



Good Food, Good Life

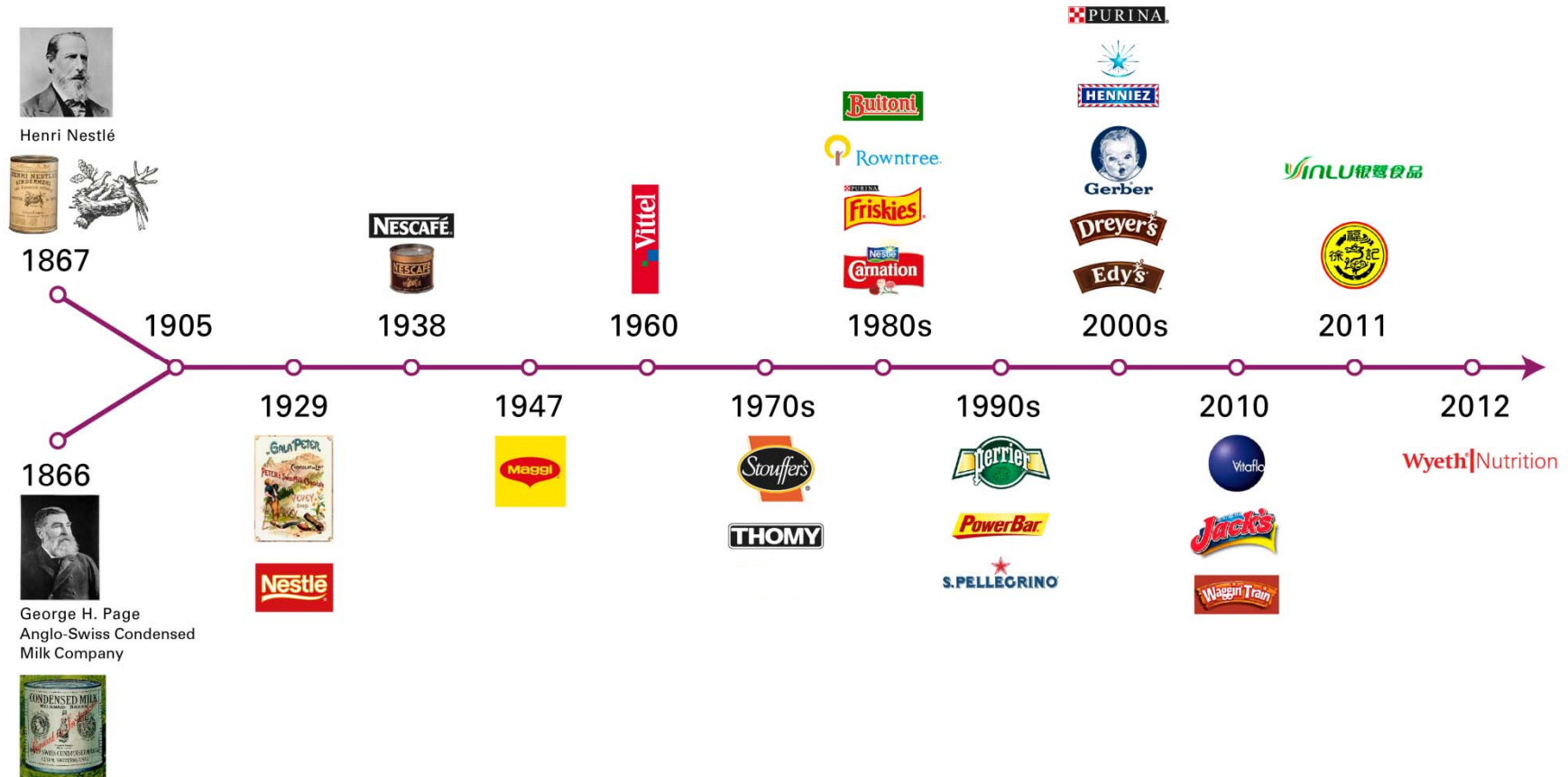


# Our mission

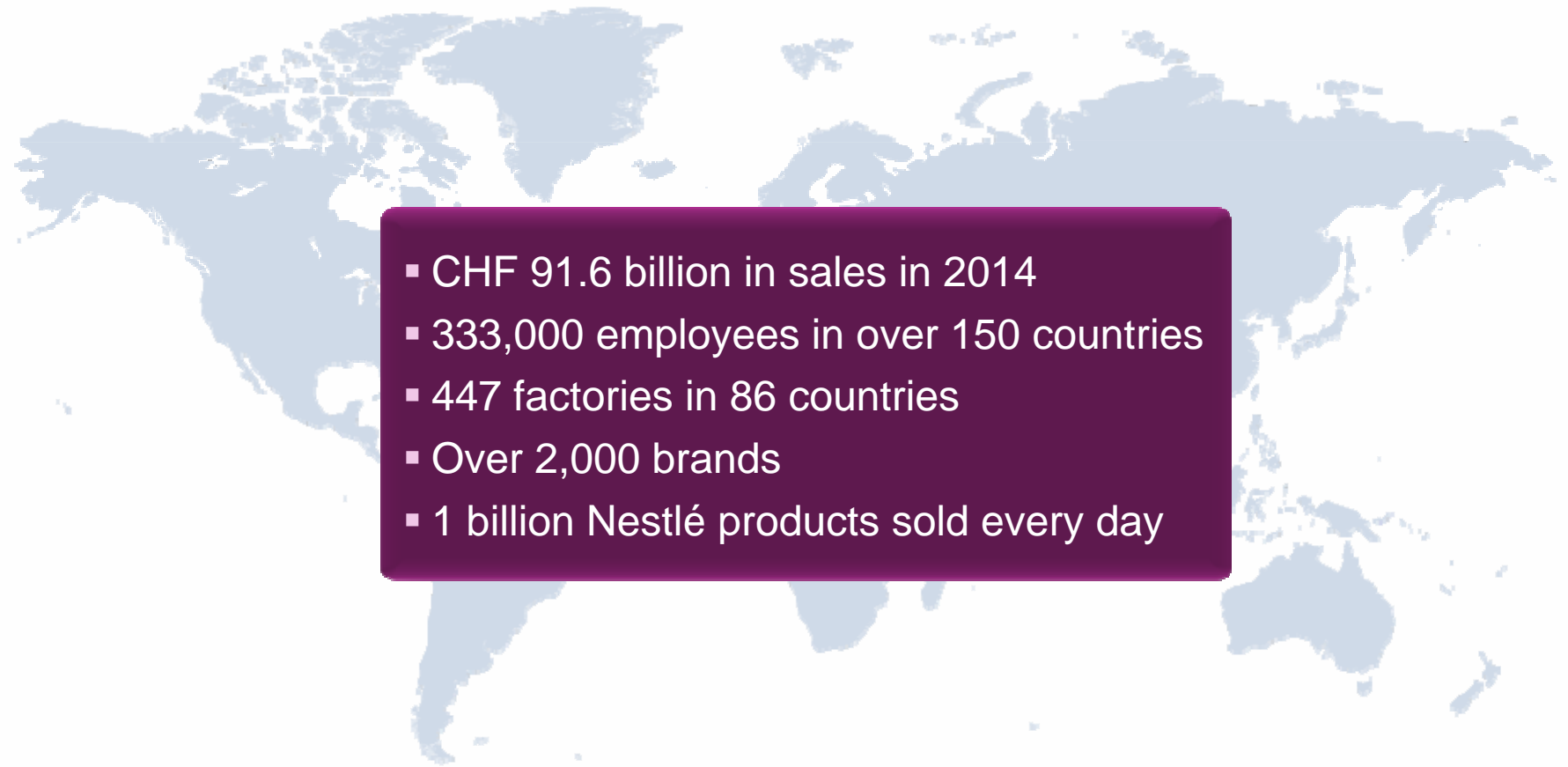
Our objective is to be the recognised leader in Nutrition, Health and Wellness and the industry reference for financial performance



# The Nestlé story



# Nestlé at a glance



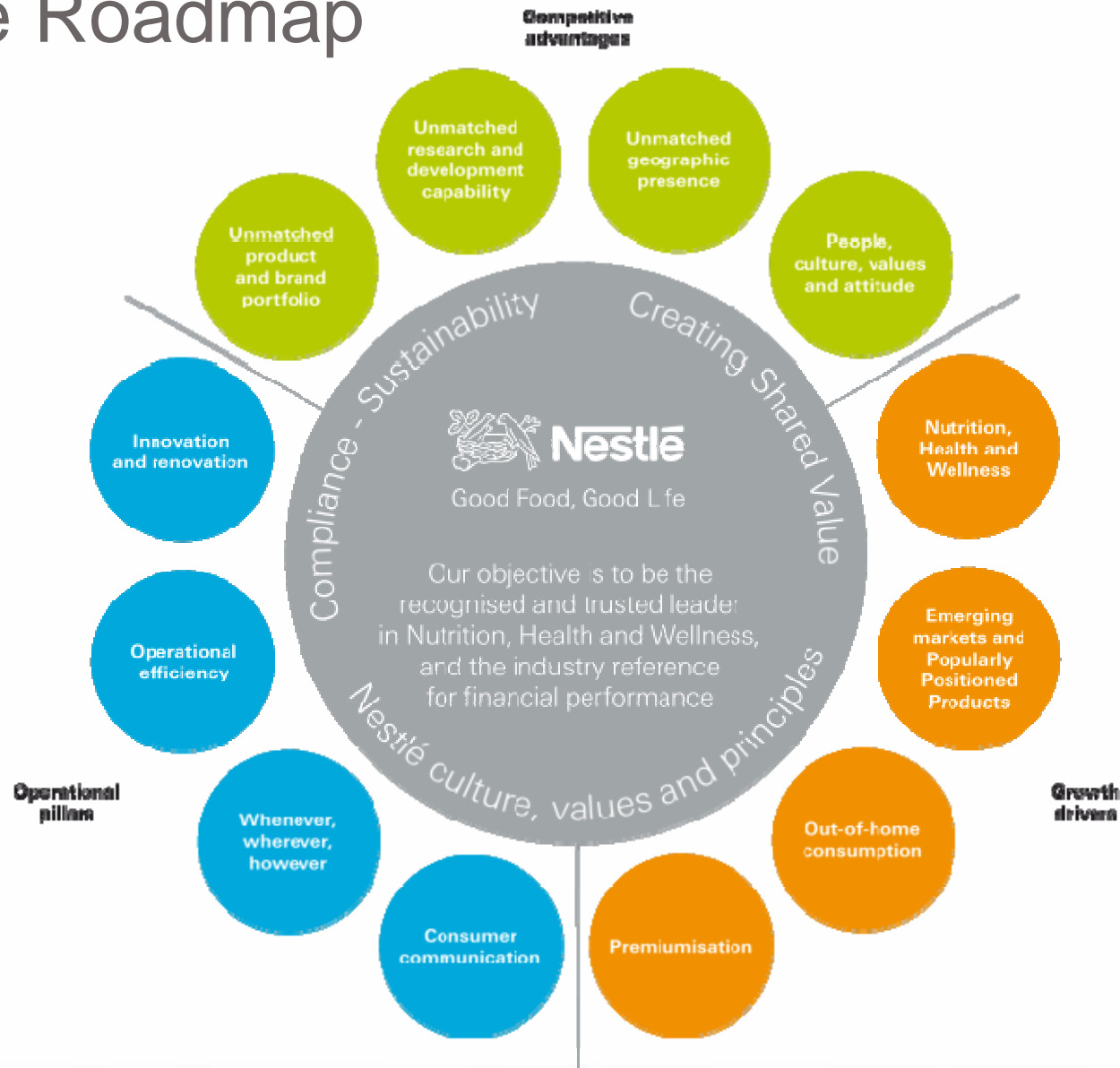
- CHF 91.6 billion in sales in 2014
- 333,000 employees in over 150 countries
- 447 factories in 86 countries
- Over 2,000 brands
- 1 billion Nestlé products sold every day





- 10,000 different products
- Over 1 billion products sold every day
- A product for every moment of every day, from morning to night and from birth to old age

# Nestlé Roadmap



# Creating Shared Value at Nestlé

For a business to be successful in the long term  
it has to create value, not only for  
its shareholders but also for society.  
We call this **Creating Shared Value**.  
It is not philanthropy or an add-on, but  
a fundamental part of our business strategy.

## Nestlé Creating Shared Value Council



- **Nancy Birdsall**, Founding President, Center for Global Development Institute.
- **Robert E. Black**, Chairman of International Health. Dept, Johns Hopkins Bloomberg School of Public Health.
- **John Elkington**, Co-Founder, SustainAbility.



- **Michael E. Porter**, Bishop William Lawrence University Professor, Harvard Business School.
- **Ismael Serageldin**, Biblioteca Alexandrina.
- **Robert L. Thompson**, former Director of Rural Development, World Bank.



- **Venkatesh Mannar**, Founder and President. Micronutrient Initiative.
- **Ruth Khasaya Oniang'o**, Professor of Food Science and Nutrition, Jomo Kenyatta University of Agriculture and Technology, Nairobi
- **Prabhu Pingali**, Deputy Director of the Agriculture Development Program, Bill and Melinda Gates Foundation.



- **Kraisid Tontrisirin**, Former Director of Nutrition & Consumer Protection, FAO.
- **Ajay Vashee**, President, World Farmers' Federation.
- **Ann M. Veneman**, Executive Director, UNICEF.



# Creating Shared Value at Nestlé

*Creating Shared Value is the approach we take to the business as a whole. In addition to **nutrition**, we focus on **water**, because water scarcity is a very serious issue in many parts of the world and water is quite simply the linchpin of food security. and we focus on **rural development**, because the well-being of farmers, rural communities is intrinsic to the long-term success of our business.*



*We actively manage our commitments to environmental and social sustainability, necessary for operating our factories and for the sustainable growth and development of the communities and countries where we operate.*



*We recognize that our position in society brings both opportunities and responsibilities: to do business in compliance with national laws, international standards and our own values and principles.*

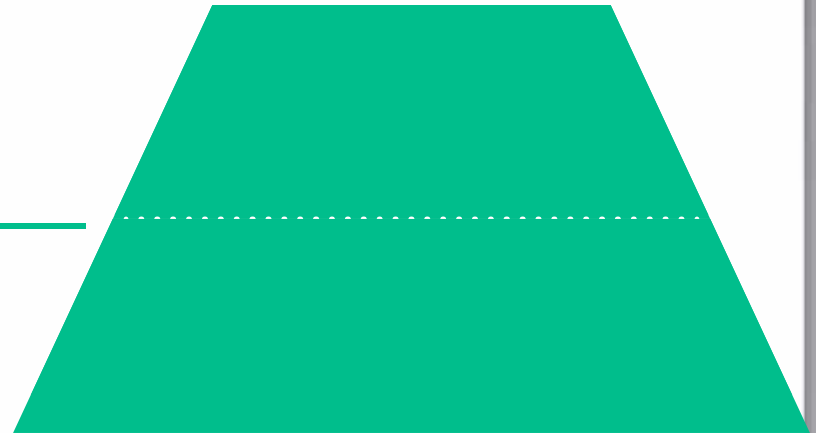


**Shared Value**  
Nutrition, Water,  
Rural Development

# Creating Shared Value at Nestlé

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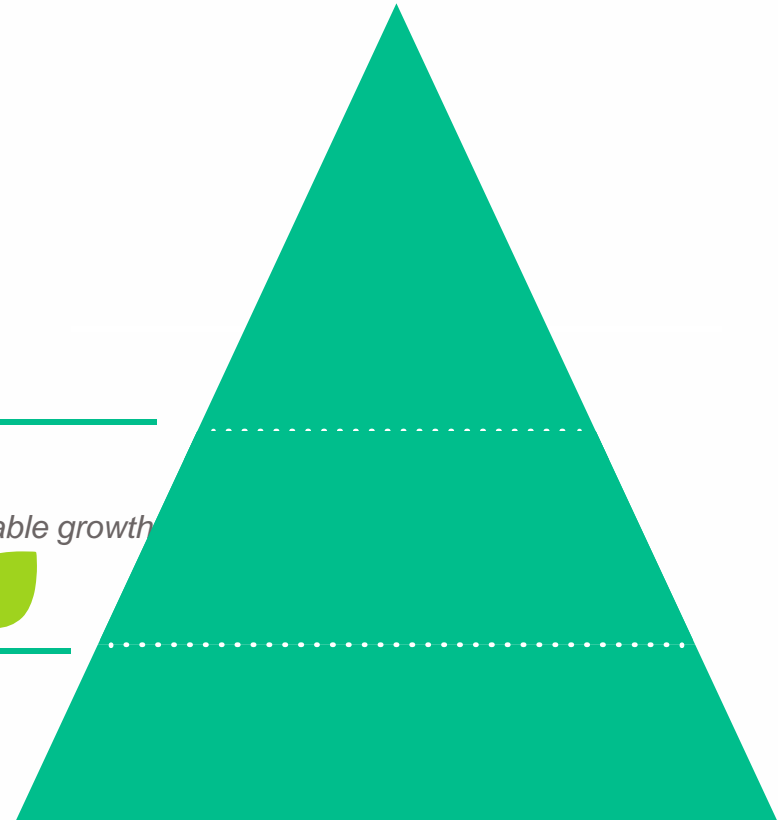


# Creating Shared Value at Nestlé

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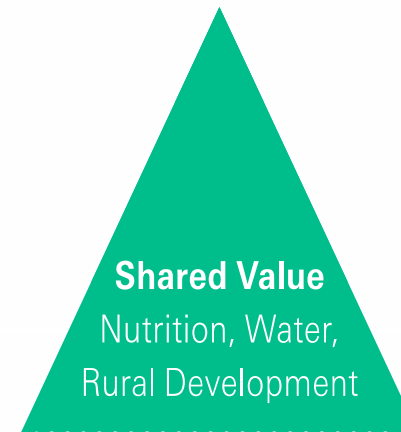
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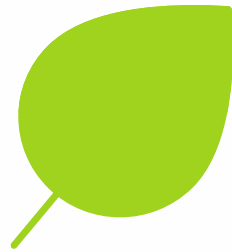


# Nestlé Value Chain Model

## Creating Shared Value at each stage of the value chain



# Our Action and Activities



# Sustainability

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## Nestlé Purelife I am doing it program

*A plastic bottle recycling program for school students to inspire recycling behavior*

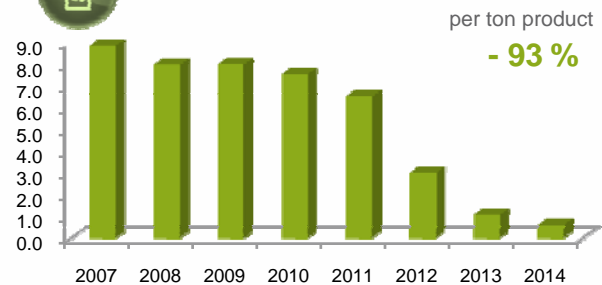
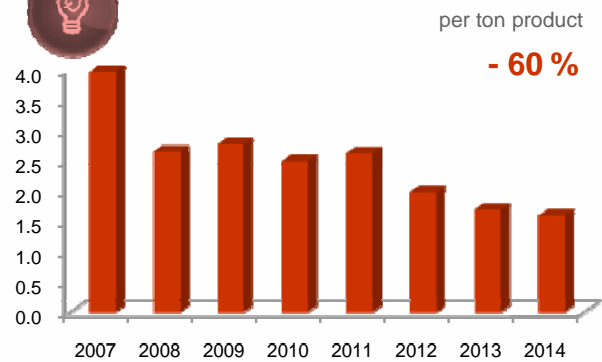
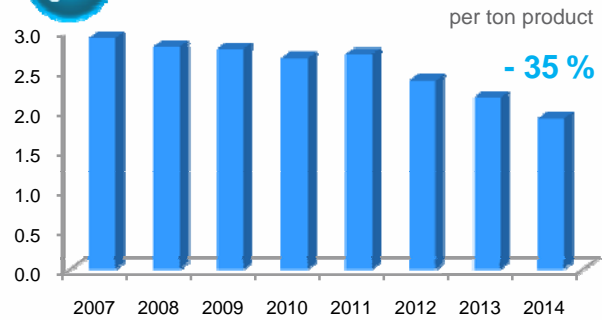




## Water & Energy Saving & Waste Minimization



Sustainability



green  
CARTON  
by SCG Paper

1<sup>st</sup> Generation



10% weight  
reduction



2<sup>nd</sup> Generation



10% weight  
reduction



3<sup>rd</sup> Generation  
(Current design)



Short neck & Cap  
design

- ✓ New design with “**Easy Grab**”
- ✓ Maintain product packaging performance requirement
- ✓ Reduce material weight



## Creating Shared Value

Nutrition | Water | Rural Development

*Creating Shared Value is the approach we take to the business as a whole. In addition to **nutrition**, we focus on **water**, because water scarcity is a very serious issue in many parts of the world and water is quite simply the linchpin of food security. and we focus on **rural development**, because the well-being of farmers, rural communities is intrinsic to the long-term success of our business.*



### Shared Value

Nutrition, Water,  
Rural Development



# Nutrition

***Because food and nutrition are the basis of health and of our business – it's the reason why we exist.***

# Our Nutrition Journey

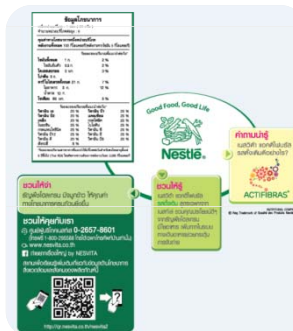


Nutrition

## Products



## Communication



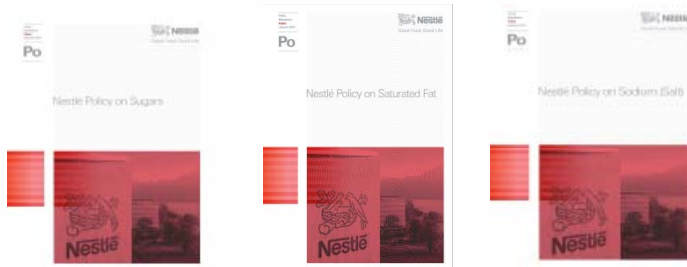
## Engaging with Society





## Products

- Sodium / Sugars / Saturated Fat reduction



- 60/40+

Both Taste  
and Health



- Source of Fiber
- High Calcium
- High vitamin E and C
- No cholesterol



Nutrition

- Branded Active Benefits (BABs)

Making a good Nestlé brand even better  
by enhancing nutritional profile with science-based  
and clinically tested





## Engaging with Society

- **Community Roadshow**

*Nutrition education to consumers in community*

*Bring activities to more than 325,000 Thais in 130 districts nationwide*

*to promote good health, share nutritional knowledge and enhance quality of life*



Nutrition





## Engaging with Society

### • Healthy Thai Kids Program

Nutrition education in school program

Established since 2004, strong partnership with Gov't units.

Distribution of over 26,000 teaching material kits nationwide to promote healthy diets and lifestyles



[www.DekthaiDD.com](http://www.DekthaiDD.com)





## Engaging with Society

### • FoSTAT-Nestlé Quiz Bowl

*A quiz competition on food science and technology subject organized by the Food Science and Technology Association of Thailand (FoSTAT) to strengthen science based approach and supporting food industry development in Thailand*



Nutrition



66 institutes / 264 university students





*Because the on going quality and availability of it  
is critical to life, the production of food and to our operations.*



## World Water Day Event

*Educate water saving to school students  
to raise awareness of water access and conservation*



Water



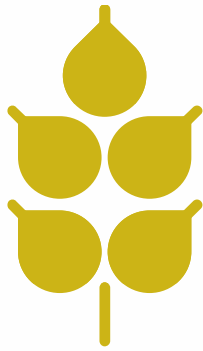
# Waste Water Discharge Management

*Zero Waste Water Discharge at Chachoengsao Factory since 2009*



Water





# Rural Development

*We contribute to improvements in agricultural production, the social and economic status of farmers, rural communities and in production systems to make them more environmentally sustainable.*



# NESCAFE PLAN

*Agriculture and farmer development  
to strive for sustainable coffee cultivation*



**Rural  
Development**









# RESPONSIBLE

## FARMING



**From Field ...**

- Make coffee farming a sustainable livelihood
- Improve farmer income by increasing yield / rai and more efficient value chain
- Secure good quality coffee supply

## PRODUCTION & SUPPLY



*and*

*and*

## CONSUMPTION



**... to cup**

- Have the lowest environmental footprint in all categories we operate

- Promote more sustainable coffee consumption in all occasions and places (in/out-of-home)
- Increase awareness of real coffee world issues and help consumers contribute



## Responsible Farming

- Drive farmers on a journey toward recognized sustainability standard: 12,500 4C farmers by 2015
- Increase farm management training to 15,000 farmers
- Higher yield plantlets distribution 15.5 mio trees in 2015
- Provide farmers with better micro finance (contacting the Bank of Agriculture and Agricultural Cooperatives)
- Alliance with other stakeholders e.g. government, farmer associations and their cooperatives





## Common Code for Coffee Community



4C offers a voluntary code of conduct as guidance for sustainable coffee production, processing and trading as well as for the application of good practices.

4C aims at increasing efficiency and improved profitability – this means reduction of costs and increase of income for farmers.

4C offers farmers easy access to the system and initiates a process of continuous improvement and easier market access.



## Beneficiaries of NESCAFÉ PLAN

### Farmer

- Improving sustainability of coffee crop
- Increasing yield will improve farmer's income

### Consumer

- Guarantee of top quality coffee from the bean to NESCAFÉ cup
- Choices to meet their preferences
- Opportunity to contribute to well being of whole society with their choices

### Nestlé

- Sustainable raw materials supply and quality assurance
- Value creation through efficient production, supply chain and innovation

### Environment

- Reduce environmental footprint
- Help preserving rainforests





## Employee Volunteering Initiatives

*Mobilising employee's hearts and minds  
on enhancing lives in the communities*



**Nestle Volunteer #1** Fix (toilet roof) Add (stone wall) Build (stairway) & Wellness (with healthy menu)  
 @ Bann Pha hee school Maesai, Chaingrai  
 27 Feb - 2 Mar 2015





**Nestle Volunteer # 2 : Coral reef planting & Beach garbage collecting**  
**@ Sor & Dong-tarn beach Sattahip, Chonburi**  
**25 April 2015**



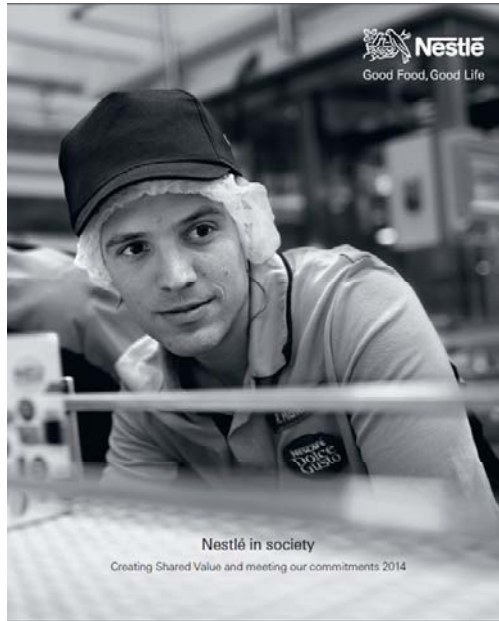


## **Creating Shared Value**

Nutrition | Water | Rural Development

*At Nestlé we believe that business success lies not in the size of their operations, but in the conviction of its principles; the Creating Shared Value represents the substantial principle which expresses our commitment to the country's sustainable development and the construction of a better world.*





## Nestlé in Society Report 2014

Additional Information :

- Creating Shared Value (<http://hbr.org/2011/01/the-big-idea-creating-shared-value>)
- Nestlé Creating Shared Value ([www.nestle.com/csv](http://www.nestle.com/csv))