

Introduction

This addendum presents the specific Nestlé Responsible Sourcing Standard requirements for Data Ethics (see definitions below), building upon Nestlé Data Ethics Framework, that complements the new Corporate Business Principle ‘Business Integrity’ – which includes privacy and ethical data management.

Scope

Nestlé Data Ethics Framework¹ uses a common vision and principles of ethical behavior, guidelines and instructions for all Nestlé markets and businesses to ensure that we are doing not only what is legal but also what is right with data in order to build trust of our consumers and employees.

The goal of this addendum is to incorporate best practices to the Nestlé Responsible Sourcing Standard, when it come to the ethical use of data by our supply chain third parties. The data ethics specific requirements will help to manage risks by consistently evaluating how ethics are taken into account by our suppliers in data-driven decisions.

Our consumers and employees’ expectations are to use data ethically so that we respect their right to privacy, and we use this data in a legally and responsibly way. Because of the importance of the ethical management of our data, we need to embed that concept of the protection and responsible use of data at any stage including our supplier chain. This guideline will focus on important requirements in terms of doing not only what is legal but also what is right with data.

These specific requirements apply to all our suppliers that take data-driven decisions.

Definition

Data Ethics focuses on moral problems (dilemmas) related to:

- data (including creation, processing, sharing and use) and
- algorithms (including artificial intelligence and machine learning)

in order to formulate and support morally good decisions, e.g., doing the right thing with data.

It is a company’s approach to data ethics that will determine how it chooses to use data.

Category Specific requirements

The Supplier shall:

<ul style="list-style-type: none">• Use data and technology (i) in an ethical manner to avoid discrimination, exploitation or harm and (ii) in a socially responsible manner in order to minimize the negative impacts on individuals and society as a whole.	Important
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¹ Source : [Nestlé Data Ethics Framework](#)

<ul style="list-style-type: none"> Take reasonable steps to prevent data from being used to spread intentionally false information and hate speech², including, without limitation, unethical use of insights that amplify biases that aggravate issues of social and economic injustice. 	Important
<ul style="list-style-type: none"> Process information about individuals in a transparent way and provide accurate and clear notice in plain language to individuals relating to the Supplier's data privacy practices (e.g. collection, use, sharing and retention of information about individuals and the individuals' rights in relation to such information). 	Important
<ul style="list-style-type: none"> Implement measures and procedures which minimize the processing of information about individuals to that which is adequate, relevant and limited to what is necessary. 	Important
<ul style="list-style-type: none"> Implement technical safeguards to ensure the confidentiality, availability, privacy, security and integrity of data. 	Important

Assessment and Verification

The Addendum should be guidelines for vendors and not subject to audits. However, Nestlé will have an open discussion with the vendors that are more advanced in Data Ethics.

² Hate speech is defined herein as the meaning given to hate speech in the United Nations Strategy and Plan of Action on Hate Speech, dated May 2019