

Example Charter for Nestlé on the Big Issues of the Day¹

“For a long time, corporate social responsibility was a buzzword marketing tool, walled off within an organization,” said Alan Fleischmann, president of Laurel Strategies, an executive advisory firm. “Now it has to be central for the C.E.O., part of their everyday responsibility and leadership.”

Chief executives face a constellation of pressures, and speaking up can create considerable uncertainty. Customers can be offended, colleagues can feel isolated and relations with lawmakers can suffer. Words and actions can backfire, resulting in public relations disasters. All this as a chief executive is expected to constantly grow sales².

“We all feel unsettled. I feel I have an even bigger responsibility as a business leader now to step into the political discussion,” says the head of [Starbucks](#)³.

1. Preamble

Nestlé was consulted as one of the first companies to be involved in this Charter for companies as suggested by Prof. Michael Hopkins. We have noted that Nestlé’s focus upon shared value has led to a greater involvement in some of the great issues of the day. Yet the world stumbles from crisis to crisis such as the beginnings of a war on Islam, a UK shuddering under the influence of a perceived EU blindness, fears of a nuclear war in the Korean Peninsula and the ascendance of centralised power as democracy seems to have faltered.

We as other companies were given tremendous power after the Fall of the Berlin Wall to conduct business more or less as we wished. Yet we are aware that many longer term events could severely affect our bottom line as the global crises may well swing out of control.

Since the early 1990s we have seen the rise of movements to control companies under the name of CSR aka Sustainability. The appeal was to each of a company’s stakeholders to be treated ethically or responsibly. But one commentator wrote⁴ ‘It feels like CSR was for fighting a sneeze, now we are facing cancer stage 3.9’.

So could the private sector, and companies in particular, do more? Nestlé thinks that business could help the debate and thereby help themselves through addressing the key

¹ Draft done for Nestlé by Michael Hopkins to test his idea of a Charter for Companies on the Big Issues of the Day. Sourced on the Nestlé website and various documents. Note it has been discussed with Nestlé but they are NOT responsible for any of the above content at the current time. They expressed interest but felt it was not the right time for them as of Sept 2017..possibly later.

² <https://www.nytimes.com/2017/08/19/business/moral-voice-ceos.html?hp&action=click&pgtype=Homepage&clickSource=story-heading&module=second-column-region®ion=top-news&WT.nav=top-news>

³ <https://www.ft.com/content/ca33669a-8335-11e7-94e2-c5b903247afd> Aug 20 1017

⁴ Private communication Feb 2 1017

society issues that affect them. We are happy, therefore, through a new 'Charter' for companies to re-examine our role from focusing upon key stakeholders to enter the wider policy discourse and to address the main questions in the Charter.

Each company has been invited to write an annual statement on how they see their concerns and potential influence on society. In this way we hope that Nestle can be part of the democratic process to try and improve the societies in which we operate and, eventually of course, to ensure sustainability in our own enterprises.

2. What already doing?

Every day, we touch the lives of billions of people: from the farmers who grow our ingredients and the families who enjoy our products; to the communities where we live and work; and the natural environment upon which we all depend.

Our work focuses on three areas and is supported by these 42 commitments⁵:

Caring for water

- [Work to achieve water efficiency and sustainability across our operations](#)
- [Advocate for effective water policies and stewardship](#)
- [Treat the water we discharge effectively](#)
- [Engage with suppliers, especially those in agriculture](#)
- [Raise awareness on water conservation, and improve access to water and sanitation across our value chain](#)

Acting on climate change

- [Provide climate change leadership](#)
- [Promote transparency and proactive, long-term engagement in climate policy](#)

Safeguarding the environment

- [Reduce food loss and waste](#)
- [Improve the environmental performance of our packaging](#)
- [Assess and optimise the environmental impact of our products](#)
- [Provide meaningful and accurate environmental information and dialogue](#)
- [Preserve natural capital, including forests](#)

Our focus areas are firmly embedded in our purpose. Individuals and families, our communities and the planet as a whole are interconnected, and our efforts in each of these areas are supported through our original [42 public commitments](#) (now extended to 50):

We publish these commitments to hold ourselves publicly accountable for our performance. We report annually to show progress. During 2016, we conducted an extensive internal review of our commitments and, in line with our ambitions, we introduced some new

⁵ <http://www.nestle.com/csv/what-is-csv/commitments>

commitments to go further and deeper than previously. All 50 commitments are directly aligned with our business and the majority are now supported by objectives towards 2020.

Nutrition, health and wellness

- [1. Launch more nutritious foods and beverages, especially for mothers-to-be, new mothers and children](#)
- [2. Further decrease sugars, sodium and saturated fat](#)
- [3. Increase vegetables, fibre-rich grains, pulses, nuts and seeds in our foods and beverages](#)
- [4. Address undernutrition through micronutrient fortification](#)
- [5. Simplify our ingredients list and remove artificial colours](#)
- [6. Support breastfeeding and protect it by continuing to implement an industry-leading policy to market breast-milk substitutes responsibly](#)
- [7. Empower parents, caregivers and teachers to foster healthy behaviours in children](#)
- [8. Market to children only choices that help them achieve a nutritious diet](#)
- [9. Inspire people to choose water to lead healthier lives](#)
- [10. Leverage our marketing efforts to promote healthy cooking, eating and lifestyles](#)
- [11. Apply and explain nutrition information on packs, at point of sale and online](#)
- [12. Offer guidance on portions for our products](#)
- [13. Partner for promoting healthy food environments](#)
- [14. Build and share nutrition knowledge from the first 1000 days through to healthy ageing](#)
- [15. Build biomedical science leading to health-promoting products, personalised nutrition and digital solutions](#)

Rural development

- [16. Roll out of rural development baseline assessments to understand the needs of farmers](#)
- [17. Improve farm economics among the farmers who supply us](#)
- [18. Improve food availability and dietary diversity among the farmers who supply us](#)
- [19. Implement responsible sourcing in our supply chain and promote animal welfare](#)
- [20. Roll out the *Nestlé Cocoa Plan* with cocoa farmers](#)
- [21. Continuously improve our green coffee supply chain](#)

Water

- [22. Work to achieve water efficiency and sustainability across our operations](#)
- [23. Advocate for effective water policies and stewardship](#)
- [24. Treat the water we discharge effectively](#)
- [25. Engage with suppliers, especially those in agriculture](#)
- [26. Raise awareness on water conservation and improve access to water and sanitation across our value chain](#)

Environmental sustainability

- [27. Provide climate change leadership](#)
- [28. Promote transparency and proactive, long-term engagement in climate policy](#)
- [29. Reduce food loss and waste](#)
- [30. Improve the environmental performance of our packaging](#)
- [31. Assess and optimise the environmental impact of our products](#)
- [41. Provide meaningful and accurate environmental information and dialogue](#)

- 42. [Preserve natural capital, including forests](#)

Additional commitments as of 2016:

Human rights and compliance

- 43. [Assess and address human rights impacts across our business activities](#)
- 44. [Improve workers' livelihoods and protect children in our agricultural supply chain](#)
- 45. [Enhance a culture of integrity across the organisation](#)
- 46. [Provide effective grievance mechanisms to employees and stakeholders](#)

Our people

- 47. [Enhance gender balance in our workforce and empower women across the entire value chain](#)
- 48. [Roll out the *Global Youth Initiative* across all our operations](#)
- 49. [Provide training on *Corporate Business Principles*, Nutrition and Environmental Sustainability](#)
- 49. [Ensure that all Nestlé employees are covered by a certified safety and health management system](#)
- 50. [Advocate for healthy workplaces and healthier employees](#)

These commitments will in term enable us to meet our three ambitions for 2030 in line with the timescale of the Sustainable Development Goals (SDGs).

To date Nestle has:

For individuals and families: Helped 50 million children to lead healthier lives

For our communities: Helped to improve 30 million livelihoods in communities directly connected to our business activities

For the planet: Striven for zero environmental impact in our operations

3. What are the Key Big issues that affect your company or institution directly?

The basic motto of our work is enhancing quality of life and contributing to a healthier future for all.

Paul Bulcke⁶ when CEO emphasised shared values as a way to intersect with society and Nestle's 330,000 members of staff. Trust is both a brand and a product. The company behaves as a citizen with the same sense of responsibility both within and outside the company.

As the world's largest food and beverages company, Nestlé can shape sustainable consumption and steward resources for future generations. We focus our efforts on reducing

⁶ Chairman and former CEO of Nestle in <https://www.youtube.com/watch?v=l3LkvWfHwcw&feature=youtu.be> recorded in Feb 2016

water use across our operations, using sustainably managed and renewable resources and working towards our goal of zero waste.

As such we are also concerned that society moves to improving the quality of life of its peoples including disadvantaged groups around the world. We are therefore against anything that degrades the quality of life of people especially their food, water, education and health.

We are a large company so just about all global issues affect our business in some way. For instance just about all the big issues of the day are of importance to us in some way, as we have listed in Table 1.

Table 1: Nestle and the Big Issues of the day, including SDG activity

List of issues	Not of interest	Can't do much	Can do a little	A concern	A major concern	SDG?	Nestle 50 commitments
1. Democratic participation (human rights, freedom of the press, rule of law, freedom of association, gender equality)					X	5,16	43-46*, 47* [*partially not globally]
2. Poverty (both relative and absolute) and income distribution				X		1,10,11,12	
3. Illiteracy			X			4	
4. Appropriate education, skills and human capital				X		4	
5. Ethical treatment of stakeholders					X	16, 17	16,17,18,19,20, 44, 46
6. Work for the social good with other companies					X	8,9	
7. Climate					X	6,7,13,	27-42

change						14,15	
8. Anti-terrorism				X			
9. Anti-racism				X			
10. Immigration including international migration and refugees		X					
11. Cybernetic control					X		
12. Robotics and jobs				X			
14. Health and life expectancy					X	3	1-15, 49,50
15. Anti-corruption				X			45*
16. Quality of jobs and Un- and under-employment			X			8	
17. Youth alienation			X				48*
18. Hunger, water and famine					X	2	16-21, 22-26, 27-42
19. Defense (military, terrorist, drug industrial complexes)	X	X	X	X	X		
20. Others – please add	X	X	X	X	X	X	

From the above Table 1 (see also SDG list in Table 2 below) it can be seen that the SDGs link to most of the big issues listed above. The exceptions are anti-terrorism, anti-racism, immigration, cybernetic control, robotics and jobs, anti-corruption, youth alienation, and defense (military) issues.

4. What we do already to address these issues?

Table 1 above shows that we are active in many of the ‘big issue’ areas.

Table 2 below shows many of our efforts on the SDGs.

Table 2: Nestle and the SDGs

SDG Goal	Meaning	Nestle involvement? [needs to be checked and elaborated]
1 Poverty	End poverty in all its forms everywhere	Pay living wage, reach out to families and communities
2 Food	End hunger, achieve food security and improved nutrition and promote sustainable agriculture	New methods of sustainable crops and products
3 Health	Ensure healthy lives and promote well being for all at all ages	Work with public health sectors to develop cheaper and more appropriate products
4 Education	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	Work with public sector to ensure supply of appropriate skills and education
5 Women	Achieve gender equality and empower all women and girls	Gender equality in companies
6 Water	Ensure availability and sustainable management of water and sanitation for all	Neslte has shown the way with big push on clean and available water
7 Energy	Ensure access to affordable, reliable, sustainable and clean energy for all	Govt to provide incentives and adequate tax and pricing structure to mobilize alternative energy private sector
8 Economy	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	Private sector led
9 Infrastructure	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	Sustainable construction to lead to many new companies
10 Inequality	Reduce inequality within and among countries	Accept fairer tax regimes
11 Habitation	Make cities and human settlements inclusive, safe, resilient and sustainable	New technologies for Construction will lead to more new companies and innovation
12 Consumption	Ensure sustainable consumption and production patterns	Major efforts required by retailers and supply chains
13 Climate	Take urgent action to combat climate change and its impacts	Needs massive private sector innovation
14 Marine	ecosystems Conserve and sustainably use the oceans, seas and marine resources for sustainable development	Shipping and fishing industries to innovate and then expand rapidly
15 Ecosystems	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss	Millions of new products and companies required with Govt incentives
16 Institutions	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	Companies to respect local laws, weed out corruption and benefit through enhanced reputation
17 Sustainability	Strengthen the means of implementation and revitalize the global partnership for	Huge opportunities for public-private partnerships in

We admit, however, that many of our activities cover mainly our own internal operations and closely linked stakeholders in our supply chain.

Our work to expand our efforts to the bigger issues of society as listed in Table 1 do identify that we have more to do outside our company on:

- * anti-terrorism
- * anti-racism
- * immigration
- * cybernetic control
- * robotics and jobs

* anti-corruption

* youth alienation

* and defense (military) issues.

We, as a company, shall be exploring how we can contribute in improving societies across the world in these major issues of our time. We intend to publish our efforts in our Annual Charter on Big Issues on Nov 16th of each year.

If you need further information check out our [web page](#) and/or:

5. Our Offer

We at CRFi would be happy to create a Charter for your company or institution based upon your website and associated publications and offer:

- Large Companies Charter (more than 500 staff).....\$US900
- Medium Sized Company (50 to 500 staff).....\$US450
- Small Company (less than 50 staff).....\$US250

Contact Dr. Michael Hopkins on enquiries@csrfi.com with your ideas and suggestions.