

Nestlé UK & Ireland Creating Shared Value Update July 2011



Contents

Introduction	3	Waste	10	Sourcing	14
Nutrition, Health and Wellness	4	Transport and distribution	11	Community	16
Energy and emissions	6	Packaging	12	Our people	18
Water	8				

Introduction from the CEO



At Nestlé we believe that to be successful over the long-term we need to create value for our shareholders and for society as a whole. We call this Creating Shared Value and place particular focus on three key areas that are core to our business: nutrition, water and rural development.

In September 2010, 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 would like to provide an update on our performance against the new targets that we set out in 2010.

Whilst there is still much to do, and areas where we need to go further, I am very proud of what our employees have achieved so far. We have delivered further reductions on Christmas and Easter packaging, three of our factories (Girvan, Dalston and York) 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 of them are covered in this interim update alongside other key news from the last nine months.

I do hope that this update is useful and provides further evidence of our commitment to continuous improvement and sustainable manufacturing in the UK & Ireland.”

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



Nutrition, Health and Wellness

As the world's largest food company, we are committed to promoting Nutrition, Health and Wellness through the products we make and by providing consumers with information to help them make healthier choices.

Global nutrition leadership

On 27 September 2010, Nestlé announced the creation of Nestlé Health Science S.A. and the Nestlé Institute of Health Sciences to pioneer a new industry between food and pharmaceuticals. These two separate organisations will allow Nestlé to develop innovations in the area of personalised health science nutrition to help prevent and treat health conditions such as diabetes, obesity, cardiovascular disease and Alzheimer's disease, which are placing an unsustainable burden on the world's healthcare systems.

Speaking at the announcement, Nestlé Chairman Peter Brabeck-Letmathe said that Nestlé will be a pioneer in helping to shape the space between the food and pharmaceutical industries. "The combination of health economics, changing demographics and advances in health science show that our existing healthcare systems, which focus on treating sick people, are not sustainable and need redesigning. Nestlé has the expertise, the science, the resources and the organisation to play a major role in seeking alternative solutions. Personalised health science nutrition is about finding efficient and cost effective ways to prevent and treat acute and chronic diseases in the 21st century."

For further information on Nestlé Health Science S.A. and Nestlé Institute of Health Science, please see the websites; www.nestlehealthscience.com and www.nestleinstitutehealthsciences.com

Improving our products and supporting the UK Government's Public Health Responsibility Deal

As a major food manufacturer we understand that consumers are looking for healthier foods that do not compromise on taste and in the UK and Ireland we offer a wide range of products which meet differing consumer preferences - from *Shredded Wheat*® which contains no added sugar or salt to great tasting treats like *KIT KAT*®.

We are also committed to providing nutritional information to help our employees and consumers make informed food choices and constantly review and look to improve the products that we offer.

For example:

- Since 2008, 195 tonnes of salt have been removed from Nestlé breakfast cereals portfolio of products in the UK (based on actual volumes sold).

- Over 25% of our breakfast cereals sales in the UK are products with no added salt (e.g. *Shredded Wheat*®, *Shredded Wheat Fruitful*® and *Honey Nut Shredded Wheat*®).
- We have developed a 99 kcal biscuit range which includes *BreakAway*®, *Blue Riband*®, *Toffee Crisp*® and *Drifter*® and the recently launched *Aero*® biscuit and *Rolo*® biscuits.
- We provide lower calorie, fat and saturated fat options on popular beverage brands including *NESCAFÉ Café Menu Skinny Range*® and *NESCAFÉ Dolce Gusto Skinny Range*®. In May 2011 *NESCAFÉ Café Menu Cappuccino*® and *NESCAFÉ Cappuccino Unsweetened*® recipes have also been reformulated to remove hydrogenated vegetable oil. This has resulted in reductions in saturated fat and fat for these products of at least 40% and 30% respectively.

Nestlé UK has been working with the UK Government on the Public Health agenda for a number of years and we very much welcome the partnership approach being developed under the Public Health Responsibility Deal announced in March. Nestlé has signed up to all the Food Pledges, all the relevant and applicable Physical Activity Pledges, and all the Health at Work Pledges.

The Responsibility Deal's strength comes from organisations across varying sectors working together to improve people's health and we believe this is just the beginning of what we hope becomes an engaging and constructive partnership. More information about the Deal, its partners and their pledges, can be found at: <http://www.dh.gov.uk/en/PublicHealth/PublicHealthResponsibilityDeal/index.htm>

Helping families (and the GB Rowing Team) get their whole grains

Nestlé cereals Team Whole Grain is a team of experts working together to encourage busy families across Britain to be aware of the benefits of whole grain and to help increase their daily whole grain intake. Team Whole Grain is made up of former England rugby player Matt Dawson, TV and radio presenter and mum Zoe Ball and Olympic rowing medallist Greg Searle, supported by top nutritionist Juliette Kellow, and food artist Prudence Staite. Visit www.wholegrain.co.uk for more information, recipes and whole grain facts.

Nestlé Cereals has also recently announced its support for the GB Rowing Team.

“Food plays a big part in a rower's training and breakfast is a very important meal to give them a great start to the day. The range and quality of Nestlé cereals make them a popular choice with the rowers. We are delighted that the company has agreed to supply the team on a regular basis and provide the rowers with a healthier breakfast choice of tasty whole grain cereals.”

David Tanner,
GB Rowing Team, International Manager

Measuring performance

Target 2010
Meet FSA 2010 salt reduction targets

Performance 2009
Achieved

Performance 2010/2011

- Remove all artificial colours and flavours from confectionery
On Track
- Remove hydrogenated vegetable oil (HVO) from all products
On Track

On track Achieved

1 UK Food Standards Agency Revised Salt Reduction Targets. Published May 2009. (<http://www.food.gov.uk/healthiereating/salt/saltreduction>)



Energy and emissions

Nestlé is committed to being a leader in reducing greenhouse gas emissions from its own operations by improving energy efficiency, switching to cleaner fuels and investing in renewable sources.

Measuring performance

Target 2009 ¹ (Baseline 2008)	
Reduce energy use by	7%
Target 2010 (Baseline 2006)	
Reduce carbon use by	10%
Performance 2009	
✓ Reduced energy usage by Target achieved	7%
✓ Reduced carbon usage by Target exceeded by 1%	11%

Looking forward (Baseline 2006)

Target 2015	
Reduce absolute CO2 emissions by	20%
Renewable energy use	10%
Reduce and offset to zero all carbon emissions at one factory	
Performance 2011	
➔ Reduce absolute CO2 emissions by On Track	13.7%
➔ Renewable energy use On Track	
➔ Reduce and offset to zero all carbon emissions at one factory On Track	

➔ On track ✓ Achieved

¹ Nestlé UK.

Reducing emissions, saving money at Halifax

As part of Nestlé's continued drive to reduce the environmental impact of its UK operations, the Halifax confectionery factory has changed the way it uses heating and cooling systems to make improvements in energy and water consumption.

In 2010, the factory used coal fired boilers to generate steam and was also due to replace an out of date refrigeration plant that used ozone depleting gases. The factory invested in a full site energy audit that allowed the engineering team to take a holistic approach to providing heating and cooling services to the factory. The result was a move from a central steam boiler to decentralised hot water generation, and the installation of innovative heat pumps that used water cooled condensers to provide hot water for the site cleaning systems, product vessels and pipe work, thereby maximising opportunities for heat recovery from the new refrigeration system. The project led to a 52% reduction in energy consumption at the site, 24% reduction in water used, 50% reduction in CO₂, and 90% reduction in HCFCs. It also resulted in a saving of over £1.4 million for the site proving that sustainable manufacturing really does make good business sense.

Fawdon "Lighthouse" factory plans get 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.

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 <http://www.nestle.co.uk/AboutNestle/CreatingSharedValue/SustainableManufacturing>



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

“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.”

David Stebbings,

Conservation Officer for Northumberland Butterfly Conservation North East England Branch



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

World class factory for Britain's fastest growing water brand

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, which will be built to BREEAM standards, 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.

“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.”

Matthew Beddoe,

Head of Supply Chain & Purchasing, Nestlé Waters UK

Water

Population growth, consumption habits and the impacts of climate change are combining to present a serious threat to the security of one of the world's most precious resources – water.

Acting fast on water

In line with our global strategy, Nestlé UK has water reduction programmes in place at all manufacturing sites, offices and distribution centres.

To date we have reduced absolute water usage by 36% since 2006 – well ahead of our own 2020 target and our commitments under the Food and Drink Federation's Federation House Commitment.

This has been achieved through a range of site specific reductions ranging from the installation of a new £500,000 waste treatment plant at our Girvan site in September 2010 to reducing the amount of water taken in at our Fawdon factory by 25% by removing cooling towers and installing new washing systems.

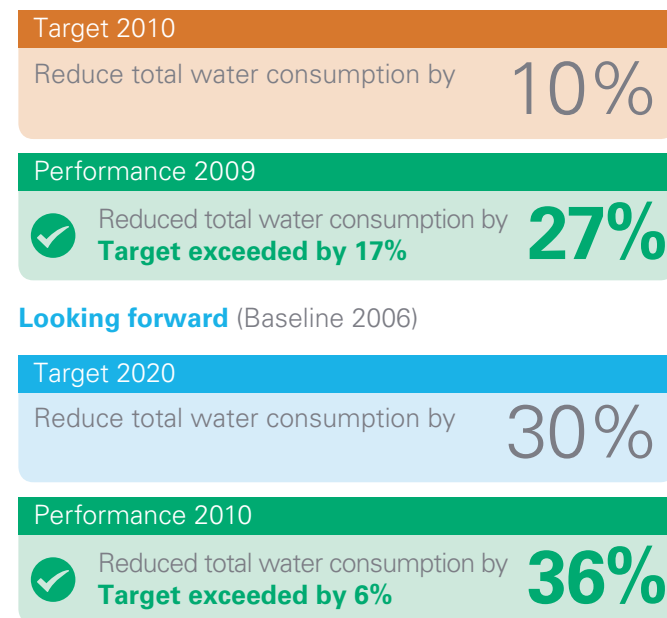
World Water Day in Buxton

International World Water Day is held annually on 22nd March as a means of focusing attention on the importance of fresh water and advocating for sustainable management of fresh water resources.

Buxton is just one of 24 production sites around the world where Nestlé Waters is engaging with children and participating in different Water Care activities to draw attention to the importance of freshwater resources. Through this global coordinated approach, Nestlé Waters hopes to increase awareness of water issues.

Nestlé Waters UK celebrated World Water Day by holding a fun day for 30 children from a local primary school near the Buxton site. The children had a factory tour and a visit to the *Buxton*® source before playing several water based activities using Project WET resources (a world recognised water education programme). The programme covers topics such as how much water is in our bodies, how much fresh water there is on earth and the water cycle journey. For further information on Project WET visit the website <http://www.projectwet.org>

Measuring performance (Baseline 2006)



→ On track ✓ Achieved

Investing for the future

Nestlé UK is supporting a £7 million 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 in 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.

“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.”

Paul Grimwood,
Nestlé UK Chairman and CEO



Winning Awards

On 7 June, Nestlé was announced as the winner of the 2011 Stockholm Industry Water Award for its leadership, performance, and efforts to improve supply chain water management.

Awarded by the Stockholm International Water Institute (SIWI) – a policy institute that contributes to international efforts to combat the world's escalating water crisis – the honour recognises Nestlé's aim to improve the water management and efficiency of its operations. For example, Nestlé's water consumption has decreased from more than five litres of water per USD of sales ten years ago, to less than 1.4 litres today.

The SIWI also praised Nestlé's work with suppliers, particularly farmers. Nestlé employs 1,000 agronomists and water experts who work directly with farmers to help them reduce their water requirements, increase crop yields, and minimise pollution.

Water has been an issue of concern and action for Nestlé for nearly 80 years – the first waste water treatment plant of the Group was built in the early 1930s – and it is one of the three pillars of Nestlé's concept of Creating Shared Value.

The award will be presented to Nestlé Chairman, Peter Brabeck-Letmathe, on 24 August.

“I am most grateful for this recognition. We have identified water as the biggest challenge for future food security, and beyond that, for economic growth. This is probably the most prestigious award in this area for a company – and it will strongly encourage us to continue with our efforts.”

Peter Brabeck-Letmathe,
Nestlé Chairman, speaking during World Water Week in Stockholm

For further information see:
<http://www.siwi.org/stockholmwaterprize>

Waste

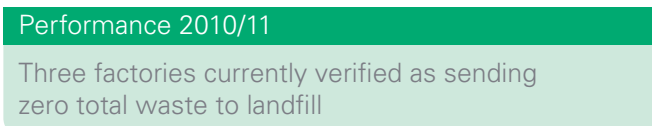
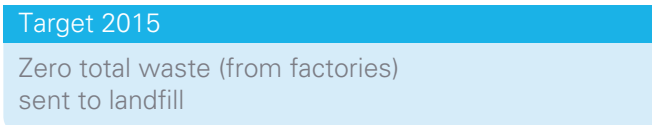
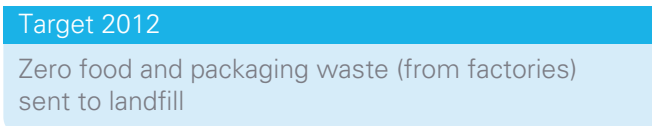
Eliminating waste and reducing our consumption of natural resources are important global priorities for Nestlé. Our UK goal is zero waste and full recovery of unavoidable by-products.



Measuring performance (Baseline 2008)



Looking forward



On track Achieved

¹ Nestlé UK.

Zeroing in on factory waste

In 2009, we set a target of zero total waste to landfill for all of our factories by 2015 and to date we have three production sites verified by Bureau Veritas as sending zero waste to landfill. These sites are at Girvan, where we manufacture chocolate crumb, Dalston which produces *NESCAFÉ Cappuccino*® and York, our largest site and home of *KIT KAT*®.

At our Girvan site which was the first to achieve zero waste to landfill, factory employees use techniques similar to those used at home to separate waste into streams for recycling or reuse. The waste wood generated by the site is crushed into chips and sold on to a local company which manufactures chipboard for use in kitchen counters. Product waste is processed for inclusion into feeds for farm animals within 50 miles of the factory. Metals, plastics, paper, cans and cardboard are processed by our contractor and traded as commodities and any remaining material that does not currently have a viable recycle option is sent for incineration which generates electricity.

At the York site which was verified in June 2011, Nestlé partnered with Yorwaste to develop a total waste management solution with more than thirty Nestlé recycling champions identified covering all shifts and processes on the York site and overseeing the different kinds of waste generated. Achieving zero waste to landfill at York also means a saving of approximately £120,000 per annum for the business due to the removal of landfill tax and revenue generated from nearly 800 tonnes of recovered materials.

Ensuring no good food goes to waste

FareShare is a national UK charity supporting communities to relieve food poverty. It is at the centre of two of the most urgent issues that face the UK – food poverty and food waste.

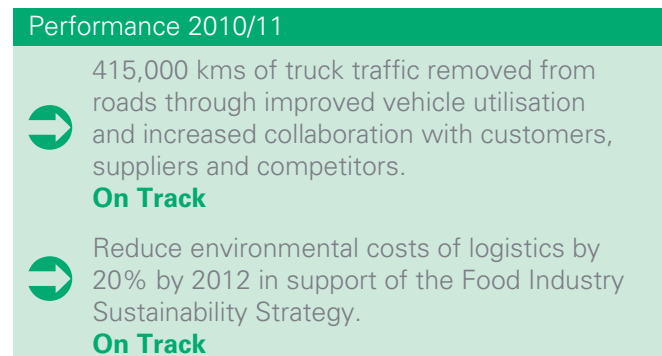
For a number of years Nestlé has worked with FareShare to redistribute quality food to disadvantaged people or dispose of any non-edible food in an environmentally responsible manner.

From April 2010 to March 2011 Nestlé donated 1,110,000 meals worth of food to FareShare and sent 417 tonnes fewer to landfill in the process. See www.fareshare.org.uk for further information.

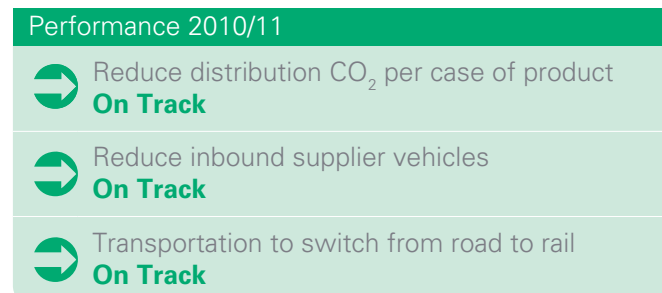
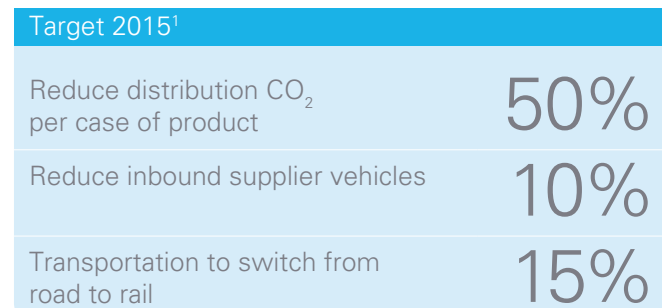
Transport and distribution

Globally, transport is responsible for approximately 20% of all CO₂ emissions. Seeking to cut our own CO₂ emissions and promote sustainable manufacturing, Nestlé is committed to reducing the environmental impact of its transport and distribution activities wherever possible.

Measuring performance (Baseline 2006)



Looking forward (Baseline 2006)



On track Achieved

¹ Nestlé UK.

Nestlé Professional and Brakes Group join forces to reduce road miles

Nestlé Professional has collaborated with leading foodservice distributor, Brakes Group, and announced plans to save 82,000 road miles over the next year, starting from May 2011. The initiative will see the two major hospitality brands join forces across regional depot deliveries to cut out unnecessary and 'empty' journeys which will reduce duplication and use vehicles more efficiently. Neil Stephens, Managing Director, Nestlé Professional UK said: "We're absolutely delighted to be working alongside Brakes Group on this initiative, which is a significant move for a number of reasons. We hope it will encourage other hospitality industry suppliers and operators to work together because not only is this right for the environment but there is a real benefit in a pure business sense – by using transport intelligently, we can all reduce cost and improve scale." The reduction in transport miles will be verified by The Institute of Grocery Distribution (IGD) at the end of 2011.

Packaging

Nestlé carefully considers the environmental impact of packaging as an integral part of its product design. Since the early 1990s, we have been reducing the amount of packaging we use through our global source reduction programme – eliminating unnecessary packaging and reducing weight while ensuring product quality.

Less packaging

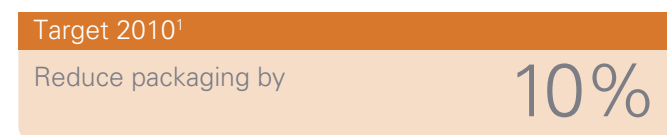
Since the early 1990s, we have been reducing the amount of packaging we use through our global source reduction programme and in the UK & Ireland we are always looking at ways to further reduce the amount of packaging used.

In 2009, Nestlé UK & Ireland became the first major confectionery manufacturer to replace non-recyclable plastic with recyclable cardboard packaging in 20 million Easter eggs, 80% of the 25 million that we made that year. In 2010 we introduced cardboard trays to many of our large Easter eggs, replacing plastic inserts and reducing their use in a further 10% of production.

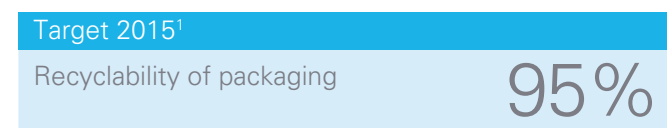
Although the 2011 reductions are smaller than in previous years, Nestlé Confectionery UK has reduced the amount of packaging materials used for medium Easter eggs by a further 100 tonnes (-12.6%) versus 2010. This has been achieved by reducing pack sizes and using different formats such as foil wrapped hollow figures.

In November 2010 Nestlé Professional introduced new NESCAFÉ stick packs which used 22 tonnes less packaging and in May this year reduced the packaging used on NESCAFÉ Latte®, NESCAFÉ Cappuccino® and Aero Hot Chocolate® sachets saving a further 15.3 tonnes of packaging.

Measuring performance (Baseline 2006)



Looking forward



We aim to remove plastic inserts from all Easter eggs by 2012



➔ On track ✓ Achieved

¹ Nestlé UK.

More recycling!

Buxton Water® is committed to decreasing the amount of plastic used in its bottles which are already one of the lightest 50cl bottles available in the UK. All of the bottles are 100% recyclable and 100% of the packaging waste at the Buxton factory is also recycled.

Recycling rates for plastic bottles in the UK are only at 46% which means 54% are going to landfill. To encourage more consumers to recycle and make recycling easier, Buxton Water® launched its Recycle On the Go pilot project in Buxton, the Peak District, in July 2010. The campaign was launched with High Peak Borough Council and Recoup (RECYcling Of Used Plastics), the UK's leading authority on plastics, packaging and recycling and aims to increase recycling out of home in Buxton, and reduce volumes of waste going to landfill.

The pilot project was launched with 21 recycling stations around the town. Each recycle station has three sections: one for general waste, one for cans and one for plastic bottles. Recycle On the Go has received very positive support and feedback from the

people of Buxton and following the success of the pilot is being extended with up to 15 new stations in 2011. The stations collect all plastic bottles (coloured, HDPE) and cans and the vision is to reach zero landfill for bottles and cans in Buxton.

To support WRAP's national initiative Recycle Week (20th – 26th June), a new Buxton Recycling Video was also produced to help promote Recycle On The Go. Visit <http://www.buxtonwater.co.uk/becausewecare/packaging-sustainable-ways.aspx> for a link to the Buxton YouTube video.

In May 2011, Nestlé Purina launched "Together We Can" an initiative to encourage Felix® and Winalot® purchasers to recycle more pet food cans. Consumers were asked to pledge to recycle 50,000 pet food cans to raise £30,000 for charity partners, Dublin Society for Prevention of Cruelty to Animals, Cats Protection and Canine Partners, with the campaign supported by advertising and in pack leaflets with further information on recycling. The pledge target of 50,000 was reached after six weeks. For additional information on the campaign visit <http://www.purina.co.uk/wecan/default.aspx>



L to R; Graham Oakley, former Mayor of High Peak Council, Matthew Beddoe, Head of Supply Chain and Purchasing, Nestlé Waters UK and Stefan Dimitrov former Buxton Factory Manager

Sourcing

Around two-thirds of Nestlé's worldwide expenditure is on raw materials and nearly 40% of that goes towards three main ingredients – milk, coffee and cocoa. Many of our commodities rely on complex supply chains, involving large numbers of small-scale farmers in developing countries. We are committed to helping the farmers who supply Nestlé directly to increase their productivity, protect the environment and have sustainable livelihoods.

Measuring performance (Baseline 2006)

Target 2010

Source only fish ingredients rated 1 to 4 on independent certification and assessment schemes for our Purina pet food range

Performance 2010

✓ We sourced only fish ingredients rated 1 to 4 on independent certification and assessment schemes for our Purina pet food range
Target achieved

Looking forward

Target 2015

Palm oil used from sustainable sources

100%

Performance 2010/11

➔ Nestlé UK will use 70% certified sustainable palm oil by January 2012.
On Track

➔ On track ✓ Achieved

Nestlé UK Ltd moves to 70% certified sustainable palm oil by January 2012

From January 2012, 70% of the palm oil used in manufacturing by Nestlé UK Ltd will come from certified sustainable sources. The remaining 30% of the palm oil used in Nestlé UK products will be covered by GreenPalm Certificates. This move supports the global target of sourcing only sustainable palm oil by 2015 that was set by Nestlé in 2009. By the end of 2011, certified palm oil and palm oil certificates will account for 50% of Nestlé's global purchases and we continue to work with suppliers, farmers and other stakeholders to increase the availability of sustainable palm oil.

Nestlé buys 0.7% of world palm oil production and last year announced a new partnership with The Forest Trust (TFT) to establish Responsible Sourcing Guidelines. Nestlé was also the first company to commit to ensuring its products do not have a deforestation footprint.

Commenting on the UK news, Scott Poynton, TFT's Executive Director said, "Last May, we formed an agreement with Nestlé and since then, significant progress has been made. Working with Nestlé, we have conducted an in depth analysis of the supply chain in order to create transparency. We're now working with Nestlé suppliers to help them change the way they operate and we are already beginning to see success in this area".

For more information on Nestlé's position on palm oil see – <http://www.nestle.com/Media/Statements/Pages/Update-on-deforestation-and-palm-oil.aspx>. For an update on how the TFT work is progressing please see the TFT website – <http://www.tft-forests.org/news/item.asp?n=12059>



Coffee farmer Gerardo Areas

UK NESCAFÉ® consumers are introduced to Gerardo!

In August 2010, Nestlé launched The NESCAFÉ® Plan, a ten year £213 million investment that brings together Nestlé's commitments on coffee farming, production and consumption. Through the Plan, Nestlé will double the amount of coffee it purchases directly from farmers, expand its technical assistance for farmers and distribute 220 million high-yielding, disease resistant coffee plantlets by 2020. In February this year, Nestlé UK began consumer advertising on The NESCAFÉ® Plan featuring Nicaraguan farmer Gerardo Areas who has benefitted from farmer training. More information on Gerardo's story is available at http://www.nescafe.co.uk/sustainability_en_co_uk.axcms

In February, Nestlé also announced details of new NESCAFÉ® Plan projects that will support farmers from the Columbian Coffee Growers Federation (FNC) which represents more than 500,000 producers – for further information see <http://www.nestle.com/Media/NewsAndFeatures/Pages/Nescafe-Plan-underway-in-Colombia.aspx>

Nestlé Professional wins industry award with "The Cocoa Plan"

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

“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.”

Neil Stephens,
Managing Director of Nestlé Professional UK

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

Community

In 2010, we have continued our support for two initiatives, Make Space for Health and PhunkyFoods, which are helping young people across the UK to learn about the benefits of good nutrition and healthy lifestyles. Our UK employees have also been taking part in fundraising activities for our new Charity of the Year, Alzheimer's Society, raising over £230,000 in just nine months. Employees in Ireland have committed to raise €30,000 in 2011 for Irish charity The Jack and Jill Foundation.

“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.”

Jeremy Hughes,
Chief Executive, Alzheimer's Society

Nestlé UK & Ireland 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.



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

Make Space For Health

Started in 2002, Make Space is a campaign run by children's charity 4Children and supported by Nestlé UK, which aims to create a network of contemporary, dynamic and safe out-of-school clubs for 11 – 19 year olds. In 2008, Nestlé UK and 4Children launched Make Space for Health, a programme aiming to increase nutrition, health and wellness awareness among youth workers and promote healthy lifestyles to young people outside school.

Since 2009 over 7500 young people have engaged with the Make Space For Health programme and in 2010 a roadshow of interactive cookery sessions were held in youth clubs across the UK, attended by young people, youth workers, local MPs and representatives of many of the local authorities involved. At the sessions, chefs from Nestlé Professional demonstrate how easy it is to make fun, healthy food, quickly and economically.

In 2011, Make Space for Health is aiming to widen its reach, partnering with a further five local authorities, armed forces youth centres and empowering young "health champions" to help reach more young people including those living at each of the main RAF bases across the country. For more information on Make Space and the free health and wellbeing teaching modules available for youth workers visit www.makespace.org.uk

PhunkyFoods

The PhunkyFoods programme (PFP) provides healthy lifestyle lesson plans and resources for UK primary schools. The aim is to provide a sustainable healthy lifestyles education to help prevent the year-on-year rise in childhood obesity levels, and to help schools support the Government's National Obesity Strategy key targets. PhunkyFoods is operated by nutrition consultancy Purely Nutrition Ltd and has been supported by Nestlé UK since 2007.

To date we have sponsored 82 schools in the localities surrounding our confectionery head quarters in York and our factory in Dalston. In conjunction with sponsorship from additional industry consortium members and Nestlé the programme has reached 799 primary schools which equates to 212,500 children and their families.

Fundraising in Ireland for The Jack & Jill Foundation

The Jack & Jill Foundation is the Irish charity for Nestlé Ireland employees. In June, staff held a fundraising cycleathon on Dublin's Grafton Street as part of their commitment to raise €30,000 for the charity in 2011. In addition, the fundraising event also launched phase two of Jack & Jill's SOS (Save our Service) campaign which needs to raise an additional €750,000 urgently due to the serious funding shortfall of €1.35 million faced by the Foundation. Pictured is Jennifer Quinn, Nestlé Ireland, completing her leg of the SOS Cycle.

The Jack & Jill Foundation provides home care and support for children with severe neurological development issues, as well as offering some respite to the parents and families across Ireland.

In June, Nestlé Ireland staff also supported a Global Smurf Day attempt at breaking a Guinness Record for the largest gathering of people dressed as Smurfs in Dublin. All participants who took part in the challenge had to dress as a Smurf and raise funds for The Jack & Jill Foundation.



Our people

Nestlé employs nearly 280,000 people worldwide and 7,000 people in the UK and Ireland. Across our operations, our overriding principle is that each employee should have the opportunities and support they need to fulfil their potential in a safe and fair workplace where they are listened to and valued, and where diversity and equality are respected.



York Factory Mechanical and Electrical Apprentices; Sam Ward, Andy Wilson, Rob Greatrex and Dimitris Kapsokarvadis

Developing Talent

The Nestlé Academy is a new initiative for Nestlé in the UK. In order to address the talent gaps we are seeing across our organisation, over the next two years we will develop a broad programme combining work experience and education. The Academy will offer flexible entry points to attract young people at different life stages, offering routes to NVQ, foundation and Honours degree level to school leavers, graduates and current employees to provide varied career development routes through our organisation.

Under the Academy, we will be broadening our existing apprentice programme to offer opportunities across a range of different functions, with the opportunity for progression to foundation or honours degree programmes. We hope through this to offer a different route to higher education that may open up academic studies to young people who may otherwise feel that this is not a route open to them. Over the next two years, we are aiming as a minimum to double our current apprentice population of 30 young people, opening up new schemes across our manufacturing functions, business administration and commercial functions.

Our aim is to create a strong pipeline of outstanding talent for our business, to show young people the varied and challenging opportunities that the food and drink industry can offer, and to provide a lifetime of learning opportunities for our employees.



Good Food, Good Life

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