



## Nestlé in brief

Nestlé is the world's largest food company and leader in the field of **Nutrition, Health & Wellness**. The current CEO of Nestlé, **Paul Bulcke**, is originally from Belgium. The headquarters are in Vevey, Switzerland, where Henri Nestlé founded the company in **1866**.



Over **339,000 employees** worldwide.



**85.5 billion euro** turnover worldwide in 2014.



Established in **almost every country** of the world and available in every country.



**1 billion Nestlé products** sold every day.



Nestlé is the world's largest company in Research & Development in the food industry. Around **5,200** specialists are working continuously on better and more innovative products, for example by reducing salt, and using alternatives to sugar and fat.

Worldwide, Nestlé produces thousands of different products. Well-known brands in the Netherlands include:

**Nescafé, Maggi**, chocolate such as **KitKat** and **Bros**, Nestlé baby food such as **Nestlé PyjamaPapje**, water including **San Pellegrino** and **Vittel**, and Nestlé Purina Petcare with brands like **Felix, Bonzo** and **Purina One**. With our mission Good Food, Good Life, we aim to make high-quality products. Products that can be consumed throughout the day by young and old. Products that people can enjoy.

## Nestlé in the Netherlands

The Dutch headquarters are located in Amstelveen. In addition, Nestlé has a production plant in Nunspeet which produces baby food for the Dutch and European market.



In the Netherlands, Nestlé has approximately **900 employees**.



Turnover of Nestlé Netherlands in 2014: **505 million euro**.



CEO of Nestlé Netherlands is **Marc-Aurel Boersch**.

## Compliance and sustainability

Our entire portfolio offers products that are suitable for any time of the day, anywhere in the world, and for any phase in life, from young to old. It is our aim to offer consumers tasty, nutritious and sensible food and beverages, by making products in a sound and sustainable way for future generations.

Nestlé complies with the law and regulations, but also applies a number of strong values and principles in the countries where we operate. Our main objective is to ensure that our investments are beneficial for both the shareholders and the countries where we do business. At Nestlé, we call this **Creating Shared Value**.





# Creating Shared Value

Creating Shared Value (CSV) forms the foundation of our business. To create value for our shareholders and to be successful in the long term, we also want to create value for the society in which we operate. CSV goes beyond compliance with laws or sustainability. As a company, you create competitive advantage by taking actions that address social or environmental issues.



Examples are:

- developing products and services that meet societal needs in developed and emerging markets;
- more efficient use of resources throughout the supply chain;
- improvement of local economic and social development.

We can best create this value in the core areas that are of enormous importance to our company: nutrition, water and rural development.

## Nutrition

Nutrition is the reason of our existence. We aim to offer consumers sensible and nutritious products, affordable and accessible for everyone, thanks to innovations and alliances.

- For consumers with lower incomes or with more limited access to nutritious food, Nestlé develops products with a higher nutritional value at lower prices. These products are known as **Popularly Positioned Products (PPP)**. Globally, over 4,800 PPP products are sold by Nestlé in appropriate portions.
- Our product range is evaluated regularly by means of our **60/40+ tests** carried out by consumer panels, in order to improve the taste and nutritional value.

### What do we mean by 60/40+?

60/40 relates to obtaining 60% of taste preferences from a group of consumers in a 'blind' panel test alongside the products of our major competitor. The + refers to the analysis of the nutritional value of the product. The aim is to achieve a nutritional value equal to or better than the international criteria for foodstuffs like sugar, saturated fat and salt.

- With the **Nestlé Nutrition Profiling System**, we are responding continuously to the latest knowledge and developments in the field of nutrition, health and wellness. The nutritional value is adapted to restrict the use of sugar, salt and fat.

## Water

A global water crisis is threatening food security, because two-thirds of the entire water supply is being used for agriculture. It has been estimated that by 2030, the demand for water will rise by 50%, and therefore, water shortages appear to be an inevitable scenario for billions of people. We are committed to protecting scarce sources of water and encourage more efficient use of water in our production and distribution processes so that others in the chain can also benefit from it.

- In the **baby food factory in Nunspeet**, over 20,000 m<sup>3</sup> of water was reduced in 2012.

- The **Water Challenge blog**, an initiative by our chairman Peter Brabeck-Letmathe, is intended to bring about discussion about the importance of the availability of water everywhere in the world. Water for basic needs and personal hygiene is a human right for everyone in the world. The right to water is included in our **Corporate Business Principles**.

## Zero waste

In 2013, Nestlé announced its commitment to no longer generate waste by the end of 2020 in all of our 150 factories in Europe. This target entails that no factory will let go waste to landfill without winning energy back in the process.

All of our waste streams in the factory at Nunspeet have been reviewed in 2014 and are now recycled. For example, tin is extracted from can and processed in steel/iron, paper is recycled into new paper and various streams are going to fermentation and are transported afterwards for biogas. More projects will be initiated in 2015 to reduce waste, also within our office locations, and we are looking at possibilities to reduce transports.

In addition to providing consumers with information about portion guidance, guidelines for the preservation and preparation of products are important factors when it comes to reducing waste. MAGGI developed on [www.maggi.nl](http://www.maggi.nl) a special place where consumers can go to for tips and tricks to better preserve food. Next to that, they can find recipes for leftovers and there is a unique digital tool, 'Empty your fridge', which searches for a recipe based on the leftovers in your refrigerator.

## Rural development

With the growing world population and the shift to urban areas, the challenge of producing sufficient agricultural commodities is growing too. We are endeavouring to obtain raw materials in a responsible and sustainable manner. Therefore, we support farmers in developing rural areas where the raw materials grow that we need. In this way, we secure our access to high-quality ingredients and expand our customer base.

- The **Nescafé Plan** aims to make coffee sustainable. This programme was launched in 2011. Nestlé will invest 249 million euro in the Nescafé Plan, which aims at the pillars sustainable agriculture, sustainable production & logistics and sustainable consumption, over the next few years (until at least 2020).

- The **Nestlé Cocoa Plan**, launched in 2009, aims to make cocoa production sustainable and improve the living conditions of cocoa farmers and their families in the broadest sense of the term. Nestlé supplies very high-quality cocoa plants, helps farmers with training, improves the logistics chain, ensures the education of children and improves water and medical facilities.

- To combat **child labour** in the supply chain, Nestlé (as the world's largest food company) cooperates with the Fair Labour Association (FLA). This organisation carries out independent research, based on which we have drawn up an action plan to combat malpractices in the supply chain. Since 2013 we have also been devoting our attention to the **working conditions of women** in the chain.

## Nestlé needs YOUth

Due to the current economic recession, the rate of youth unemployment is growing in Europe. For Nestlé, tackling this problem is not only a responsibility of the government, but the business world should contribute as well. In 2013, Nestlé announced **Nestlé needs YOUth**, in which it will create thousands of jobs for young people under 30 years of age over the next three years. In the Netherlands, Nestlé will provide approximately 300 young people with jobs or internships.

**With Nestlé needs YOUth, we focus on the following pillars:**

1. **Get Skilled & Hired.** Nestlé invests in creating opportunities with for example jobs, internships and apprenticeships. Throughout the year, Nestlé offers internships and apprenticeships at several divisions within every Nestlé business unit in the Netherlands. In addition, we invest in partnerships with schools and universities and in the North-South Alliance, where young people from the South of Europe are offered to gain experience in the Netherlands.
2. **Readiness for Work.** Within this pillar Nestlé organises interview trainings, (social media) workshops and CV clinics for young people in order to help them get a positive start on the labour market. In addition, a mentoring programme was started through which Nestlé employees voluntarily coach a young person. By giving advice about their résumé and role-playing in preparation of an interview, the youngsters get some insights in how they can best present themselves on the job market.
3. **Alliance for YOUth.** Together with other organisations we can tackle the problem of unemployment among youth more effectively. In the Alliance for YOUth we are working on this problem together with our suppliers and other partners on both European and local scale. Nestlé has joined forces with more than 200 organisations worldwide. Nestlé seeks for collaboration with organisations in the Netherlands to maximise the result.



## Rational advertising & marketing

As the world's largest food company, we have a responsibility to promote our products in a way it encourages balanced consumption, especially among children. This is also one of our **Corporate Business Principles**. We do not carry out any direct advertising or marketing aimed at children under 7 years of age. Advertising aimed at children between 7 and 13 years of age remains restricted to products with a nutritional profile that helps follow a healthy, balanced diet, including maximum values for ingredients such as sugar, salt and fat.



## In discussion with opinion leaders

Every year, Nestlé organises the **Creating Shared Value Forum**. This event brings together opinion leaders for a discussion about fundamental themes and the role of business in nutrition, water and rural development. You can find all the information about the next CSV Forum on our [website](#).



## Reporting

Annually, Nestlé reports about its progress in Creating Shared Value and our long-term objectives. You will find the most recent report on our [website](#).

## Nestlé CSV Prize

The **Nestlé CSV Prize** rewards initiatives that reflect the Creating Shared Value vision and which respond to challenges in the fields of nutrition, water or rural development. Nestlé supports the winning projects with both financial and technical resources. The aim is to continue to help them to grow and achieve financial sustainability. The prize is awarded every two years.



## Good to know

- 72 factories achieved zero waste. In 2015 **10%** of the factories will be **waste-free**.
- **6,692 of our products** have been adapted in the context of improved nutrition and health.
- **7.6 million children** worldwide are now involved in the Nestlé Healthy Kids Global Programme, in 73 countries. In the next few years, that number will rise.
- Since 2005, our water consumption has decreased with **52%**.
- In 2015, 100,000 tonnes of cocoa will be coming from the Nestlé Cocoa Plan. By the end of 2016, this will increase to **120,000 tonnes**.
- The **Nestlé Cocoa Plan** covers Ivory Coast, Ghana, Ecuador, Venezuela, Mexico, Brazil and Indonesia.
- At present, the cocoa used for the **KitKat, Bros, Smarties** and **Lion** brands comes from farmers participating in the Nestlé Cocoa Plan.
- To improve the sustainability of the coffee supply chain, **180,000 tonnes of coffee** will be purchased through the Farmer Connect Programme in 2015.
- In addition, **220 million coffee plants** will be distributed by 2020 to improve the quality, quantity and sustainability of our coffee supply chain.
- In Europe the Nestlé needs YOUth Programme already helped **11,832 young people** to get a job or an internship.

