of contacts related to specific topics include, but is not limited to:

1. Face-to-face meetings with politicians or civil servants.
2. Communication with politicians and other relevant bodies (letters, memos, etc.).
3. Serving on government advisory groups or delegations.
4. Providing evidence or making formal submissions to Governments and other relevant bodies.
5. Providing or sponsoring research to policymakers and organizing workshops for civil servants.
6. Presentations at conferences of relevance for the specific lobbying topic.
7. Writing letters to newspapers, public bodies, etc to communicate Nestlé positions, directly or indirectly.
8. Public relations campaigns aimed at having an impact on policy decisions.

Whenever in doubt ask yourself:

- Is your behaviour legal and are you acting with honesty and professionalism?
 - Are you following the Nestlé Corporate Business Principles, Nestlé's Code of Conduct and other relevant company rules?
 - Are your actions and behaviour creating trust in you and in our company and therefore helping to further Nestlé's reputation? Are they adding value (knowledge, understanding) to the issue and to the company?
 - Are you reflecting both consumer-, societal- and company interests?
 - If what you are doing should become public, would you be comfortable talking about it to media? Your friends? Your family?
- If in doubt – Seek guidance and check with the assigned Issues Manager and/or your Department Head.**

