

NIELSEN AND Its approach To human Rights

At Nielsen, data drives everything we do—even art. That's why we used real data to create this image. Copyright © 2018 The Nielsen Company (US), LLC. Confidential and proprietary. Do not distribute.

With a presence in 106 countries, Nielsen's data is the science behind what's next. Our mission is to provide clients with the most complete understanding of what consumers watch and buy. We have employees throughout the world in the fields of research, technology and product development, and our supply chain similarly consists of purchases in three high-level categories: technology, services and measuring equipment. We collect information about consumption of products and media through various data sources. As a global company with a commitment to integrity and corporate social responsibility, we manage and monitor the risks of human and labor rights violations associated with our operations and the suppliers who are core to our business across the globe.

Pursuant to the United Kingdom Modern Slavery Act 2015, Chapter 30, Part 6, Provision 54, Nielsen Holdings plc and other relevant group companies (Nielsen) have taken steps during the financial year to identify any sources of potential risk of slavery and human trafficking in our supply chain and other parts of our business. Nielsen aligns itself with the UN Guiding Principles on Business and Human Rights which is derived from the UN Universal Declaration of Human Rights, and seeks to adhere to that standard as closely as possible. We demonstrate our commitment to human rights and the fair treatment of workers with policies and practices that prohibit human rights abuses in our organization and our supply chain, particularly with regard to voluntary or involuntary labor, human trafficking, or unacceptable work conditions, including but not limited to, conditions relating to pay, hours and environment. This commitment is further outlined in our <u>Nielsen Supplier Code of Conduct</u> and <u>Nielsen's</u> <u>Commitment to Human Rights</u>.

Oversight over all Citizenship & Sustainability issues resides with our Board of Directors, specifically within the <u>Nomination and Corporate Governance</u> <u>Committee Charter</u> of our Board of Directors. We also manage relevant risks and opportunities through a variety of ongoing internal engagement channels, such as our Global Citizenship & Sustainability Council (GCSC) of cross-functional leaders across our business, and through subject-matter specific groups such as our Human Resources Sustainability Council and our Technology/Operations Sustainability Council. More information about our overall efforts across environmental, social and governance areas critical for our business can be found in our <u>Nielsen Global Responsibility</u> <u>Report</u> and our <u>non-financial materiality assessment</u>. We plan to publish our second Nielsen Global Responsibility Report in June 2018. We expect this report to contain information about our approach to managing human rights-related risks in our operations and through our supply chain. Human rights is also embedded within our Enterprise Risk Management (ERM) framework. This multi-channel collaboration to assess and address risks across our business allows us to take a more comprehensive approach to human rights risk management to ensure that we are conducting ongoing, in-depth assessments through our existing due diligence processes, monitoring and reporting on these risks, and taking appropriate actions when needed to provide remedy, integrating any relevant findings into our organizational processes and policies as needed.

Employee Engagement: In 2017, Nielsen issued an updated <u>Nielsen</u>. <u>Code of Conduct</u> for our employees. This is separate from our supplier code and establishes guidelines and expectations for lawful and ethical conduct by our employees around the world. Our new Code of Conduct includes a section on "Protecting Human Rights" to ensure every employee is aware of and understands our obligations and expectations in this area and encourages associates to be vigilant in protecting against exploitation of vulnerable populations, human trafficking or child and forced labor. The Nielsen Code of Conduct is translated into over 40 languages and all employees are required to certify regularly that they understand and will comply with the Code of Conduct.

HOW NIELSEN IS MAKING EFFORTS TO REDUCE THE RISK OF HUMAN TRAFFICKING AND SLAVERY IN ITS SUPPLY CHAIN

In 2015, Nielsen adopted its first Supplier Code of Conduct. In 2016, Nielsen became a supporting member of the <u>Responsible Business</u> <u>Alliance (formerly the Electronics Industry Citizenship Coalition "EICC")</u>, and we updated our <u>Supplier Code of Conduct</u> to incorporate key aspects of this industry code. The Responsible Business Alliance (RBA) Code is a supplier code which has been adopted by more than 100 Fortune 500/ multinational corporations engaged within the global electronics supply chain. We have chosen to align ourselves with this industry code and organization due to the particular risk of exposure to labor exploitation within the technology and electronics equipment manufacturing segments of our supply chain. We use our best endeavors to ensure all suppliers agree to adhere to our global supplier code or their own equivalent code and to include contractual requirements mandating legal compliance.

Prior to contracting with a supplier, Nielsen establishes a baseline of expectations regarding social compliance through our <u>Supplier Code of</u> <u>Conduct</u>. We assess the social compliance risk of new suppliers prior to contracting with them and require the management systems necessary to address any potential violations after the contract is made.

In addition to the above, Nielsen takes the following steps to address social compliance risks in our supply chain:

Nielsen uses its best endeavors to ensure supplier compliance with our human rights policies through its Global Procurement organization, which provides appropriate oversight through planning, control, monitoring, measurement, corrective action, auditing, review and reporting. **Verification:** Nielsen collects data on strategic suppliers who are core to our business using two third-party supplier self-assessments. The first self-assessment gathers information generally about strategic suppliers' environmental, social and governance (ESG) policies at the company level. It also verifies supplier disclosure with documentation such as written company policies, third-party certifications, and membership or adherence to widely recognized industry standards such as the RBA, along with media and NGO reports. From these data points, a scorecard is generated on ESG risks for our strategic suppliers.

Nielsen understands that the electronics industry poses greater risks of human rights and supply chain violations than other sectors, particularly in certain territories. To address this particular risk, in addition to the required ESG assessment, Nielsen requires electronics manufacturing suppliers in high-risk countries to complete a specific social compliance questionnaire addressing human rights and fair labor conditions at the production facility level. These self-assessments are required of strategic suppliers on an annual basis to monitor and evaluate human rights and labor risks within supplier organizations. The results of these questionnaires, along with other supplier due diligence tools and subsequent dialogue, determine the need for social audits to be conducted by a third-party audit firm.

Additionally, for suppliers in the electronics industry, Nielsen uses an online, third-party platform available to members of the RBA to assess conformance with the RBA Code Section A.1, which states, among other standards, that: "Forced, bonded (including debt bondage), or indentured labor, involuntary prison labor, slavery or trafficking of persons shall not be used." This risk assessment online platform is used to evaluate specific supplier and factory risks with respect to the RBA Code (including Section A.I) by inherent risk, sector and location.

In late 2017, Nielsen also began submitting strategic supplier data to <u>Made In A Free World</u> to specifically measure the risk of slavery in our full supply chain. The tool, FRDM, measures slavery risk based on the inputs to various goods and services.

Supplier Engagement: Nielsen's Global Procurement team engages with strategic suppliers several times a year through regularly scheduled on-site factory visits, conference calls and meetings. Engagement at the company and production facility level is ongoing and aims to address performance and quality concerns, as well as unsatisfactory facility conditions, environmental health and safety issues, and social compliance.

Nielsen's supply chain sustainability program systematically addresses environmental, social and governance risk in our supply base. Activities to address social and human rights risk focus primarily on collecting annual company and facility level data through questionnaires, dialogue and third-party due diligence to assess risks and identify further action, such as the need for social audits. In 2017, Nielsen completed the risk assessments and verification for our top strategic suppliers, including each of the suppliers in the most at-risk segments of our supply chain, and based on these assessments, determined mitigating actions and corrective action plans with those suppliers.

Capacity-Building and Training: To ensure deeper understanding of the risks of modern slavery and human trafficking in our supply chains and our business, Nielsen ensures training is available for staff. Through membership in the RBA, we make online training modules on the Nielsen Supplier Code of Conduct available to Nielsen employees and suppliers. In 2017, our supplier code was published on our website in 39 languages, and online training was made available in 12 languages. Modules can be assigned to internal staff and suppliers, and participation is tracked. In 2017, 100% of our Global Procurement team completed certificate training on the supplier code. Nielsen provides further training to those with a direct supplier relationship to ensure they are readily capable of identifying any potential abuses. In 2017, three members of our Global Procurement team who work with electronics manufacturers were trained further to internally audit against the code.

This statement is made pursuant to sections 54(1) of the Modern Slavery Act 2015 and constitutes our slavery and human trafficking statement for the financial year ending 12/31/17.

Signature of director: DMBarry

Name of company: Nielsen Holdings pic

Date: 4/27/18

ABOUT NIELSEN

Nielsen Holdings plc (NYSE: NLSN) is a global measurement and data analytics company that provides the most complete and trusted view available of consumers and markets worldwide. Our approach marries proprietary Nielsen data with other data sources to help clients around the world understand what's happening now, what's happening next, and how to best act on this knowledge. For more than 90 years Nielsen has provided data and analytics based on scientific rigor and innovation, continually developing new ways to answer the most important questions facing the media, advertising, retail and fast-moving consumer goods industries. An S&P 500 company, Nielsen has operations in over 100 countries, covering more than 90% of the world's population. For more information, visit www.nielsen.com.



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