“Nestlé condemns all forms of bribery and corruption. It promotes its products on the basis of their value, quality, price, competitiveness and sustainability, and not on the basis of improper advantages.”

This document provides additional and complementary guidance on the two sections of the Code of Business Conduct which form the cornerstone of Nestlé’s commitment against bribery and corruption: “Bribery and corruption” (Section 10) and “Gifts, meals, entertainment” (Section 11). It applies in every market, even if local law is more lenient. More stringent local laws or procedures always take precedence and local market and/or business rules may be introduced in order to detail specific local limits and procedures.

The fight against corruption
Bribery and corruption perpetuate poverty, undermine economic development and distort competition. Nestlé is engaged in the international fight against bribery and corruption and participates in the UN Global Compact, which unites all relevant social actors.

Nestlé is committed to a strong work ethic and strictly prohibits its employees, service providers and agents from engaging in bribery and corruption, as well as any conduct which could give rise to the appearance or suspicion of such illicit activities. Bribery is defined as an offer or receipt of any gift, loan, fee, reward or other advantage to or from any person as an inducement to do something which is dishonest, illegal or a breach of trust in the conduct of the enterprise’s business.

Gifts
Gifts offered to third parties (such as customers, distributors, vendors, service providers, government officials, doctors or other professionals) must be reasonable, modest and appropriate under the circumstances and must not create the appearance of improper influence or illegitimate advantage. Gifts should normally be offered only on customary business and cultural occasions and shall never include cash or cash equivalents.

In addition to satisfying the above-noted general criteria, gifts to government officials of non-Nestlé products must also be approved in advance by the Market Head or another designated senior leader. No gifts of any nature should be offered in the context of a decision affecting Nestlé by the relevant authority or government official which is pending or imminent.

Meals, hospitality and entertainment
Nestlé may offer reasonable and appropriate meals and hotel accommodation to third parties who attend business meetings, conferences or events which are hosted, supported or sponsored by Nestlé provided they are conducive and proportionate to the legitimate underlying purpose.

Reasonable and appropriate entertainment, local tours, cultural and sporting events and the like may be offered to third parties only in conjunction with legitimate business meetings, conferences or events hosted, supported or sponsored by Nestlé. They may never be provided on a stand-alone basis.
Facilitation payments
Nestlé employees must never pay or use third parties to pay an unofficial gratuity to government officials or employees in order to secure or expedite routine administrative actions, such as customs clearances, visas, permits or licenses.

Scholarships, grants, charitable contributions and non-commercial sponsorships
Nestlé may offer scholarships, grants, charitable contributions or non-commercial sponsorships to support the advancement of knowledge in science, nutrition, healthcare, or to support other socially beneficial purposes. They must never be made to procure an improper advantage to Nestlé nor be made conditional upon an individual’s or organization’s agreement to recommend or promote Nestlé products.

When a market or business provides this kind of economic support, it shall apply appropriate review and approval procedures, including an evaluation of the proposed recipient’s reputation, track record, the suitability for the intended purpose, and the socially responsible benefits in terms of nutrition, science, medicine and public welfare.

Corporate Affairs must be involved in the review and selection process. All material scholarships, grants, charitable contributions and non-commercial sponsorships must be approved by the Market Head or another designated senior leader and documented in writing.

Political contributions
Nestlé has adopted a general policy prohibiting Nestlé affiliates from making political contributions to political parties or candidates. Any deviations from this general policy must be approved by the Group CEO and the Group Chairman, in accordance with applicable laws and pursuant to principles of good corporate governance.

This general policy does not preclude Nestlé affiliates from organizing and administering political action committees which are funded by Nestlé employees in full compliance with applicable law.

Third party compliance and Nestlé due diligence
Nestlé takes care in its dealings with third parties and will never use them to pay bribes or engage in corrupt practices. Nestlé requires its suppliers, service providers, distributors and third parties acting on its behalf to act with integrity and to comply with anti-bribery laws.

The decision to purchase from a certain supplier, to engage a service provider, or to appoint a commercial agent or distributor, must follow an appropriate due diligence process which is consistent with Corporate Guidelines. If it becomes clear or appears likely during the course of the relationship that a third party is engaging in inappropriate or illicit practices, then the Legal and/or Compliance Functions must be immediately consulted for guidance.

Records and documentation
As part of its internal controls against corruption, Nestlé requires that all business transactions and financial flows be properly recorded, classified and documented, including those concerning the company’s provision of gifts, hospitality, travel, entertainment, scholarships, grants and charitable contributions.