



Nestlé® Good food, Good life

Modern Slavery Statement 2025

AUSTRALIA & THE UNITED KINGDOM



ABOUT THIS STATEMENT

This statement on modern slavery and human trafficking is pursuant to the *Modern Slavery Act 2018* in Australia and the *Modern Slavery Act 2015* in the United Kingdom (UK).

It outlines the structure, operations, and supply chain of the Nestlé business in Australia and the UK for the financial year ending 31 December 2025.

Nestlé Australia comprises Nestlé Australia Ltd, a wholly owned subsidiary of Nestlé SA (the principal governing entity of the Nestlé group of companies), and the following subsidiaries: The Better Health Company (Australia) Pty Ltd and Vitaflo Australia Pty Ltd. None of these subsidiaries are reporting entities under the Modern Slavery Act.

Nestlé UK comprises Nestlé UK Ltd, a wholly owned subsidiary of Nestlé SA, as well as several sister companies and joint ventures.

In addition to its consolidated operations, Nestlé has a 50% interest in Cereal Partners Worldwide, a joint venture with General Mills that competes in the ready-to-eat cereal markets outside North America.

Globally, Nestlé has comprehensive policies and processes relating to modern slavery and human rights across its operations and supply chain. The group's entities operate on a consultative basis.

Nestlé Australia and Nestlé UK have many common suppliers due to the group's procurement structure. Therefore, this statement provides a consolidated overview of Nestlé's actions to assess and address modern slavery risk. It has been prepared in consultation with a wide range of international stakeholders across the group and has been approved by the directors of the relevant reporting entities.

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INTRODUCTION

Respecting and promoting human rights are fundamental to our business strategy and underpins our approach to modern slavery.

Our business is founded on respect for everyone involved in bringing our products to market – including our employees and contractors, the farmers and workers in our supply chain, the communities in which we operate, and our consumers. Through fair and inclusive work opportunities, we aim to ensure that no one is left behind in the transition to more regenerative food systems.

Given the scale and complexity of our global operations, these commitments must be embedded into how we work across our value chain. Our operations rely on complex, global networks of farmers, suppliers, and service providers, often in regions where labour vulnerabilities are heightened. These risks are increasingly exacerbated by geopolitical instability, economic volatility, and climate-related pressures, which can drive displacement, financial insecurity, and reliance on informal or precarious work.

In 2025, this was particularly evident as cocoa growing regions faced more erratic rainfall, higher temperatures, and climate-related crop stress, which disrupted harvests, reduced yields, and further squeezed already fragile farming incomes.

In response, we are committed to strengthening transparency, building capability, and embedding robust prevention frameworks across our value chain. This includes our [Creating Shared Value \(CSV\) Strategy](#), our [Human Rights Policy](#), [Human Rights Framework and Roadmap](#), and [Human Rights Salient Issue Action Plans](#). Recognising that modern slavery is a systemic challenge, we work collaboratively across supply chains and with governments, civil society, and industry partners.

During 2025, we continued to strengthen our work to respect and promote human rights across our value chain, with the following highlights providing a snapshot of the Nestlé group's progress over the year:

- ✓ Progressed responsible sourcing efforts, with [49.8%](#) ⁽¹⁾ of key ingredient volumes sourced responsibly.
- ✓ More than two thirds of our key ingredients⁽²⁾ spend ([70.3%](#)) was covered by a Human Rights and Environmental Due Diligence (HREDD) assessment.
- ✓ Child labour due diligence systems covered [86.8%](#) of green coffee volumes and [96.2%](#) of cocoa volumes. For cocoa, this included the Child Labour Monitoring and Remediation System (CLMRS) which supported [over 97,000 households, with 11,431 children reported](#) as no longer engaging in potentially hazardous activities over a 24-month period.

- ✓ 45,000 families are currently participating in the [Income Accelerator Program](#) with a goal to support 160,000 cocoa-farming families by 2030.
- ✓ Continued to support youth in agriculture through the global [Nestlé needs YOUth program](#), helping strengthen livelihoods, build resilient rural communities, and reduce vulnerabilities linked to modern slavery.
- ✓ Updated our [Salient Issue Action Plans](#) in January 2025, strengthening how we assess, address, and report on the most significant human rights risks across our value chain.
- ✓ Introduced [new metrics](#) to strengthen how we measure the effectiveness of our human rights actions and track overall performance.

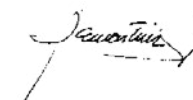
We remain committed to continuous improvement and transparent collaboration with our partners to help protect people's rights across our value chains.

**On behalf of
Nestlé UK Ltd.**



Richard Watson
Chief Executive Officer
Nestlé UK
June 2026

**This statement was
approved by the board
of Nestlé Australia Ltd.**



Sandra Martinez
Chief Executive Officer
Nestlé Australia
June 2026

1&2 Our Key 14 key ingredients, which represent 87% of total raw materials purchased volumes globally: cereals and grains; cocoa; coconut; green coffee; dairy (derivatives and fresh milk); fish and seafood; hazelnuts; meat, poultry and eggs; palm oil; pulp and paper; soy; spices; sugar; and vegetables. The key ingredients in scope for KPI #20 Percentage of volumes of key ingredients responsibly sourced can be found in [Appendix 1 – 2025 Reporting Scope and Methodology for ESG Key Performance Indicators](#).

OUR STRUCTURE, OPERATIONS, AND SUPPLY CHAIN

Nestlé is a global food and beverage company, operating across agriculture, manufacturing, logistics, and distribution with products sold in 185 countries.

Its scale and reliance on complex, multi-tier supply chains, which creates both exposure to modern slavery risks and a responsibility to manage those risks consistently across markets.

As the world's largest food and beverage manufacturer, Nestlé has more than 2,000 brands, employs around 271,000 people, and operates 335 factories across 75 countries.

Nestlé Australia

In Australia, we employ more than 3,700 people in Australia across our factories, offices, and distribution centres and retail boutique network. The business produces and markets food, beverage, and nutrition products under brands such as *KitKat*, *Nescafé*, *Milo*, *Nespresso*, *Uncle Tobys*, and *Purina*, with manufacturing sites located in multiple states. Australia is both a consumer market and a sourcing origin, with local sourcing of ingredients such as dairy, grains, and sugar alongside imported raw materials and packaging.

Nestlé UK

In the UK, we employ more than 7,400 people across a network of manufacturing sites, offices, and distribution operations. The UK business manufactures a wide range of products for domestic and export markets, with over 80 brands including *KitKat*, *Nescafé*, *Nespresso*, *Purina*, *Aero*, *Smarties*, and *Shredded Wheat*. Nestlé UK sources a mix of UK produced ingredients, including dairy and cereals, alongside globally traded agricultural commodities, packaging, logistics, and professional services.

Supply chain overview and risk context

Nestlé Australia and Nestlé UK primarily sit within the manufacturing, brand ownership, and downstream distribution stages of Nestlé's global value chain. While Nestlé does not typically own farms, it works closely with farmers, suppliers, and intermediaries through long-term sourcing programs and responsible sourcing initiatives. These relationships, combined with Nestlé's global scale, create both exposure to complex supply chain risks and an opportunity to influence standards and practices beyond direct operations.



More than
2,000
brands

Employs around
271,000
people

Operates
335
factories

Across
75
countries

Both markets apply Nestlé's global policies and due diligence processes while working with local suppliers, farmers, and partners to manage risks in line with national legislation and international human rights standards.

OUR APPROACH TO HUMAN RIGHTS, AND MODERN SLAVERY

Nestlé's approach to human rights and modern slavery is grounded in international standards, including the [UN Guiding Principles on Business and Human Rights \(UNGPs\)](#) and the [Organisation for Economic Co-operation Development \(OECD\) Guidelines for Multinational Enterprises on Responsible Business Conduct](#), and is embedded within our [Creating Shared Value \(CSV\) Strategy](#).



People and respect for human rights are at the core of Nestlé's culture and values, and this is reflected in the global policies and standards that guide our operations and set expectations for suppliers throughout our value chain.

FRAMEWORK FOR ACTION

Our [Human Rights Framework and Roadmap](#) is an UN-aligned approach that embeds human rights into its operations through due diligence, prioritisation of key risks, and structured action plans supported by governance, partnerships, and transparent reporting. Our five enabling pillars are:

- 1 Governance and incentives** help us integrate human rights at all levels of our governance structure.
- 2 Policies and control systems** ensure human rights are embedded throughout the organisation.
- 3 Engagement and advocacy** help us engage with key stakeholders and advocate for due diligence legislation and collective action on the ground.
- 4 Strategic partnerships** help us collaborate with thought-leading and local organisations.
- 5 Transparency and reporting** help us maintain a high level of honesty on our progress and the challenges we face.

We are also a signatory to the [Institute for Human Rights and Business \(IHRB\) Employer Pays Principle \(EPP\)](#), which we have integrated into our [Responsible Sourcing Core Requirements](#).

Governance and accountability

Our Board is responsible for overseeing Nestlé's overall strategy, while the Executive Board is accountable for implementation.

Our Human Rights Steering Committee, chaired by the Executive Vice President and Group General Counsel, oversees implementation, monitors progress, and provides strategic direction on key human rights priorities.

These requirements, as set out in our [Responsible Sourcing Core Requirements](#), extend throughout our supply chain. We require suppliers to apply equivalent standards with their own suppliers, including robust human rights due diligence systems and access to effective grievance mechanisms.

Collaborative and systemic approach

Given the scale and complexity of human rights challenges globally, we recognise that no single organisation can address these issues alone. We therefore focus on addressing root causes through collaboration and partnerships across our value chain, including with public authorities, international and local organisations, and industry and multi-stakeholder platforms. These include but are not limited to [Verité](#), [Sustainable Food Lab](#), [Proforest](#), [Landesa](#), [Business for Social Responsibility](#), [Child Labor in Cocoa Coordinating Group \(CLCCG\)](#), [The Fair Labor Association](#), [The International Labour Organization \(ILO\) Child Labour Platform](#), [The World Business Council for Sustainable Development](#), [AIMprogress](#), [United Nations Global Compact](#), and [The Consumer Goods Forum](#).

RISK ASSESSMENT

As part of Nestlé's long-standing commitment to create a positive impact on society, human rights and environmental due diligence have been embedded across our entire value chain for more than a decade. This is underpinned by Nestlé's group-wide [Human Rights Due Diligence Program](#).



Our approach is guided by internationally recognised standards including the:

- United Nation's [International Bill of Human Rights](#),
- [International Labour Organization \(ILO\) Declaration on Fundamental Principles and Rights at Work](#),
- [ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy](#), and
- [OECD Guidelines for Multinational Enterprises](#) on Responsible Business Conduct.

Nestlé identifies and prioritises modern slavery risks through its human rights' due diligence processes, with a particular focus on identifying salient human rights issues.

Our risk assessment approach

Our risk assessment uses a combination of global, local, and supplier-level insights to identify and prioritise risks across four key areas:

Global risks:

We use global datasets and stakeholder insights to identify priority countries, raw materials, and systemic risks.

Country or location-specific risks:

We assess risks at national and sub-national level using datasets, desk-based risk assessments, grievance reports, information from rights holders, and insights from our [Responsible Sourcing Program](#).

Risks linked to raw materials and business activities:

We prioritise higher-risk ingredients, sectors, and sourcing models where workers may be more vulnerable.

Individual supplier risks:

We assess supplier maturity through [Human Rights and Environmental Due Diligence \(HREDD\)](#) systems, audits, grievance data, and on-the-ground engagement.

Our approach enables us to prioritise actions based on severity, focusing enhanced due diligence and resources on the highest-risk geographies, suppliers, and activities. Risk assessments consider both potential and actual impacts, with the aim of preventing harm and addressing identified issues through remediation.

SALIENT ISSUES

SALIENT ISSUES AND ACTION PLANS

We address modern slavery risks through our [Human Rights Salient Issue Action Plans](#). These targeted plans set out how we assess, address, and report on the 10 significant risks across our value chain.

These plans define the risk context, priority geographies, and required interventions, aligned with our [Human Rights Framework and Roadmap](#).

We support implementation through multifunctional teams across the value chain, including dedicated human rights coordinators in priority countries, ensuring local ownership, cross-functional coordination, and effective monitoring of progress.



OUR ACTION PLANS FOR THESE 10 SALIENT HUMAN RIGHTS PRIORITIES COVER:



Child labour and access to education



Forced labour and responsible recruitment



Living income and living wage



Gender equity, non-discrimination and non-harassment



Safety and health at work



Right to food and access to affordable, nutritious diets



Right to water and sanitation



Indigenous Peoples' and local communities' land rights



Data protection and privacy



Freedom of association and collective bargaining

To maximise impact, our [Human Rights Salient Issue Action Plans](#) are increasingly embedded within wider programs and initiatives, including:

- 1** [Nestlé Cocoa Plan](#) which addresses child labour risks by improving the living incomes of cocoa farming families.
- 2** [Nescafé Plan 2030](#) which tackles child labour and forced labour risks.
- 3** [Nespresso AAA Sustainable Quality™ Program](#) which aims to empower coffee communities while protecting children.

These programs help us translate our [Human Rights Salient Issue Action Plans](#) into more integrated and scalable responses across geographies, product categories, and supply chains.

Priority geographies are identified using country-level risk indicators, sector-specific risks, audit findings, and stakeholder engagement, ensuring our efforts are focused where risks are most severe.

Further detail on all our Human Rights Salient Issue Action Plans is available [here](#).

The following examples show how these plans are put into practice in areas where the risks are most acute, with a focus on protecting children, supporting access to education, and strengthening safeguards against forced labour, and unfair recruitment practices.



Salient issue: CHILD LABOUR AND ACCESS TO EDUCATION

Assessing the challenge

Child labour remains one of the most significant human rights risks in agricultural supply chains, particularly in cocoa-growing regions where poverty, limited access to education, and household income pressures can increase vulnerability. We outline how we are working to address child labour risks and impact to improve children's access to education through our Human Rights Salient Issues Action Plan on [Child Labour and Access to Education](#).

Addressing the challenge

Our approach focuses on early identification, targeted remediation, and action on the root causes of child labour. Through the [Child Labour Monitoring and Remediation System \(CLMRS\)](#), we identify children at risk and work with families and communities to support prevention and remediation, including school enrolment, tutoring, awareness raising, and follow-up at household and community level.

We build on this through the [Nestlé Cocoa Plan](#), which works with farming communities to strengthen livelihoods and local services, and the [Income Accelerator Program](#), which supports cocoa-farming families to improve income and resilience. By helping families keep children in school, adopt better farming practices, and diversify income, these efforts help tackle the drivers of child labour and support stronger communities over time.

Driving progress

96.2% of coca volume sourced covered by child labour risks including CLMRS⁽¹⁾

97,122 households covered by CLMRS⁽²⁾

11,431 children reported to no longer be engaged in potentially hazardous activities as part of CLMRS⁽³⁾

98% of the 27,867 households participating in the [Income Accelerator Program](#), with school-age children (ages 6-16), committed to enrolling them in school.

Our actions directly or indirectly contribute to



- 1 Including mass balance. Covers the period October 1, 2024, to September 30, 2025.
- 2 Covers the households who received at least one visit within the period January 1, 2024, to December 31, 2025.
- 3 Covers the period January 1, 2024, to December 31, 2025.



Salient issue: FORCED LABOUR AND RESPONSIBLE RECRUITMENT

Assessing the challenge

Forced labour risks can arise across complex supply chains, particularly in labour-intensive sectors and where migrant or temporary workers are engaged. Risks may be linked to recruitment practices, including recruitment fees, lack of transparency in employment conditions or restricted worker mobility. Nestlé addresses these risks through a structured and risk-based approach, as set out in our Human Rights Salient Issue Action Plan on [Forced Labor and Responsible Recruitment](#).

Addressing the challenge

We focus on prevention, responsible recruitment and strengthening oversight. Our [Responsible Sourcing Core Requirements](#) set expectations on recruitment practices, labour rights, and working conditions. These expectations are reinforced through due diligence processes, including CARE audits (Nestlé's global compliance audit program) across Nestlé-operated sites and recognised third-party supplier audits such as [Sedex Members Ethical Trade Audit \(SMETA\)](#). We are also a signatory to the [Employer Pays Principle](#), reinforcing our commitment that workers should not bear the cost of recruitment. Where issues are identified, we work with suppliers on time-bound corrective actions to strengthen protections for workers.

Driving progress

5,126 human rights non-compliances identified through supplier audits.

1,209 non-compliances resolved through time-bound remediation plans.

More detailed questioning on forced labour was added to Nestlé's CARE Audit Program.

In priority countries, training on forced labour and responsible recruitment was shared with recruiters.

Our actions directly or indirectly contribute to



RESPONSIBLE SOURCING

Nestlé addresses modern slavery risks in its agricultural supply chains through our responsible sourcing approach, which combines the [Responsible Sourcing Core Requirements](#), the [Human Rights Policy](#), and risk based due diligence. This is complemented by targeted interventions in higher risk origins and sourcing contexts.

This approach focuses on 14 key ingredients, which represent 87% of total raw materials purchased volumes globally: cereals and grains; cocoa; coconut; green coffee; dairy (derivatives and fresh milk); fish and seafood; hazelnuts; meat, poultry and eggs; palm oil; pulp and paper; soy; spices; sugar; and vegetables.⁽¹⁾

In 2025, 49.8%⁽²⁾ of key ingredient volumes were responsibly sourced, and Human Rights and Environmental Due Diligence (HREDD) maturity assessments covered suppliers representing 70.3% of key ingredient spend.

Priority is given to supply chains such as cocoa and coffee, where risks are often linked to poverty, child labour, recruitment practices, and limited local infrastructure. In these areas, Nestlé combines due diligence, monitoring, and longer term programmes designed to address the root causes of modern slavery risks. These efforts are complemented by more targeted actions across other key ingredients.



Cocoa is a core ingredient in many of Nestlé's confectionery products, which makes it one of our most important agricultural supply chains. It is also one of the highest risks, as poverty, child labour, and limited access to education can affect farming families and communities in cocoa-growing regions. In recent years, these risks have been further exacerbated by the impacts of climate change, including more erratic weather patterns and declining yields in key producing regions. Lower productivity and reduced incomes can increase financial pressure on farming households, heightening vulnerability to child labour and other forms of exploitation.

We assess and address these risks by identifying children at risk, working with families and supporting prevention and remediation. The [Child Labour Monitoring and Remediation System \(CLMRS\)](#) helps us spot risks early and connect children and families to practical support, including school enrolment and follow-up in the community.

We build on this through the [Nestlé Cocoa Plan](#), which works with farming communities to improve livelihoods, strengthen local services, and support more responsible cocoa production.

Launched in 2022, the [Income Accelerator Program](#) provides cash incentives for school enrolment, good agricultural practices, agroforestry and income diversification. Payments are shared equally between heads of household to support joint decision-making, gender equity, and stronger household resilience, with reported benefits including improved food security, financial inclusion, and women's empowerment.

In 2025, Nestlé adapted the [Income Accelerator Program](#) to make it simpler and more effective as it scales, including changes to payment frequency, and delivery, clearer

communication with farming families, and stronger support for income-generating activities beyond cocoa. These changes are intended to improve reliability, understanding, and long-term household resilience.

Nestlé also released the [Income Accelerator Program Progress Report 2026](#) outlining lessons from the [KIT Institute, Nestlé Income Accelerator Program: Progress report of the test-at-scale phase, June 2026](#) and actions to strengthen the program as it expands. Together, these efforts help address the drivers of child labour by supporting education, household incomes and more resilient cocoa-farming communities.

Driving progress:

These highlights are from the [Income Accelerator Progress Report 2026](#) and [KIT Institute, Nestlé Income Accelerator Program: Progress report of the test-at-scale phase, June 2026](#):

- ✓ **96.2% of cocoa was sourced through the Nestlé Cocoa Plan⁽³⁾, which now supports 178,821 farmers, strengthening traceability and engagement across the supply chain.**
- ✓ **By the end of 2025, Nestlé had distributed over 2.07 million forest and fruit trees to cocoa farmers, supporting agroforestry and helping improve climate resilience and long-term productivity.**
- ✓ **45,000 families are currently participating in the Income Accelerator Program with a goal to support 160,000 cocoa-farming families by 2030.**
- ✓ **In the Côte d'Ivoire, 71% of women were enrolled in Village Savings and Loans Associations, compared with 89% in Ghana.**

^{1&2} The key ingredients in scope for KPI #20 Percentage of volumes of key ingredients responsibly sourced can be found in [Appendix 1 – 2025 Reporting Scope and Methodology for ESG Key Performance Indicators](#).

³ The percentages are estimated and rounded volumes of cocoa sourced through the Nestlé Cocoa Plan, including Rainforest Alliance-certified mass balance cocoa, verified Nestlé Cocoa Plan volumes, and farm data provided by suppliers.



COFFEE

Coffee is one of Nestlé's most important raw materials, supporting a large global network of farming families and workers. In some coffee-growing regions, human rights risks are heightened by poverty, migration, labour shortages, and weak infrastructure.

We address these risks through due diligence, traceability, and direct engagement with farmers in priority origins, including targeted systems to identify child labour to strengthen livelihoods and resilience.

We build on this through the [Nescafé Plan 2030](#), which supports more regenerative coffee farming, helps farmers adapt to climate pressures, and works to improve livelihoods over time.

The [Nescafé Plan 2030](#) also embeds human rights due diligence, combining community-level action with partnerships such as [Terre des hommes](#) on child protection and the [International Labour Organization \(ILO\)](#) on worker rights and safer working conditions.

Nescafé's RegenTa initiative in Indonesia is a pilot under the [Nescafé Plan 2030](#). It helps smallholder coffee farmers adopt regenerative agriculture practices to enhance productivity, resilience, and sustainability. By offering cash incentives, training programs, and innovative practices like composting, tree rejuvenation, and intercropping, RegenTa aims to improve living income, among other objectives.

Collaborating with partners like the [Rainforest Alliance](#), this initiative combines over 25 years of Nescafé's expertise with local solutions, showing promising results in improving farm efficiency and organic practices.

We also work through the [Nespresso AAA Sustainable Quality™ Program](#), which partners with coffee communities to strengthen quality, resilience, and more responsible sourcing. Nespresso enforces a zero – tolerance approach to child labour through the program, developed with the [Rainforest Alliance](#) and aligned with [International Labour Organization \(ILO\)](#) standards, making compliance a strict condition for farmers to sell to Nespresso. Farmers who do not initially meet the requirements are supported to improve and achieve compliance.

Driving progress:

These highlights are from the [NESCAFÉ Plan 2030 Progress Report 2025](#).

- ✓ **More than 100,000 coffee farmers in 15 countries were trained in regenerative agriculture in 2025.**
- ✓ **Nescafé Plan farmer field programs covered more than 400,000 hectares and were supported by more than 1,600 field staff, including agronomists.**
- ✓ **In 2025, 94.3% of coffee supplies were responsibly sourced, and 86.8% of green coffee volumes were covered by due diligence systems for child labour risks.**
- ✓ **In Côte d'Ivoire, five new bridging classes helped 94 out-of-school children return to mainstream education; 4,000 children received school kits; and eight book clubs reached 730 children.**
- ✓ **86.8% of green coffee volumes covered by due diligence systems for child labour risks.**
- ✓ **Nearly all (91%) of Nespresso coffee is sourced through the [AAA Sustainable Quality™ Program](#).**

Other ingredients

Across other key ingredients, we apply the same responsible sourcing approach, tailored to the specific risks in each supply chain. This includes improving traceability, applying our [Responsible Sourcing Core Requirements](#), and focusing due diligence where risks are most acute, including labour conditions, land rights, deforestation, and weak transparency in complex sourcing regions. In 2025, about half (49.8%) ⁽¹⁾ of volumes of key ingredients were responsibly sourced.

PALM OIL

Palm oil remains a priority due to risks linked to deforestation, land rights, and labour conditions in complex sourcing regions. We address these through traceability, supplier engagement, and collaboration with the [Roundtable on Sustainable Palm Oil \(RSPO\)](#).

Through our [Labor Rights Action Plan for Palm Oil](#), we prioritise supplier engagement based on risk and support corrective action through external partnerships and monitoring systems. See the [Nestlé Sustainably Produced Palm Oil report](#) for more information.

We contribute to industry progress by supporting open-source due diligence tools, responsible recruitment initiatives, and worker grievance mechanisms in key sourcing regions. For example, we have invested in training assessors to identify forced labour risks associated with migrant worker recruitment and supported the [Earthworm Foundation's](#) research into recruitment practices and costs among small and medium-sized third-party suppliers.

In 2025, Nestlé reported that 96.3% of its primary palm oil supply chain was assessed as deforestation-free. More information is available [here](#).



FISH AND SEAFOOD

Fish and seafood sourcing can involve labour risks, weak traceability, and limited visibility beyond the first tier of supply. We focus on origin-level risk assessment, labour conditions, and traceability, working with partners including the [Sustainable Fisheries Partnership](#) and the [Monterey Bay Aquarium Seafood Watch program](#) to strengthen responsible sourcing. These efforts are complemented by targeted initiatives, including a confidential worker hotline and pilot programs to strengthen broker certification in the Thai seafood sector. More information is available [here](#).

SUGAR

Sugar can present risks linked to labour conditions, land use change, and weak transparency in some sourcing regions. We address these risks through traceability, supplier engagement, and collaboration with partners such as [Bonsucro](#) and [Proforest](#).

In 2025, Nestlé reported that 97% of its primary sugar supply chain was assessed as deforestation. More information is available [here](#).

RECYCLED MATERIALS FOR PACKAGING

For recycled materials used in packaging, the challenge is to build supply chains that are both more circular and responsibly managed. We continued to work through our broader sustainable packaging strategy and with external partners including the [Ellen MacArthur Foundation](#) to increase recycled content, improve packaging design, and strengthen collection and recycling systems.

In addition, we apply the [10 Fair Circularity Principles](#), developed in partnership with the [Fair Circularity Initiative \(FCI\)](#) and organisations such as [Tearfund](#), The Coca-Cola Company, PepsiCo, and Unilever.



¹ The key ingredients in scope for KPI #20 Percentage of volumes of key ingredients responsibly sourced can be found in [Appendix 1 – 2025 Reporting Scope and Methodology](#) for ESG Key Performance Indicators.

TAKING ACTION

In 2025, we continued to strengthen our approach to human rights due diligence with a focus on the 10 most significant issues across our value chain that are outlined in our [Human Rights Salient Issue Action Plans](#).

We closely monitor the application of modern slavery and related policies through the following programs:

1. THE CARE SOCIAL AUDIT PROGRAM

CARE is Nestlé's global compliance audit program. It is designed to assess compliance with local legislation, our [Corporate Business Principles](#), and our [Code of Business Conduct](#).

The audits conducted by independent parties include specific human rights topics such as working conditions, health and safety, labour accommodation, environmental sustainability, and community engagement.

In 2025, we completed 223 CARE audits across all our own sites globally including factories and distribution centres. During the 2024-2026 audit cycle, we are strengthening our audits to place greater focus on human rights, helping us better identify and address risks linked to modern slavery.

For suppliers, we also rely on recognised third-party social audits, including [Sedex Members Ethical Trade Audit \(SMETA\)](#), as part of our responsible sourcing due diligence. Findings from these audits help identify labour-related risks in the value chain and inform enhanced due diligence, supplier engagement, and corrective actions.

2. SUPPORTING THE SUSTAINABLE DEVELOPMENT GOALS

We are committed to respecting and advancing human rights in our operations and supply chain. Our [Human Rights Salient Issue Action Plans](#) directly and indirectly support the [United Nations Sustainable Development Goals \(SDGs\)](#).





3. GRIEVANCES

Effective grievance mechanisms are an important part of our human rights' due diligence, helping workers and other stakeholders raise concerns safely and enabling earlier identification of risks linked to modern slavery.

[Speak Up](#) is Nestlé's global grievance channel, available to employees and external stakeholders online, by phone, and through QR code-enabled mobile access. Every report is handled confidentially and professionally by an independent third party that can ensure anonymity if desired.

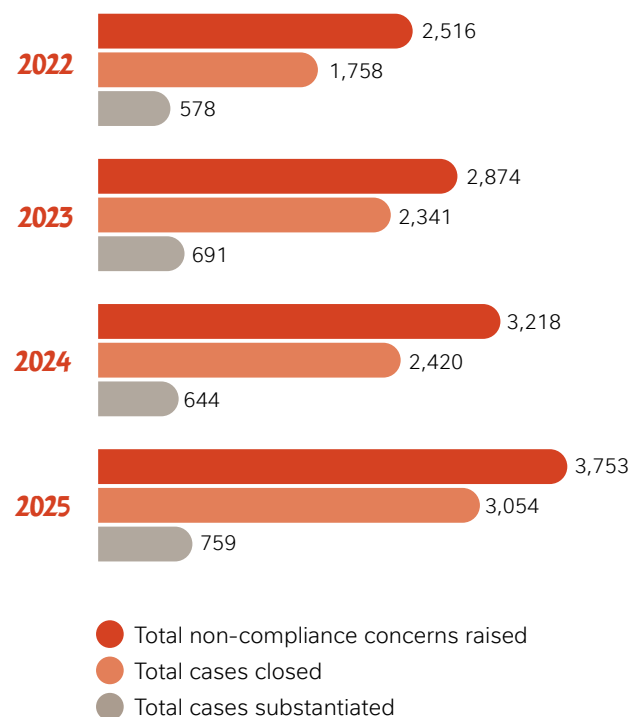
We also require suppliers to have effective grievance mechanisms in place, particularly in higher-risk contexts.

Concerns raised through [Speak Up](#) and other channels are assessed, investigated where appropriate, and tracked through to resolution, with remediation actions monitored where issues are substantiated.

As part of our commitment to greater transparency, this is the first year we are disclosing the number of human rights grievances raised in our supply chain.

In 2025, nine grievances were raised. Six were substantiated and are under remediation, have been remediated, or resulted in termination of the supplier relationship. Three remain under investigation at the end of 2025.

Speak-Up Total cases through Speak-Up



Non-compliance concerns raised through Speak Up Category	Messages received 2025	Cases substantiated 2025
Abuse of power and/or mobbing/bullying	1,063	241
Unfair treatment	734	79
Labour practice	331	56
Harassment (excluding sexual harassment)	268	78
Bribery and corruption (including conflict of interest) ⁽¹⁾	225	31
Safety and health	190	38
Discrimination & violence	175	38
Fraud (misappropriation or conduct on accounting/ financial statement)	166	56
Sexual harassment	121	35
Third party compliance	114	30
Human rights issues not covered by other Speak Up categories	4	0
Other	362	77
Total	3,753	759

¹ Messages substantiated did not involve government officials.

AUSTRALIA UPDATE

DRIVING COMPLIANCE:

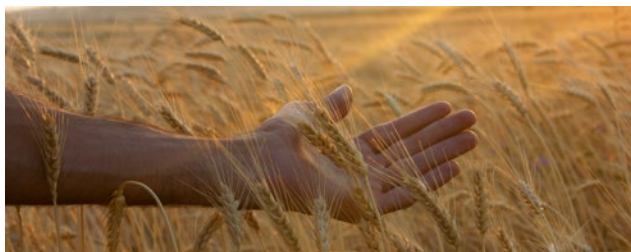
Employees

Through Nestlé's global CARE Audit Program, we continued to monitor working and employment conditions across Nestlé-operated sites, including factories and distribution centres.

Globally in 2025, we carried out 223 audits to help strengthen oversight and reinforce our expectations on labour rights, working conditions, and respect in the workplace. Gaps identified globally fell from 243 in 2024 to 213 in 2025, with 47.6% closed in-year.

Suppliers

In Australia, we continued to strengthen how we identify and manage supplier risks by applying Nestlé's global [Responsible Sourcing Core Requirements](#) and [Human Rights Due Diligence \(HRDD\)](#) program locally. Our approach combines clear expectations for suppliers, recognised independent audit programs where appropriate, and targeted follow-up when gaps are identified. This ensures we are not only monitoring risk, but actively engaging suppliers to reinforce our standards, support corrective actions, and drive continuous improvement across our Australian supply chain.



TRAINING:

Employees

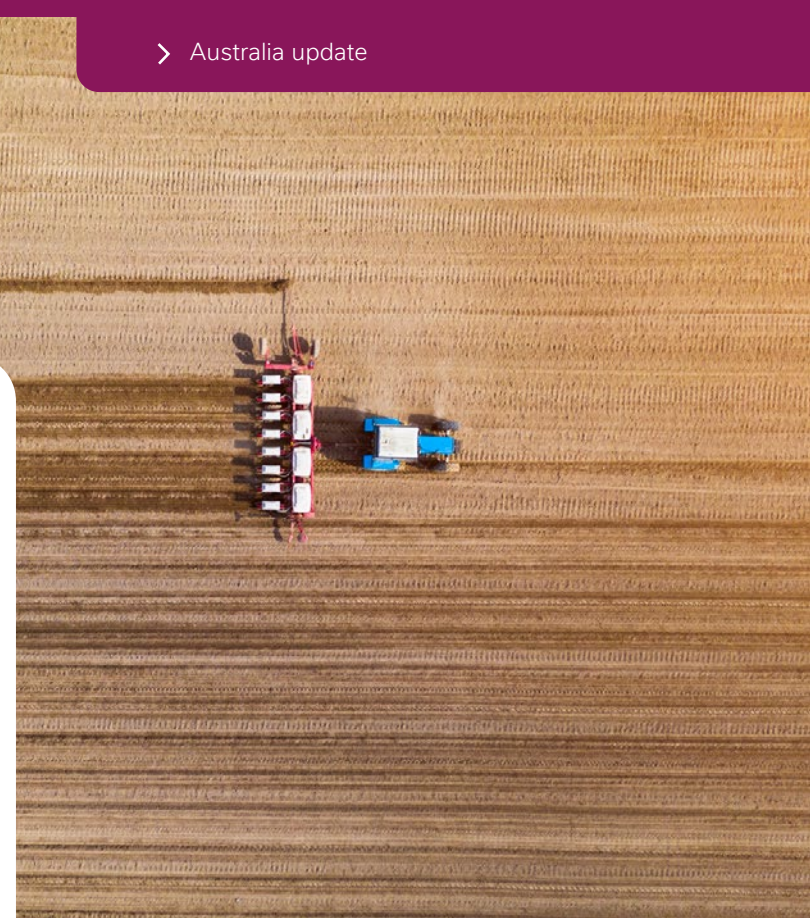
We continued to build employee awareness of human rights and modern slavery through mandatory training and targeted engagement. Since January 2024, all Australian employees have been assigned Nestlé's global mandatory Human Rights training module, supporting our commitment to build capability and strengthen understanding of modern slavery risks across our operations and value chain.

By 31 December 2025, 72% of the Australian employee population had completed the training, reflecting strong progress in building employee capability and awareness. This provides a solid foundation for the Oceania market to reach Nestlé's global requirement of 95% completion by 31 December 2026.

Suppliers

While we do not run formal supplier training programs locally, we continue to reinforce our expectations with Australian suppliers through our [Responsible Sourcing Core Requirements](#) and ongoing due diligence. This includes engaging suppliers through independent audits, follow-up actions, and corrective action plans where gaps are identified.

This approach helps ensure supplier expectations are clear, consistently applied and actively monitored, while supporting continuous improvement across our Australian supply chain.



Emerging risks

We continued to monitor emerging risks across our value chain, including in newer and less visible sourcing contexts such as recycled packaging content.

As Nestlé works to reduce virgin plastic and increase recycled content, we recognise the importance of understanding the labour and human rights risks that can arise in these supply chains.

In 2025, we continued to build our understanding of these risks by applying a risk-based lens to recycled packaging supply chains, strengthening internal visibility, and supporting more informed, responsible sourcing decisions as these markets continue to develop.

UK UPDATE

In the UK, modern slavery remains a significant issue and impacts a concerning number of individuals. Recorded referrals into the [National Referral Mechanism](#) reached a historic high of 23,411 in 2025, a 22% increase on the previous year. This year also marks a significant milestone, ten years since the Modern Slavery Act came into force.

Through our long-term modern slavery strategy, we continued to focus on three core pillars: **Educate**, **Investigate**, and **Eliminate**.



EDUCATE

In 2025, we continued to raise awareness of modern slavery across the organisation through a range of targeted education activities. This included tailored sessions for key business functions, such as the Nestlé UK Factory Leadership Team and UK Logistics Leadership Team, alongside broader engagement with colleagues through presentations to UK Commercial teams. We also partnered with [Unseen](#) to deliver in-person training sessions. In total, these targeted activities reached 284 employees during the year, supported by ongoing visibility through workplace platforms, on-site materials, and interactive lunchtime awareness stalls.

Beyond internal engagement, we continue to collaborate with a range of external organisations to strengthen our approach. Alongside our close partnership with [Unseen](#), we actively participate in initiatives such as the [UN Global Compact Human Rights Working Group](#) and the [Modern Slavery and Human Rights Policy & Evidence Centre](#).

We also maintain regular engagement with key customers and suppliers to share best practice and drive collective action in tackling modern slavery.

INVESTIGATE

We continued to strengthen our understanding of modern slavery risks through structured governance and partnerships. Our Modern Slavery Working Group, established in 2024, remains a key forum for reviewing risks, sharing insights, and coordinating action across the business.

We have been members of the Unseen Business Portal since 2022. This secure platform draws on intelligence reported through the UK Modern Slavery & Exploitation Helpline, providing valuable, real-time visibility of cases. It enables us to assess any potential links to our operations or supply chain and respond swiftly where needed.

ELIMINATE

In 2025, we continued to take action to prevent and address modern slavery through external engagement and due diligence. This involved participation in key industry forums and events, including attendance at The High Sheriff of Cambridgeshire's Business Conference, the '10 years of the Modern Slavery Act' conference with the [Modern Slavery Policy and Evidence Centre](#), and speaking at the Ethical Forum.

We also continued to ensure our suppliers are independently audited using the [Sedex Ethical Trade Audit \(SMETA\) Best Practice Guidance](#), aligned with our [Responsible Sourcing Core Requirements](#), helping to identify risks and drive improvements where needed. As in previous years, common areas of non-compliance identified through audits include working hours and wages, as well as access to effective grievance mechanisms.

LEADERSHIP RECOGNITION

In 2025, our Community Regeneration Lead received Unseen's Career Excellence Award, recognising long-standing leadership on modern slavery across Nestlé UK, and their role in shaping the company's approach. Through close partnership with [Unseen](#), they helped build capability across the supply chain and elevate modern slavery awareness both within Nestlé and across the wider sector.

LOOKING AHEAD

Looking ahead, our approach to assessing, addressing, and reporting transparently on actual and potential human rights risk will continue to be guided by the [Nestlé Human Rights Framework and Roadmap](#).

OUR FOCUS REMAINS ON TWO KEY STRATEGIC PRIORITIES:

1 Strengthening the effectiveness of human rights due diligence across our value chain

AND

2 Supporting enabling environments that promote and respect human rights.

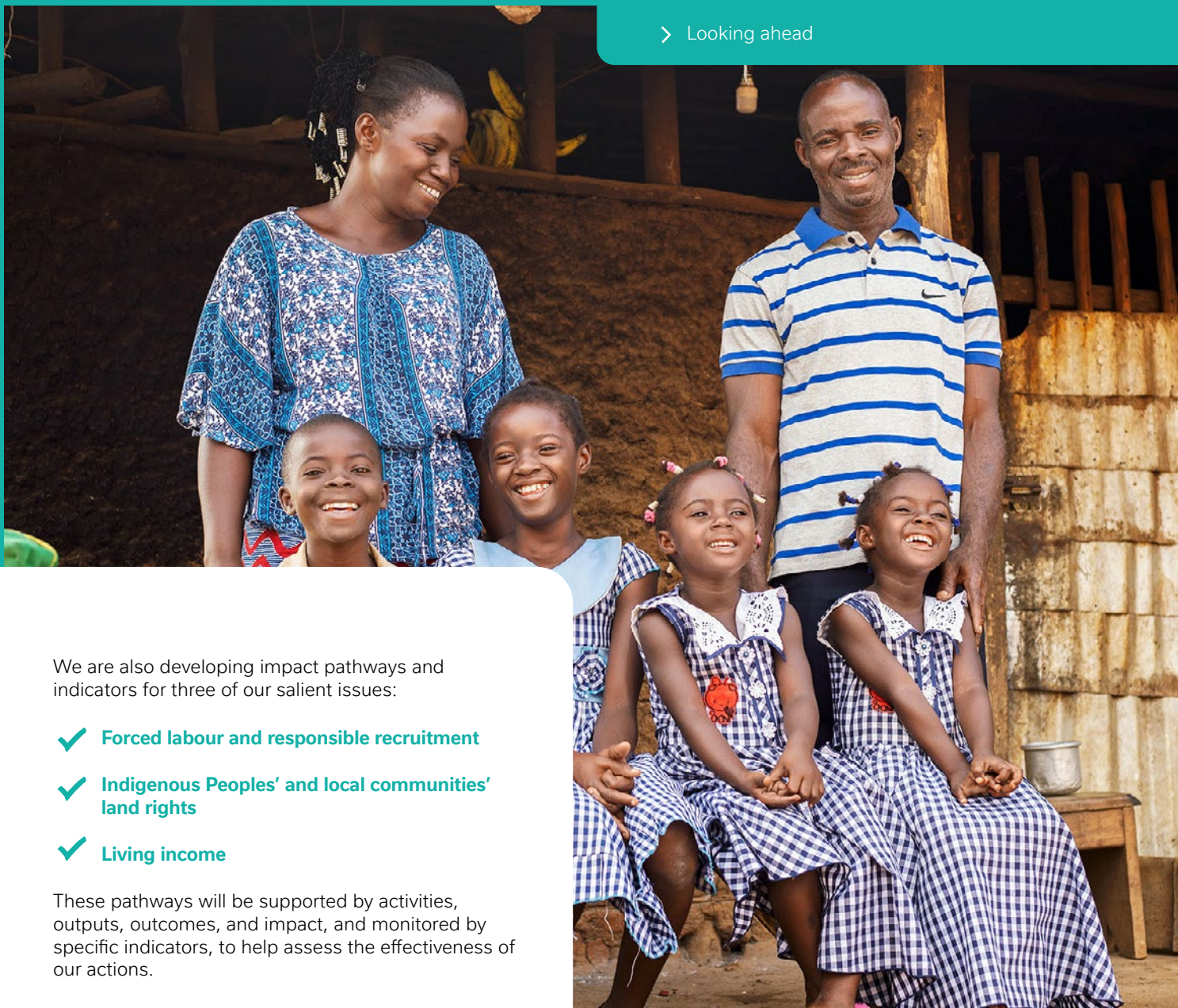
As we build on this approach, we are currently developing our Human Rights Strategy for 2026-2030.

We are also developing impact pathways and indicators for three of our salient issues:

- ✓ **Forced labour and responsible recruitment**
- ✓ **Indigenous Peoples' and local communities' land rights**
- ✓ **Living income**

These pathways will be supported by activities, outputs, outcomes, and impact, and monitored by specific indicators, to help assess the effectiveness of our actions.

Progress and performance against these efforts will continue to be reported through our [Creating Shared Value report](#) and our [Non-Financial Statement](#).





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LEARN MORE ABOUT OUR HUMAN RIGHTS POLICIES AND ACTIONS