

Nestle Good food, Good life

## Nestlé's' Salient Issue Action Plan:

# SAFETY AND HEALTH AT WORK

February 14, 2023

nestle.com/sustainability/humanrights

This action plan is one of a series that forms part of our <u>Human Rights Framework and</u> <u>Roadmap</u>. You can find all our action plans, which address Nestlé's salient issues, on our dedicated human rights webpage.

These plans guide our due diligence approach and enable us to act as a force for good. They articulate our strategy for embedding, assessing, addressing and reporting on each salient issue, defining what we need to do across our value chain, as well as what collective action can be taken.

We harnessed the strengths and capacities of each Nestlé department to define the action areas we will focus on in the years to come, in consultation with external partners and stakeholders. With collaboration built into each action plan, we hope to spark new engagement and inspire collective action with peers, business partners, civil society, non-governmental organizations (NGOs) and governments. This way, we can work together to tackle the root causes of our salient issues and create positive impact at scale. We want these action plans to be dynamic and reflect the evolution of stakeholders' expectations and of the contexts in which we operate. Input and feedback are welcome and can be sent to us by email: humanrights@nestle.com.

We will report on progress against the indicators identified in each action plan by the end of 2025.



1 Nestlé throughout this document refers to the Nestlé Group.

## **EXECUTIVE SUMMARY**

## **Definition of the issue**

Safety and health at work refers to guidelines, programs and practices that aim to safeguard workers' safety, well-being and health; to provide a secure working environment and minimize the likelihood of injuries, accidents and deaths. Health promotion in the workplace complements occupational health and safety (OHS) measures and focuses on preventive and assistance programs in areas such as workplace stress, nutrition or diseases.

### Why it matters

Workplace accidents, diseases and fatalities can lead to a high human, economic and social burden. This includes reliance on benefits, early retirement, exclusion from the labor market, the loss of a breadwinner and poverty.

## Geographical priority

Brazil, Chile, China,

ire,

Colombia, Côte d'Ivoire, <sup>E</sup> Ghana, Guatemala, Honduras, India, Indonesia, Malaysia, Mexico, Pakistan, Philippines, Thailand, Türkiye, United States and Vietnam As a company that employs approximately 267 000 people worldwide and aims to inspire people to live healthier lives, we have a responsibility to provide a zero-harm work environment for our employees and on-site contractors, and to ensure that our sites and activities do not cause harm to the local communities where we operate. We believe that taking care of people helps to build and sustain a healthy and motivated workforce. Employees who are healthy and safe at work tend to be happier and more engaged, and demonstrate higher performance and productivity.

## Value chain priority



We recognize the importance of listening to and consulting workers and their representatives on issues that affect them. As we implement this action plan, we will identify and engage with them to strengthen our understanding of risk and the impact and sustainability of our actions

## Key actions

- Continue strengthening our safety culture toward zero harm, with people at the center of everything we do
- Deliver against the milestones from the *Nestlé Roadmap for Employee Health*, with the objective of inspiring and empowering our people to choose a healthier life
- Strengthen direct suppliers' capacity to uphold Nestlé's requirements on OHS as part of our Supplier Human Rights and Environmental Due Diligence (HREDD) Assurance Framework

- Engage and support prioritized direct suppliers in taking actions to address OHS risks and impacts in their own operations and supply chains
- Collaborate with peers and stakeholders to help address systemic issues and develop common approaches and tools on safety and health
- Support access to remedy via safe and effective grievance mechanisms for our employees and workers affected by our operations, business relationships and agricultural supply chains

## Contribution to Sustainable Development Goals (SDGs)

The actions laid out in this action plan will contribute – directly and indirectly – to SDGs 3, 8 and 17.



## BACKGROUND

## What we are talking about

Safety and health at work refers to guidelines, programs and practices that aim to safeguard workers' safety, well-being and health; to provide a secure working environment and minimize the likelihood of accident, injury and death. Health promotion in the workplace complements OHS measures and focuses on preventive and assistance programs in areas such as workplace stress, nutrition and disease.

#### ILO Declaration on Fundamental Principles and Rights at Work

With the addition of the right to a safe and healthy working environment in June 2022, the ILO Declaration now includes five categories of fundamental principles and rights at work:

- a. Freedom of association and the effective recognition of the right to collective bargaining.
- b. The elimination of all forms of forced or compulsory labor.
- c. The effective abolition of child labor.
- d. The elimination of discrimination in respect of employment and occupation.
- e. A safe and healthy working environment.

A safe and healthy working environment is an important part of the protected rights of workers around the world. Since its foundation, the International Labour Organization (ILO) has adopted more than 40 international labor standards<sup>i</sup> that specifically deal with OHS, setting minimum standards for the control and management of work-related risks and the protection of workers across different occupations and situations in which work takes place. In June 2022, the International Labour Conference recognized the right to a safe and healthy working environment as one of the fundamental principles and rights at work.<sup>ii</sup>

## Why it matters

Workplace accidents, diseases and fatalities can lead to a high human, economic and social burden, including reliance on benefits, early retirement, exclusion from the labor market, the loss of a breadwinner and poverty. According to ILO estimates:<sup>iii</sup>

- Approximately 2.3 million people around the world succumb to work-related accidents or diseases every year.
- Globally, there are around 340 million occupational accidents and 160 million victims of work-related illnesses annually.
- Occupational injuries and diseases resulting from a harmful work environment constitute between 1.8% and 6.0% in Global Gross Domestic Product (GDP) loss from direct and indirect costs of injuries and diseases.

Research shows that good OHS practices also contribute to better business performance, as occupational injuries, diseases and deaths also create costs for the employers, the affected worker and the community.<sup>iv</sup> Employers may face costly early retirements, loss of skilled staff, absenteeism, a decrease in productivity and high insurance premiums. It also affects workers unequally. Migrant workers, seasonal workers, Indigenous workers, women, child and young workers, and smallholders are most likely to be at risk, as they are most likely to have the least secure employment, low incomes, long hours, low or no unionization, as well as inadequate diets, housing, access to potable water and sanitation, transportation, and access to broader healthcare or social security nets.v

The COVID-19 pandemic has further emphasized the importance of ensuring and promoting safe and healthy working environments. It has also accelerated rapid changes in working conditions such as remote work, the use of technology (e.g. Al and machine learning) and worker stress and burnout, which will have significant impact on workers' safety and health.<sup>vi</sup>

Finally, climate change is increasing the risk to workers' health and safety, especially those who work outdoors or in hot indoor environments.<sup>vii</sup> Examples of climaterelated occupational hazards include high temperatures, extreme weather and natural disasters, air pollution and biological hazards. Vulnerable workers, such as migrants and day laborers, are at greater risk, especially if they live in inadequate housing as they may be exposed to climate-related hazards at home in addition to the workplace.<sup>viii</sup>

## Why this issue is relevant and important for us

As a company that employs approximately 267 000 people worldwide and aims to inspire people to live healthier lives, we have a responsibility to ensure we provide a zero-harm work environment for our employees and on-site contractors, and that our sites and activities do not cause harm to the local communities where we operate. We believe that taking care of people helps to build and sustain a healthy and motivated workforce. Employees who are healthy and safe at work tend to be happier and more engaged, and demonstrate higher performance and productivity.

In many parts of the world, agricultural production remains labor-intensive and involves limited mechanization. The production of agricultural raw materials and the recycling of materials for packaging purposes involves exposure of workers and smallholders to multiple OHS risks. Due to the size of the workforce and the scope for potential and actual adverse impacts on workers, addressing OHS risk is a key priority for Nestlé.

#### **BACKGROUND CONTINUED**

Going forward, as climate-related issues and risks increase – including the risk of new pandemics – focusing sound occupational health and safety strategies, and adaptation strategies, on the most vulnerable groups will be important elements in addressing new occupational hazard risks and achieving fair working conditions for all.

This is why we promote a culture of health and safety that demonstrates the value we place on people. We expect the same from our business partners and suppliers.

#### The challenges in addressing this issue

Many different factors can affect the implementation of OHS. The most fundamental challenge is that OHS does not exist in many geographic areas. According to estimates, only 15% of the total global workforce has access to specialized occupational health services.<sup>ix</sup>

Some of the reasons for lack of or poor OHS include:

- Institutional factors, such as inadequate OHS regulations, standards and policies, or lack of government funding and skilled manpower to enforce existing regulations.
- Organizational factors, such as lack of awareness on the importance of health and safety in the workplace from management and employees.

• Economic factors, including the fact that competition may lead economies or organizations to compete not only in the quality and productivity of work but also on the costs of labor.<sup>x</sup>

At production level, root causes of poor OHS practice vary according to the type of production (e.g. manual or mechanized) and whether production is based on small-scale or large-scale farming. Poverty can also be a driver of poor OHS practices, especially among small producers of agricultural commodities, due to the costs associated with having access to Personal Protective Equipment (PPE), suitable tools and machinery, or medical attention when needed. In addition, the type of contract may also adversely affect OHS practices. Piece-rate workers often work longer hours, with fewer breaks, leading to increased risk of accidents.



# NESTLÉ'S VISION AND APPROACH

### Our vision and approach

We are committed to providing healthy and safe working conditions for our employees and for individuals we work with. We expect our suppliers and business partners to do the same. Our goal is to enable informed decisionmaking and encourage our employees to take responsibility for themselves, their families and our business. At the same time, we work to anticipate and mitigate workplace health and safety risks, offering health and well-being programs as well as support for employees during and after injuries or illnesses. We also support our suppliers to improve safety standards and practices in their operations and supply chains. In the actions we take to promote improved OHS practices in our operations and value chain, we also strive to account for gender specificities in delivering appropriate responses to different needs.

Our vision on employee health is to inspire and empower our employees to choose a healthier life. The *Nestlé Roadmap for Employee Health* summarizes our vision, principles and pillars with key milestones and deliverables. It serves as a reference for our markets when developing their employee health strategies.

We also believe that a safe and healthy work environment is non-negotiable. We are committed and determined to preventing serious accidents by continually eliminating risks and enabling our employees and contractors to adopt safe behaviors.

#### Nestlé Roadmap for Employee Health 2021–2023<sup>2</sup>

#### **OUR VISION**

Inspiring and empowering our people to choose a healthier future for themselves, their families and our business

FOUNDATIONS	GOVERNANCE & CAPABILITIES	HEALTH PROMOTION	COMMUNICATIONS & NETWORKING
<ul> <li>Employee Health Standards and reporting</li> <li>Crisis management plan</li> <li>Medical assistance program for business travelers and expatriates</li> <li>Direct employee health support</li> <li>Ergonomics</li> </ul>	<ul> <li>Strengthen employee health community</li> <li>Employee Health Council</li> <li>Employee Health Dashboard</li> </ul>	<ul> <li>Evidence-based approach</li> <li>Education and awareness</li> <li>Driving actions through programs: <ul> <li>Physical activity</li> <li>Healthy eating</li> <li>Mental health</li> <li>Comprehensive health checks</li> </ul> </li> </ul>	<ul> <li>Employee Health Communication Strategy</li> <li>Stakeholders management</li> <li>Networking</li> </ul>
1. Respecting privacy and personal choices	<b>Our pri</b> 2. Enabling decision	g informed 3. S	upporting a healthy working environment and healthy working conditions

## NESTLÉ'S VISION AND APPROACH CONTINUED

Our zero-harm vision puts people at the center of everything we do through the following five ambitions:

- Harm-free work environment.
- World-class safety performance.
- Positive impact on people well-being.
- Risk anticipation mindset.
- Strategic partnerships.

## Supporting our people and communities during COVID-19

In terms of global risks, COVID-19 continues to be a key concern that demands alertness and agility from our organization. With very high levels of infection worldwide, mutations are inevitable and so is the emergence of new variants of concern. Longer, more frequent and concurrent outbreaks are likely worldwide. 'Monitor and adapt' continues to be our approach, together with highlighting the need for regular testing and promoting vaccination of our employees, as well as maintaining our readiness for reinstating comprehensive health protection measures. We are also constantly monitoring the evolution of other diseases that might be declared of public health concern.



### How we are currently addressing this issue

OHS is governed through the Human Resources Leadership Team, the Corporate Operations Leadership Team and the ESG and Sustainability Council.

Nestlé has a long-standing commitment to respecting safety and health at work. These rights are integrated in several of our policies, including the following:

- Our <u>Corporate Business Principles</u> states our commitment to preventing accidents, injuries and illness related to work, and to protecting employees, contractors and others involved along the value chain.
- The <u>Nestlé Policy on Safety and Health</u> <u>at Work</u> lays out the principles we follow on OHS.
- The <u>Nestlé Employee Relations Policy</u> makes working time a corporate labor priority to ensure a safe and healthy workplace for workers, as well as a working environment respectful of their family lives.
- The Nestlé Policy on Conditions of Work and Employment includes a chapter on safety and health in the workplace, and requires all our employees – from top management down – to be actively engaged

in and to take personal responsibility for promoting the safety and health of themselves and others.

• Our <u>Responsible Sourcing Standard</u> includes requirements for our suppliers on safety and health as well as housing conditions for workers.

To implement our commitments in our own operations, Nestlé has developed two global strategies:

- A Global Safety Strategy, through which we strive to ensure that the highest safety standards are applied to our sites, operations and projects. This is focused on life-saving rules to prevent fatal and serious injuries that must be applied with zero tolerance, along with critical behaviors; digital safety innovation, where technology could contribute to the elimination of serious accidents; and behavioral science to help us understand what drives at-risk behaviors to address root causes. We also established Nestlé's global Women in Safety Network to boost the careers of women in safety.
- The Nestlé Roadmap for Employee Health, which outlines Nestlé's priorities for the period 2021–2023 and summarizes the Employee Health Vision, Principles and Pillars, provides key milestones and deliverables to serve as a reference for our markets when developing their employee health strategies.

We also have programs to help improve the safety and health of workers in our agricultural supply chains. For example:

- In a collaboration with non-profit organization Verité and our seafood supplier Thai Union, we funded and developed a <u>demonstration vessel</u> to show how mechanization to deploy and retrieve nets could improve worker safety and reduce overcrowding on board.
- In Mexico, we are <u>supporting sugar</u> <u>suppliers</u> to implement OHS practices together with our partner Proforest.
- Within our own operations, we monitor our performance through the Nestlé Management System (NMS) for Quality & Safety, Health and Environment (SHE) to assure a safe and healthy life in the workplace.

We verify compliance with our policies through:

- Our <u>CARE audit program</u>, which covers all the Nestlé sites we operate in the world.
- Our <u>Sustainable Sourcing Program</u>, which covers our prioritized direct suppliers, as relevant.
- Assessments on sites and farms in our upstream agricultural supply chains, carried out with partner organizations.
- <u>Speak Up</u>, our grievance mechanism that provides Nestlé employees and external stakeholders with a dedicated communication channel for reporting non-compliance concerns, anonymously if they wish.

# NESTLÉ'S ACTION PLAN (2023-2025)<sup>3</sup>

• Mainstream OHS in our governance structure, policies and control systems.

## **Embed: Policies and processes**

Objectives

<ul> <li>Clarify and strengthen Nestle's commitments on OHS in line with existing and emerging best practices, and in consultation with rights and stakeholders</li> </ul>	holders
Action	Scope
Governance, capacity-building and incentives	
Leverage Nestlé Human Rights Community, Nestlé Employee Health Council and Nestlé Safety Council to foster cross-departmental exchange.	Global
Reflect the actions laid out in the action plan in relevant management and employee objectives.	Global
Safety-specific	
Identify and train relevant employees and staff on workers' health and safety risks in agricultural supply chains.	Global
Further develop Nestlé global Women in Safety Network to boost the careers of women in safety and inspire the next generation of safety leaders.	Global
Employee health-specific	
Kick off the Nestlé Employee Health Council and propose a corporate Employee Health Dashboard.	Global
Design a capability-building program on the topic of employee well-being for people managers.	Global
Launch a global healthy eating program for employees with educational and engagement aspects (see <i>Right to Food and access to nutritious, affordable and adequate diets action plan</i> ).	Global
Policies and control systems	
Review and update, as necessary, Nestlé's Responsible Sourcing Standard requirements on OHS, especially in our supply chain.	Global

3 Our action plan will be reviewed and updated as necessary as we increase our understanding of impacts and risks, and monitor the effectiveness of actions taken in delivering on our vision and approach.



## **Assess: Our risk exposure**

Prevention and mitigation of actual or potential adverse OHS impacts in our value chain starts with understanding the nature and scale of risks and impacts we may cause or contribute to through our own activities, or which may be directly linked to our operations or products by our business relationships.

Because our approach to OHS due diligence is risk-based, the measures we take to prevent and mitigate OHS risks and impacts need to be prioritized and commensurate with the severity and likelihood that our activities or those of our suppliers and business partners will result in an adverse impact on people.

## The lenses through which we assess OHS risk

Our risk assessment approach comprises four interrelated lenses, each currently at varying levels of maturity. Through this approach, we seek to assess both potential and actual adverse human rights impacts. Our assessment approach therefore seeks to understand both the risks of adverse impacts that may occur (in order to prevent and mitigate such risks) and adverse impacts that have already occurred (and thus need to be stopped and remediated). We understand the value of using multiple tools to assess our exposure to OHS issues and the importance of a dynamic system that periodically updates our understanding of risks and issues.

<b>Informed by</b> global datasets such as Verisk Maplecroft, assessments carried out by the Nestlé Sustainable Sourcing team for specific raw materials and information from stakeholders.	We generate a global-level overview of priority countries	<ul> <li>We use this data to prioritize:</li> <li>1 Countries for more granular assessments.</li> <li>2 Business activities, direct suppliers and raw materials, for engagement.</li> <li>3 Support to our relevant staff and suppliers.</li> </ul>
<b>Informed by</b> subnational datasets, desk- based risk assessments, information from rights holders or their credible representatives, grievance information and data from our <i>Sustainable Sourcing</i> <i>Program</i> (e.g. landscape initiatives or site assessments).	We generate country- or location-specific risk information	We use this data to make decisions about where and what action to take at national, subnational, landscape or site levels within priority countries.
<b>Informed by</b> desk-based risk assessments, information from and consultations with rights holders or credible representatives, grievance information and data from our <i>Sustainable Sourcing Program</i> (e.g. landscape initiatives or site assessments).	We generate raw material- or business activity-specific risk information	We use this data to refine our list of priority countries for specific raw materials or business activities and to inform decisions about how and why to engage with sectoral actions, whether at global, country or regional levels.
<b>Informed by</b> our Supplier HREDD Assurance Framework, grievance information and site assessments.	We generate supplier-specific risk information	We use this data to prioritize suppliers for engagement or support based on the maturity of suppliers' systems for carrying out HREDD.

## NESTLÉ'S ACTION PLAN (2023-2025) CONTINUED

## Results of our initial global assessment for OHS risks and issues

Based on global datasets such as Verisk Maplecroft data, information from stakeholders and raw material-specific risk assessments on OHS, we have identified 18 priority countries for the 2023–2025 phase of this action plan (see right). The following steps informed our prioritization of countries:

- Identification of countries categorized as 'priority' based on Verisk Maplecroft's Occupational Health and Safety Index.<sup>4</sup>
- Addition of countries considered 'priority' in relation to one or more of our business activities in the scope of this plan, for which we had information available.
- 3. Analysis of the number of relevant raw materials under our <u>Sustainable Sourcing</u> <u>Program<sup>5</sup></u> for which we source medium or high volumes from these countries. This provides us with the scale of the footprint Nestlé has in the countries categorized as 'priority'.

Our list of priority countries does not imply that action will be limited to these countries. Although some of the actions we have listed in this plan (see *Address: Our priority actions*) will focus on priority countries, many of the actions are corporate-wide (e.g. our Global Safety Strategy or the *Nestlé Roadmap for Employee Health*) or raw material-wide (e.g. our Supplier HREDD Assurance Framework).

#### Priority countries

- Brazil
- Chile
- China
- Colombia
- Côte d'Ivoire
- Ghana
- Guatemala
- Honduras
- India
- Indonesia
- Malaysia
- Mexico
- Pakistan
- Philippines
- Thailand
- Türkiye
- United States
- Vietnam

#### A data-driven approach to our employees' health

Our data-driven approach is mainly based on the aggregated statistics from the following sources:

- *My Health Numbers Program* aims to help employees assess their health, know their personal risks and get support on what they can do to reduce them. The program includes three steps:
- 1. Biometrics health check with an online health risk assessment.
- 2. Short consultation with a health professional.
- 3. Use of aggregated statistics to design targeted interventions.

The program includes an initial anonymous screening and, while none of the data collected are connected to individual employees, the aggregated statistics are key to developing effective well-being programs and interventions going forward. The Nestlé Management System
 (NMS) for Quality & Safety, Health and
 Environment (SHE) allows us to record
 work-related illnesses.

Through the data collected, we have identified the following health risks: musculoskeletal disorders, stress, unhealthy eating, lack of physical activity and excess weight.

The programs designed to mitigate these risks include long-term actions such as education, awareness and intervention elements. Their development and clear milestones are defined in the *Nestlé Roadmap for Employee Health*.

4 This indicates the risk to business of the association with violations of health and safety standards by state and non-state actors.

<sup>5</sup> These are the 14 raw materials under the scope of our Sustainable Sourcing Program: cereals and grains; cocoa; coconut; coffee; dairy; fish and seafood; hazelnuts; meat, poultry and eggs; palm oil; pulp and paper; soya; spices; sugar; and vegetables. In addition, recycled materials for packaging purpose were added to the scope of this action plan.

#### Supply chain risk assessment going forward

As we are still improving our understanding of OHS risks in our supply chain, there may be actual and potential adverse impacts on OHS in countries not included in our priority list.

To this end, we will gradually improve the information we have through the following different risk lenses.

Lens	Actions
Global-level overview of priority countries	<ul> <li>Refine the existing global risk assessment methodology with additional external and internal sources of data and information.</li> </ul>
Country- or location-specific risk information	<ul> <li>Further improve our understanding of risks on the ground, including through rapid appraisal research and regional stakeholder consultations in priority countries, including rights holders and their representatives, as well as grievance mechanisms and landscape information.</li> </ul>
	• Use grievance and landscape information to inform our understanding of country- and location-specific risk.
Raw material- or business activity- specific risk information	• Further improve the level of traceability of raw materials in scope for this action plan.
	• Expand our assessment of risk to include our waste management activities.
Supplier-specific risk information	<ul> <li>Use information gathered through our Supplier HREDD Assurance Framework to better understand direct suppliers' risks related to OHS, and prioritize those we need to engage and support.</li> </ul>
	<ul> <li>Use direct suppliers' links to OHS grievances to better understand supplier-specific risks.</li> </ul>

#### **Address: Our priority actions**

## Nestlé: Taking action within our value chain

We plan to take action within our own operations and work with our direct suppliers to ensure they are also committed to respecting OHS in their own operations and supply chains, and that they have the adequate Human Rights Due Diligence systems in place.

#### Own operations

#### Objectives

- · Continue strengthening our safety culture toward zero harm with people at the center of everything we do.
- Deliver against the milestones from the Nestlé Roadmap for Employee Health, with the objective of inspiring and empowering our people to choose a healthier life.

#### Action Scope Safetv Strengthen our learning from major incidents process with a focus on Life-Saving Rules compliance and critical equipment such Global as lifting equipment. Our aim is to further increase the guality of the behavioral analyses, improve standards, disseminate lessons learned and support Nestlé markets to define impactful corrective action plans. Strengthen safety management during projects with: • A focus on proactive safety management during project execution, including a full revamp of the Safety Management module for Global industrial projects (supported by dedicated Zone workshops). • A new Hazard and Operability standard (HAZOP) to ensure industrial process units are assessed systematically to identify risks, evaluate their consequences and define solutions to make them safe by design. Global Redefine the Group road safety strategy and implement the global road safety program with impactful and targeted interventions in Sales and Supply Chain departments to address the main contributing factors leading to severe road accidents. Leverage our strategic partnerships with Global Road Safety Partnership (GRSP) and Network of Employers for Traffic Safety Global (NETS) to improve road safety performance.

Implement the new Safety in Sales program with strong functional ownership and clear safety guidelines for employees, Global contractors and vendors in the sales and distribution functions.

Action	Scope
Safety continued	
Bolster the implementation of Life-Saving Rules to mitigate any residual breaches by driving behavioral interventions such as frequent high-quality shop-floor observations, positive reinforcement, and promoting 'speak up' and 'safety before supply' (i.e. everyone has the authority to stop the operation).	Global
Accelerate the deployment of digital safety solutions to eliminate critical hazards and increase our risk prediction capabilities.	Global
Continue building best-in-class safety management systems with effective science-based interventions (e.g. data analysis, near- miss reporting, hazard identification and remediation, training) to help Nestlé markets improve safety performance and strengthen safety culture.	Global
Employee Health	
Further promote <i>My Health Numbers Program</i> with focus on driving higher participation, establishing a regular rollout locally and building data analysis capability for insightful reporting.	Global
Strengthen implementation and further promote the use of Pleaz, our global digital platform offering easy access to active breaks that help our employees access guided exercises ranging from stretching to mindfulness.	Global
Development of the new Employee Health Roadmap (2024–2026).	Global

#### Supply chain

#### Objectives

- Engage direct suppliers on Nestlé's requirements on OHS as part of our Supplier HREDD Assurance Framework.
- Engage and support prioritized direct suppliers in taking actions to address OHS impacts and risks in their operations and supply chains.
- Effectively use and help strengthen voluntary certification as a tool for suppliers to demonstrate the assessment, mitigation, remediation and monitoring of OHS issues.

Action	Scope
Strengthen supplier engagement and capacity building	
Engage and support direct suppliers prioritized through our Supplier HREDD Assurance Framework process on improving practices and addressing risks, impacts and grievances related to OHS (e.g. action plan development, capacity building, project co-funding).	Priority suppliers
Track direct suppliers' grievances related to OHS through improved supply chain grievance mechanisms and management systems.	Priority suppliers
Help strengthen relevant certification and verification schemes	
Support strengthening and alignment of OHS component of certification standards and programs, and their rollout.	Relevant raw materials

#### Collective action: Helping tackle root causes with relevant stakeholders

Many of the issues and challenges around respect for OHS are complex and linked to a wide range of factors (as outlined in *The challenges in addressing this issue* section on page 4) that cannot be addressed by Nestlé on its own.

Tackling these issues and their root causes requires collaboration between many different stakeholders, including workers and their representatives, companies, governments, and multilateral, non-governmental and civil society organizations. We are therefore committed to collaborating with rights holders and stakeholders both in specific landscapes in production countries as well as at global and sectoral levels to promote and help strengthen workers' health and safety.

#### Production country and on-the-ground initiatives

#### Objective

Support the respect and strengthening of OHS in production countries.

Action	Scope
Identify and prioritize specific interventions on strengthening OHS at national and subnational levels where the raw materials we source are produced by:	Priority countries
<ul> <li>Engaging in policy dialogue on OHS at national or regional government levels.</li> </ul>	
<ul> <li>Leveraging, where relevant, our existing landscape initiatives to address OHS risks.</li> </ul>	
• Supporting farmers and growers to implement OHS best practices through our regenerative agriculture practices interventions, as well as programs such as the <i>Nestlé Cocoa Plan</i> , the <i>Nescafé Plan</i> and <i>Nespresso AAA</i> .	
Assess effectiveness of existing projects and initiatives addressing OHS risks to identify and scale up best practices.	Priority countries
Strengthen collaboration with national producer associations to produce guidelines and support improved OHS practice across agricultural supply chains.	Priority countries

#### Global and sectoral collaboration and advocacy

#### Objectives

- Collaborate with peers, suppliers and stakeholders at global and sector levels to help address OHS risks through raising awareness, development of solutions or research.
- Raise awareness of, and advocate for, the respect and strengthening of OHS within the sectors Nestlé is involved in.

#### Action

Identify and leverage sector and/or collective initiatives that promote respect for OHS (e.g. certification schemes or sector collaboration groups).

Support development of research, innovative solutions or technologies to address OHS risks, in particular in relation to increased risks of climate change on workers.

#### **Grievance** mechanism

#### Objectives

- Support access to remedy via safe and effective grievance mechanisms for our employees and workers in our supply chain affected by our operations, business relationships and agricultural supply chains.
- Address OHS grievances linked to us through our supply chains and help remediate such grievances when relevant.

#### Action

Ensure our employees and workers in our supply chain potentially affected by our operations can raise grievances and have access to remedy, including through Speak Up (Nestlé's grievance mechanism).

A 1 12 1 12 12 11 1			
Ask direct suppliers to h	nave grievance i	mechanisms and	management systems in place

Ensure the landscape initiatives and on-the-ground projects of which we are part provide for grievance mechanisms and access to remedy for workers

Engage in collaborative approaches to manage and address grievances at sector-wide level, including supporting the development of common tools and approaches for identifying and engaging suppliers on grievances.

## Monitor and report on indicators, overall performance and challenges

We are committed to transparently communicating our progress in implementing this action plan, as well as sharing our learnings and the challenges we face.

We will publicly report on the following indicators in relation to this action plan by the end of 2025.

## **Cross-cutting indicators:**

#### 1. Audit performance

Scope

Global

Global

Scope

Global

Global

Global

Global

- Number of material non-conformities related to safety and health at work identified through third-party audits of our own operations and addressed.
- Number of material non-conformities related to safety and health at work identified through third-party audits of our direct suppliers and addressed.

#### 2. Grievance mechanism performance

- Number of material grievances received through Speak Up related to safety and health at work, of which number of material grievances substantiated and addressed.
- Number of material grievances received through other channels related to safety and health at work of which number of material grievances under investigation and number addressed.

#### 3. Sustainable sourcing

- Number of direct suppliers with mature Human Rights and Environmental Due Diligence (HREDD) systems.
- Percentage of volumes of key ingredients produced sustainably.

#### 4. Impact on people

 Number of cases employees, on-site contractors, and workers and farmers in our supply chain benefited from our safety and health at work interventions.

### **Issue-specific indicators:**

- Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health.
- Percentage of own employees who are covered by the company's health and safety management system.

As we progress toward implementation of this plan, we will develop more impactfocused indicators.

# CONNECTION WITH OTHER SALIENT ISSUE ACTION PLANS

OHS is intrinsically linked to multiple salient issues we have identified, in particular:

Right to water and sanitation	The lack of safe drinking water and sanitation in many rural settings has an adverse impact on the health and safety of workers and smallholder farmers. In addition, poor OHS practices such as inappropriate application, storage or disposal of pesticide and other chemicals applications, are not only a risk to health but may also have adverse effects on local water, with potential risks to the health and livelihoods of local communities.
Living income and Living wage	Rural poverty creates serious limitations in the ability to access important OHS resources (such as PPE, mechanization, training, medical attention and more). It is one of the main drivers for poor OHS behaviors for smallholder farmers in particular.
Gender equity, non-discrimination and non-harassment	The majority of agricultural workers are women, and they are often employed in low-paid jobs that expose them to higher OHS risks. As such, actions to address OHS risks must be gender sensitive. Equally, the promotion of gender equity is a key tool in combating workplace violence and harassment, an OHS concern.
Child labor and access to education	Child labor is a systemic issue in many agricultural supply chains. Working on farms may expose children to serious risks to their health, including mental, physical and psychological adverse effects. Hazardous work by children, like the handling of pesticides and other harmful chemicals, is one of the worst forms of child labor.
Right to food and access to nutritious, affordable and adequate diets	Poor OHS practices, such as poor waste management or pesticide handling practices, can have negative effects on the food security of local communities.
Forced labor and responsible recruitment	Casual workers, including piece-rate workers and seasonal workers, are more likely to be employed through informal arrangements and lack access to national social security and public health services. The lack of formal work contracts may also lead to illegal deductions from workers' salaries for PPE or no PPE at all.
Freedom of association and collective bargaining	Trade unions and workers committees play an important role in advocating and negotiating for continuous improvement of OHS practices, including access to PPE, rest periods, housing, etc.

# CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS (SDGs)

The actions laid out in this action plan will contribute – directly and indirectly - to SDGs 3, 8 and 17 as follows:

#### Goal



Ensure healthy lives and promote well-being for all at all ages **Target 3.6:** By 2030, halve the number of global deaths and injuries from road traffic accidents.

**Target 3.9:** By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination

Target 8.8: Protect labor rights and promote safe

and secure working environments of all workers.

including migrant workers, particularly women

migrants, and those in precarious employment.



17 PARTNERSHIPS

B

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

 work for all
 Target 17.17: Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships.

# GOVERNANCE FOR THIS ISSUE

## Nestlé Executive Board

Approves all the salient issue action plans.

## Nestlé Human Resources Leadership Team

Provides strategic leadership and execution on our employees' health and well-being.

## Nestlé Corporate Operations Leadership Team

Provides strategic leadership and execution support on our employees' safety.

## **Nestlé ESG and Sustainability Council**

Provides strategic leadership and execution support for this topic with respect to actions in our supply chains.

## **Nestlé Employee Health Council**

Is responsible for the implementation of the Nestlé Roadmap for Employee Health.

## **Nestlé Safety Council**

Is responsible for the implementation of the Global Safety Strategy.

## **Nestlé Road Safety Committee**

Is responsible for the implementation of the Nestlé Group Road Safety strategy and roadmap.

## Nestlé ESG Climate and Sustainable Sourcing Workstream and Nestlé ESG Packaging Workstream

Are responsible for the implementation of the action plan in our supply chains.

## Nestlé Human Rights Community

Leads the human rights agenda throughout the company. It coordinates the implementation of Nestlé's *Human Rights Framework and Roadmap* throughout the value chain. Finally, it monitors the implementation of the framework and roadmap, and the efficiency of the program.

## Nestlé Markets

Support the implementation of this action plan in relation to our country operations, in alignment with the global team.



## Main implementing partners

Partners	Activities
Proforest	<ul> <li>Provision of strategic advice to Nestlé on the development and implementation of the supply chain actions of this action plan.</li> <li>Implementation of better OHS practices with Nestlé upstream suppliers in specific categories, including through continuous improvement plans and OHS training.</li> <li>Implementation of better OHS practices in the production of agricultural and forestry commodities through collaborative initiatives (e.g. landscape initiatives).</li> </ul>
Earthworm Foundation	Implementing selected on-the-ground projects (e.g. supplier engagement, landscape initiatives) Nestlé is supporting.
Verité	• Implementing selected on-the-ground projects (e.g. development of a business case for improving living and working conditions on fishing vessels) Nestlé is supporting.

## Main industry and multi-stakeholder collaborations

Platform	Workstreams	Nestlé's involvement
Global Road Safety Partnership		<ul> <li>We collaborate with business peers to develop and scale up solutions to shared road safety challenges.</li> <li>We collaborate to develop and implement road safety projects in communities where we operate.</li> <li>We participate in policy development and advocacy efforts to influence the wider road safety environment.</li> </ul>
European Health Network		<ul> <li>We gain insights into the latest thinking and experience in the areas of road safety.</li> <li>We exchange best practices and gain insights into the domain of Employee Health, with a focus on occupational health and well-being.</li> </ul>
Network of Employers for Traffic Safety		<ul> <li>We share learnings on the challenges we face in emerging countries.</li> <li>We compare performance and gain insights into world-class road safety programs.</li> </ul>
The Consumer Goods Forum (CGF)	Coalition for Healthier Lives	We actively participate in the Coalition for Healthier Lives, which looks at ways to help drive the industry forward in a collective effort to help employees around the world pursue healthier lifestyle choices and diets.
World Business Council for Sustainable Development (WBCSD)	Healthy People, Healthy Business	The Healthy People, Healthy Business project explores how businesses can play a pivotal role in supporting the long-term promotion of health and well-being for everyone.

## REFERENCES

- i See: Annex to the Promotional Framework for Occupational Safety and Health Recommendation, 2006 (No. 197): Instruments relevant to the Promotional Framework for Occupational Safety and Health (ilo.org)
- ii OSH as a fundamental principle and right at work (Safety and health at work) (ilo.org)
- iii World Statistic (ilo.org)
- iv See, for example: Safe Work Australia (2015). The cost of work-related injury and illness for Australian employers, workers and the community: 2012-2013. Canberra, Australia
- v Occupational health: a world of false promises. Environmental Health (biomedcentral.com)
- vi The Changing Face of Worker Safety, Health, and Well-Being in a Post-Pandemic Future. Executive and Continuing Professional Education. Harvard T.H. Chan School of Public Health
- vii Impacts of Climate Change on Workers' Health and Safety. Oxford Research Encyclopedia of Global Public Health
- viii Impact of Climate on Workers. NIOSH. CDC
- ix Protecting workers' health (who.int)
- x Occupational Safety and Health. UN Global Compact

#### Disclaimer

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