

"Forcibly Displaced Cambodians File Historic Lawsuit against Asia's Largest Sugar Producer", 2 April 2018, Inclusive Development International <a href="https://www.inclusivedevelopment.net/forcibly-displaced-cambodians-file-historic-lawsuit-against-asias-largest-sugar-producer/">https://www.inclusivedevelopment.net/forcibly-displaced-cambodians-file-historic-lawsuit-against-asias-largest-sugar-producer/</a>

## Nestlé response, as of 31.07.18:

While Mitr Phol appears as a direct supplier to Nestlé and as a tier 2 supplier in other supply chains, mostly via traders, Nestlé does not and has not sourced sugar products from Mitr Phol Group in Cambodia. Regardless, we are concerned by the allegations and continue to follow developments.

Nestlé takes the issue of human and labour rights violations very seriously. Such activities have no place in our supply chain and we are committed to engaging with our suppliers to drive positive change. If such change is not forthcoming, we reserve the right to review commercial relationships. We welcome this opportunity to provide the following information on our responsible sourcing activities for sugar products and to reaffirm our commitment to the respect and promotion of fundamental rights.

The respect and promotion of human and labour rights is an important part of our sugar purchasing activities. In 2011, Nestlé contracted Proforest, a UK based global not-for-profit organisation, to support the development of our Responsible Sourcing Guideline (RSG) requirements for sugar products (sugarcane and sugar beet). The RSG complements our Nestlé Supplier Code and defines the social and environmental sustainability requirements that we aim to see implemented in our upstream value chain, back to the primary production level. It includes elements related to human and labour rights. We continue to implement the RSG with the expert support of Proforest and other local expert organisations and NGOs.

We have engaged in intensive supply chain mapping and traceability efforts in the sugar sector over the past six years. This has allowed us to investigate practices at farm and plantation level with our implementation partners. Mitr Phol Thailand was one of the first suppliers to engage in this process. After building a supply chain map linking Mitr Phols' Thai operations to Nestlé factories in 2013, Proforest carried out a first visit in Danchang in March 2014 followed by a surveillance visit in March 2015. Proforest also visited Mitr Phols' operations in Chiayphoo in March 2015.

During these assessments, we cover questions related to human rights issues including child labour and working conditions, land ownership and environmental questions like water management and the use of agrochemicals. In February 2017, our Responsible Sourcing team together with our implementing partner organisations visited Mitr Phol to hear more on the company's progress and commitment to our RSG requirements.

More information on our Responsible Sourcing and Human Rights Due Diligence Programmes is available on <a href="nestle.com/csv">nestle.com/csv</a>.