



**United Nations Annual Forum on Business and Human Rights
2 December 2014, Geneva**

Paul Bulcke's Keynote Statement

Excellencies, Ladies and Gentlemen,

Good morning.

It's a great pleasure and honour for me to be here today and to participate in what I understand is the largest and most important event of the year on business and human rights. It's important to us all, it's important to my company, it's important to myself personally.

As companies, we need to fully recognise that our position in society comes with both opportunities, but also responsibilities; responsibilities that start first and foremost with conducting our business the right way, in compliance with national laws, international standards and in full compliance with fundamental values and principles.

Nestlé is a company that has been based on values and principles for almost 150 years. It is a company that prioritises long-term thinking committed to the communities it operates in on the long term; that has openness to diversity; passion for quality in products, but also passion for quality in relationships. And you can describe these values in one word, which is... RESPECT. Respect for individuals, respect for communities. Respect for different cultures, for the environment. Respect for the future and the future generations of the world we live in.

And also respect for human rights. And that has always been part of how we go about our business, how we go about what we do. Not because it is an obligation, but because it is just the right thing to do.

The work of Professor John Ruggie and the unanimous adoption of the UN Framework and Guiding Principles on Business and Human Rights by the UN Human Rights Council have been instrumental in making this link with business and human rights more explicit and practical.

While society had become much more vocal about human rights for decades and constantly reminded companies of their responsibilities in this area, the human rights agenda remained a prerogative of Governments and their will or ability to translate their international obligations into domestic legislation.

The UN Framework and Guiding Principles has conditioned companies to be more explicit, and include human rights much more pro-actively in their policies and the way they conduct their business. It has helped companies to build the elements of human rights due diligence thoroughly into their daily activities.

I am very pleased to see that these efforts have been sustained since then, guided by the UN Working Group on Business and Human Rights. We have all come here to talk about human rights. We come from different geographies, different backgrounds and we approach the issue from different angles. And this is enriching and creates mutual understanding.

But, human rights is about doing, is about how we *behave* – every day, everywhere. It is *what* each of us does, and yes, even more importantly, it's the *how* we do it.

It is in the actions, on the ground, where respect for human rights is visible, in the countries where companies operate, where they have their people working for them, where they source their raw materials and link up with societies; where they produce, where they sell their products and services. That's where human rights are visible and lived.

So, how can a company like ours, with over 460 factories, a presence in almost every country in the world and more than 340,000 employees ensure that it lives up to it in everything it does, everywhere?

We have formally incorporated our human rights commitment into our Corporate Business Principles and into our Management Principles. These are the guiding principles we expect each and every Nestlé employee to live by, every day, wherever they are in the world. And these are not negotiable.

And then we start of course with our own employees. As Sharon Burrow from the ITUC (International Trade Union Confederation) rightly pointed out, labour rights are at the heart of the human rights agenda for companies.

It starts well from within. Nestlé is one of the most unionised companies in the world. The majority of our employees are covered by collective bargaining agreements. We are in constant dialogue with our employees and their trade union representatives.

This doesn't mean that this is simple or that we have no conflicts. But we attempt to resolve these in dialogue with the unions locally, or in our regular meetings with the International Union of Food Workers (IUF).

Together with the Danish Institute for Human Rights and with the inputs of many external stakeholders, we have developed and implemented a comprehensive *Human Rights Due Diligence Programme*. This programme is fully aligned with the *UN Guiding Principles on Business and Human Rights*.

We have created the *Nestlé Human Rights Working Group* to provide technical expertise on human rights issues we may face as a corporation, in our operations and supply chain.

We carry out *human rights impacts assessments* in high-risk countries to better understand the context in which we operate, prevent negative impacts and ensure a strong sustainable performance on the ground.

In the end, there is no sustainable prosperous society without a well-functioning healthy economy. And the reverse is also true; there cannot be a successful economy, industry, over time if there isn't a prosperous society.

That is why at Nestlé, we fundamentally believe that for a company to be successful over time, it has to connect positively with society in all aspects of its activities. We call that *Creating Shared Value*. A company has to create value for all stakeholders.

We know that business is about trust. It is the consistency of a company, its activities framed by strong values and its connection with society at large, which creates that trust. Trust from shareholders. Trust from consumers, customers, employees, local communities and government authorities.

And trust is linked with transparency. Companies and what they do are highly visible in society. When we are criticised - and global companies like us are and should be exposed - we must not hide away, but search for constructive dialogue. It is up to us to connect with society, it is up to us to connect with different stakeholders, and show transparency, be explicit about what we do and how we go about it.

We therefore report every year on our performance and compliance and all these issues as part of our *Nestlé in Society* report. This also includes topics for which our industry is regularly criticised, such as child labour in the supply chain.

This is why we report in detail on our work with the Fair Labor Association (FLA) which helps us address human right issues, and child labour in particular, in the cocoa supply chain in Côte d'Ivoire for example.

One thing has become evident over time: having the right policies, procedures and management systems is good and necessary, but it is not enough. It is the implementation, how you behave on the ground and the relationships you establish with different stakeholders, which create the trust necessary to be successful over time, as a company and as a society.

What is also evident is that a company, even a sizeable one like Nestlé, cannot resolve alone some of the systemic human rights issues that the world faces: challenges such as child labour in agriculture, food security, access to water and sanitation and – of course – the broadening of the business and human rights agenda to other and more companies, all need the involvement of many other actors.

Together with other companies, we will continue to raise awareness on business and human rights in the different business and multi-stakeholder associations and initiatives. At the retailer and manufacturer level for example, as part of the Consumer Goods Forum that I'm currently co-chairing. Or through the work of the *UN Global Compact*, the *World Business Council for Sustainable Development*, the *ILO Child Labour Platform* and others.

Let me finish by reiterating that companies like Nestlé can only be successful over time if they connect positively with society, by “creating shared value”, and living up to high ethical standards, the high standards of human rights.

Someone who leads an organisation, like the one I have the privilege of leading, has an obligation and responsibility to be outspoken about this, to show full commitment and leadership on the human rights agenda; not out of convenience but out of conviction.

Thank you very much.