Nestlé Stakeholder Community Survey 2018
Participant Report

February 2019
Thank You

On behalf of Nestlé and GlobeScan, we would like to thank you for contributing your time and insight to the Nestlé Stakeholder Community Survey 2018.

This annual consultation is vital to us and the findings help us understand how to earn the trust of our stakeholders and guide us toward fulfilling our purpose to enhance quality of life and contribute to a healthier future.

This report summarises some of the key findings from this consultation. We recognise that since 2016 our reputation among stakeholders has weakened. Perceptions of how we are performing against our three ambitions are not as strong as they should be. In some areas we need to improve performance and in others we need to better communicate the progress we are already making.

Since the consultation last year we have launched a number of ambitious initiatives that directly address some of the key points raised in your feedback. In January we stepped up our focus on avoiding plastic waste and announced specific actions toward meeting our commitment to make 100% of our packaging recyclable or reusable by 2025. And as part of our journey toward full supply chain transparency, earlier this month we announced that we will disclose our full list of suppliers and other data relating to our 15 priority commodities (95% of annual sourcing of raw materials). This is the first disclosure of its kind in the industry.

Alongside the activity that is currently underway we are committed to further accelerating progress on key issues. We will be using the results of this survey to inform an updated set of Nestlé in Society commitments and have already worked with GlobeScan on an internal multi-functional workshop to ensure that the research feeds in to our action planning for the year ahead.

You will be able to find out more about our commitments and initiatives in our Nestlé in Society 2018 report which will be launched within the next two months. In the meantime, you can sign up for more information about the company [here](#).

With sincere thanks again,

**Christian Frutiger**, Global Head of Public Affairs  
christian.frutiger@nestle.com

**Olivier Mercier**, Public Affairs Manager  
olivier.mercier@nestle.com
Methodology and Sample

The Nestlé Stakeholder Community Consultation 2018 (global) was conducted by GlobeScan among a total of 108 stakeholders, online and by telephone, between July and September. This global survey aims to collect feedback from key opinion leaders (KOLs) with a multinational perspective and we had responses from across the world. Alongside this “global” consultation, Nestlé and GlobeScan have conducted a similar programme among regional stakeholders, including in six Central and West African markets, France, Mexico, Peru, Philippines, and USA. In total, 1,630 stakeholders have completed one of these consultations since 2012. Results are reported back to the participants of each consultation.

Respondents’ Countries and Stakeholder Groups, 2018 Global Programme
Engaging with stakeholders through mediums such as these is one of many steps that has to be taken consistently and long term.

– NGO
The multi-faceted issue of water remains the issue that stakeholders feel has most impacted Nestlé’s reputation over the past 12 months, followed by infant nutrition and childhood obesity. Looking ahead, water is expected to continue to drive Nestlé’s issue agenda strongly. Environmental impacts are also believed to be an increased reputational issue for the company.

Elsewhere in our survey, stakeholders’ responses make clear that there are three key water issues facing a company like Nestlé which span environmental and social impacts: firstly, the issues surrounding bottled water, secondly, the efficient use of water as a natural resource, and thirdly, access to clean water.
The Nestlé Stakeholder Community Consultation uses four different measures in order to understand the strength of Nestlé’s reputation. These four metrics are:

- **Respect** for Nestlé as a company
- **Trust** in Nestlé
- Likelihood to **partner** with Nestlé
- Likelihood to speak **favourably** of Nestlé

Measuring trust and respect helps to understand the emotional connection that stakeholders have (or do not have) with Nestlé. Partnership and advocacy metrics take this a step further and measure the behavioural outcomes of strong reputation.
Overall, a third of KOLs in the consultation say they strongly agree that they can trust Nestlé. This is followed by nearly half with moderate levels of trust and a further fifth who disagree that they can trust the company.

Levels of trust are higher among multilateral organisations. NGOs, in contrast, have significantly lower levels of trust in Nestlé.

Reasons for trusting the company are varied and include strong corporate values and ethics, implementation of sustainability commitments across the company, and improvements in products. Reasons for low trust include perceptions around the marketing of infant products, a perceived disconnect between positioning and performance, and negative influence of external factors such as pressure from institutional investors.
Nestlé’s reputation among global key opinion leaders has declined since a high point in 2016. Ratings on the four reputation metrics are now similar to the levels in 2012.

Despite the drops, levels of advocacy and likelihood to partner remain relatively strong, with half saying they are very likely to speak favourably of Nestlé and a slightly higher proportion is willing to partner with the company. Levels of willingness to partner have increased among the NGO audience, demonstrating the collaboration opportunities available to Nestlé.
The respect I have for the firm stems from its growth in being more transparent and open about its business practices and products over the past 20+ years. Much of this was born out of external factors such as activist pressure and product scandals.

– NGO
Nestlé’s Three Ambitions

Perceptions of Performance on Three Ambitions, All Stakeholders, 2018

Across the three ambitions, around one fifth of stakeholders believe Nestlé’s current delivery is good or very good (6+7 on a 7-point scale). Around half of stakeholders are on the fence, giving moderate ratings (3 to 5).

Since the 2017 consultation, perceptions have strengthened on the first and second ambitions – for individuals and families and for communities – while progress on the third ambition (for the planet) remains stable.
### Familiarity with Nestlé in Society Commitment Areas

<table>
<thead>
<tr>
<th>Commitment Area</th>
<th>All stakeholders</th>
<th>NGOs</th>
<th>Multilaterals</th>
<th>Academics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nutrition, health, and wellness</td>
<td>54</td>
<td>52</td>
<td>45</td>
<td>55</td>
</tr>
<tr>
<td>Environmental sustainability</td>
<td>40</td>
<td>43</td>
<td>41</td>
<td>35</td>
</tr>
<tr>
<td>People, human rights, and compliance</td>
<td>33</td>
<td>35</td>
<td>27</td>
<td>25</td>
</tr>
<tr>
<td>Water</td>
<td>32</td>
<td>26</td>
<td>41</td>
<td>35</td>
</tr>
<tr>
<td>Rural development</td>
<td>32</td>
<td>30</td>
<td>45</td>
<td>35</td>
</tr>
</tbody>
</table>

Stakeholders are most familiar with Nestlé’s commitments in the areas of nutrition, health, and wellness, particularly NGOs and academics. Familiarity with commitments in the areas of water, rural development and people, human rights, and compliance is lower at around one-third of respondents. Among multilateral organisations, familiarity is more evenly spread across the commitment areas.
Overall, stakeholders are most positive about Nestlé’s performance on its rural development commitments, followed by people, human rights and compliance. Average perceptions of performance on the three other areas are slightly lower.

These ratings are very similar to those in 2017 with no notable differences in the average figures between the two years. At audience level, NGOs are slightly less positive this year on water, environment and people, while perceptions among multilaterals have improved on nutrition and rural development.
“I think Nestlé is taking important steps, to make food healthier, for example. But this is not well known.”

– NGO
Throughout the consultation, a consistent theme in the responses from stakeholders was the request for continued proactive and transparent communication from Nestlé.

One way for stakeholders to find out more is via the Nestlé in Society report. The 2018 report will be launched within the next two months.

“Perhaps Nestlé could communicate more on how well it delivers compared to the scope of its operations.” – Academia

“It’s a pity Nestlé doesn’t advertise itself in a more aggressive way in terms of steps and milestones in achieving these.” – NGO

“I don’t think Nestlé is communicating enough on how it is delivering on its overarching ambitions. I am in this space and was deeply unaware of these statements.” – NGO

“I would like to see more detailed discussion on the negative impacts that might counterbalance the positive value to society. It’s a complex area and more transparency about the “trade-offs” would be helpful to informing the debate.” – Consultancy
GlobeScan is an insights and strategy consultancy, focused on helping our clients build long-term trusting relationships with their stakeholders. Offering a suite of specialist research and advisory services, we partner with business, NGOs and governmental organizations to meet strategic objectives across reputation, sustainability and purpose.

Established in 1987, GlobeScan has offices in Cape Town, Hong Kong, London, Paris, San Francisco, São Paulo and Toronto, and is a signatory to the UN Global Compact and a Certified B Corporation.

www.GlobeScan.com

Follow Nestlé

News alerts: www.nestle.com/signup
Twitter: www.twitter.com/nestle
Website: www.nestle.com/csv