

Update 07/2011



A note from the CEO

At Nestlé, we believe that for a company to be successful over the long-term and create value for its shareholders, it must at the same time create value for society. We call this "Creating Shared Value."

In September last year, Nestlé UK & Ireland published a report outlining how we are bringing to life our Creating Shared Value strategy locally and detailing some of the targets that we have set for the business – from Nutrition, Health and Wellness to reducing carbon emissions and waste to

landfill. Ahead of the publication of our next formal report in 2012 I'm very pleased to be able to provide you with an update on our progress as part of this second stakeholder newsletter. [Click here to view the full Creating Shared Value in the UK & Ireland update document](#)

Whilst there is still much to do, and areas where we need to go further, I am very proud of our achievements over the last few months. We have delivered further reductions on Christmas and Easter packaging, three of our factories have been verified as sending zero waste to landfill and we have already exceeded our 2020 water reduction target.

There are two projects at our Fawdon and Buxton sites that I am particularly excited about, that really demonstrate our holistic approach to environmental sustainability and that will quite literally transform the way we manufacture in the UK. Both are covered in this newsletter and I look forward to keeping you informed as our plans progress.

I hope that this latest newsletter is useful and very much welcome – any feedback that you may have – please send your comments and ideas to: update@uk.nestle.com.

Paul Grimwood, Chairman and Chief Executive, Nestlé UK & Ireland

Fawdon "Lighthouse" factory plans underway

At Nestlé we are committed to manufacturing and doing business in a way that protects the planet and its resources for future generations and helps our local communities thrive.

In addition to publicly stated targets on reducing water usage, carbon emissions and reducing waste we have embarked on a very ambitious project at our Fawdon factory near Newcastle.

We call Fawdon our "Lighthouse" factory and we are using it as a pilot to test techniques which we hope to scale up and use in other factories and across the business. In addition to the factory achieving zero waste to landfill we are accelerating water and energy reduction programmes and in the next two years we aim to reduce both water consumption and CO2 by 50%. We have already successfully piloted on-site anaerobic digestion and are now finalising plans for the full size digester and part of the project also involves establishing a "natural capital site" in the grounds. This includes a butterfly meadow which was planted by employees and the local

community in April to encourage many species of butterfly back to the area and planting hedgerow to encourage indigenous wildlife to return to the site. We are very pleased to be working closely with a range of partners including Natural England, The Northumberland Wildlife Trust and local Butterfly Conservation Group to deliver these initiatives.

David Stebbings, Conservation Officer for Northumberland Butterfly Conservation North East England Branch said: "Butterfly Conservation in the North East is very pleased to be working with Nestlé to create a flower rich meadow for butterflies in the Fawdon factory grounds. This new habitat will attract a variety of butterflies and will significantly increase biodiversity in an urban area. Nestlé and its enthusiastic staff should be congratulated on their commitment to nature and biodiversity."

Duncan Hutt, Head of Land Management, Northumberland Wildlife Trust said: "This is a fantastic opportunity to work with Nestlé to develop a great new meadow for butterflies. There is the potential to bring 10 or more species into the factory grounds and we will be fascinated to see how it develops over this Summer and the next few years."

For further information see: [Sustainable Manufacturing](#)



Fawdon Shift Manager Kenny Baxter with daughter Caitlin at the butterfly meadow planting event

2011 Creating Shared Value Forum

On 19 May, Nestlé hosted its third Creating Shared Value Forum in Washington, D.C. in partnership with the Atlantic Council.

Titled "Nutrition, Water and Rural Development 2030: the Changing Role of Business," panel discussions explored the opportunities, obstacles, and future directions in nutrition, water and rural development in Latin America and Africa. An additional panel session discussed how businesses and governments can work together to meet commercial needs and development goals up to 2030.

To view the forum highlights visit: [CSV Forum Highlights](#)

Nestlé Professional wins industry award with "The Cocoa Plan"

On 19 May, Nestlé Professional UK received the "Sustainable Sourcing" award for Nestlé's work on The Cocoa Plan at the inaugural Foodservice Footprint Awards.

Neil Stephens, Managing Director of Nestlé Professional said, "The Foodservice Footprint Awards are a fundamental way for the foodservice industry to encourage and share best practice. We are delighted to have our work and commitment recognised by this award."

For further information on The Cocoa Plan visit: www.thecocoaplan.com



Construction work begins on new Nestlé Waters factory

On 14 June, Nestlé Waters UK marked the official start of construction at its new state-of-the-art plant on the outskirts of Buxton, Derbyshire.

The new site will be one of Europe's most modern bottling facilities and will enable Nestlé Waters to increase its capacity, efficiency and environmental performance.

The ground-breaking ceremony was attended by representatives from Nestlé Waters and contractors Pochin Construction Ltd. The new site will allow Nestlé Waters to significantly reduce total energy output, as well as the packaging used for its bottles. It will also, for the first time, bring together the bottling facilities for our leading brands *Buxton Natural Mineral Water*® and *Nestlé Pure Life*® and warehousing capability under one roof and create one of the

most innovative and efficient bottling lines in the world.

Throughout the construction, Nestlé Waters and Pochin Construction Ltd will be involving local schools and community groups in activities, including developing a time capsule that will be buried on the new site once construction nears completion.

Matthew Beddoe, Head of Supply Chain & Purchasing, Nestlé Waters UK said: "Nestlé Waters has had over 20 successful years in Buxton and we received overwhelming support for the new facility following our public exhibition and consultation last November. Today marks the start of an exciting

journey for us. We will be working closely with local residents and community groups as we start to build our new, best-in-class facility with production starting in 2012. The site will ease pressure on the centre of Buxton and guarantees our presence in Buxton for the foreseeable future."



Front row L to R, Mattias Thraen, Factory Manager, Jonathan Pochin, Pochin Construction and Paolo Sangiorgi, Country Manager, Nestlé Waters UK

Global CEO, Paul Bulcke opens £1million extension to York Insight Centre

On 27 May, Paul Bulcke, Nestlé S.A. Chief Executive Officer and Laurent Freixe, Nestlé Executive Vice President and Zone Director for Europe, officially opened a

£1million extension to Nestlé UK's Insight and Learning Centre in York. The Insight and Learning Centre is one of a worldwide series of centres established by Nestlé to provide retailers with the strategic insight to maximise their sales while growing Nestlé's range of products in stores.

Combining leading consumer and shopper research with cutting edge digital technology, the centres are used to demonstrate how people behave when shopping and when using Nestlé products at home. Features of the new York extension include a replica living room, IMAX cinema and digital media area.

Further information about the Centre is available at: [Nestlé UK Opens Insight Centre](#)

Paul Bulcke (right of lectern) at the opening of the York Insight and Learning Centre extension



Nestlé UK supports flood scheme for South Derbyshire villages

Nestlé UK is supporting a £7million scheme being developed by the Environment Agency to design a flood alleviation scheme for the villages of Hatton, Scropton and Egginton in South Derbyshire close to the *NESCAFÉ*® factory at Tutbury.

The scheme will offer protection to about 2,000 properties and businesses in the area and will involve raising existing walls, embankments and roads to increase the level of protection to the villages.

Paul Grimwood, Nestlé UK Chairman and CEO said: "Having been in Tutbury since 1901 we know how important it is not only to our factory but the wider South Derbyshire community to ensure properties are protected from the threat of flooding in

the future. As well as providing a financial contribution of £1.65 million towards the project we have also committed specialist consultancy advice and space on Nestlé owned land for contractors to use as this exciting project develops."

Nestlé UK employees raise over £230,000 for Alzheimer's Society

In 2010, Nestlé employees across the UK voted Alzheimer's Society as our Charity of the Year. Over the past nine months employees have been running, cycling, baking, climbing mountains and more to help raise over £230,000 towards the £250,000 fundraising target. The money raised will enable Alzheimer's Society to answer more calls to the national dementia helpline and fund valuable research into finding a cause and a cure for dementia.

Nestlé is also supporting Alzheimer's Society through product donations including donating *NESCAFÉ*® and *KIT KAT*® for the charity's Alzheimer's cafés located near Nestlé sites across the UK. The Alzheimer's cafés provide a safe place, where people with dementia and their carers can make contact with each other, receive a consultation, and get access to vital advice, information and support.

Jeremy Hughes, Chief Executive at Alzheimer's Society, said: "We are absolutely thrilled with the success of our partnership with Nestlé so far, and I would like to thank everyone at Nestlé for their enthusiasm and dedication. The continued support of Nestlé staff is vital to Alzheimer's Society continuing its work."



Employees from Nestlé's factory in Tutbury complete the Derby 10k for Alzheimer's Society