

Sent by e-mail on April 13, 2010

NESTLÉ S.A.

PETER BRABECK-LETMATHE
CHAIRMAN OF THE BOARD

Mr. Pat Venditti
Greenpeace International
Ottho Heldringstraat 5
NL 1066 AZ, Amsterdam

Mr. Kaspar Schuler
Greenpeace Switzerland
Heinrichstrasse 147
8005 Zürich

April 13, 2010

Dear Messrs. Venditti and Schuler,

I am in receipt of your letter of April 8, 2010 regarding deforestation and palm oil.

Let me first say in unequivocal terms that Nestlé is highly concerned about deforestation in Indonesia and other countries, and that we support a Moratorium on the destruction of rainforests. We view deforestation as one of the most serious environmental issues facing us today on a global level, and are opposed to deforestation of rainforests not only in Indonesia, but in all parts of the world.

Our strong opposition to deforestation is why in Mr. Lopez' letter to Mr. Venditti in October, 2008 regarding palm oil, we emphasized our concern with deforestation not only from palm oil growing, but for any reason. In that letter we proposed the creation of a global coalition to stop the destruction of rainforests, that includes not only palm oil growers and buyers, but all major interests that impact deforestation, including lumber, paper, bio-fuel, animal protection, and financial interests, as well as governments. As you know, we have spoken out repeatedly against the environmental damage caused by using palm oil for bio-fuel, one of the main reason for increased palm oil plantations and related deforestation.

Regarding palm oil, Nestlé has taken the following steps:

- We have stopped all purchase of palm oil from Sinar Mas. This will continue as long as there is verifiable evidence of rainforest destruction by that company. Our past purchase of palm oil from Sinar Mas was limited to supplying our factories in Indonesia, and we have now identified alternative Indonesian suppliers from whom we purchase.

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- *We have made it clear in writing to our suppliers of blended palm oil, including Cargill, that we will not tolerate the presence of oil from non-sustainable sources in what they sell us, and that under our Nestlé Supplier Code, they risk delisting by our companies if the presence of such oil persists. We have made clear that we expect urgent action on their part.*
- *We have become active members in the Roundtable on Sustainable Palm Oil, not only in discussion, but more importantly, action at the field level.*
- *We have pledged to source only certified sustainably sourced palm oil by 2015.*
- *We are rapidly making progress on certified palm oil and palm oil certificates, with 18% of our purchases covered in 2010, and we expect to reach about 50% by the end of 2011. Palm oil is not a major raw material in our products, and Nestlé's purchase of 320'000 tons worldwide accounts for 0.7% of the world production, whereas alone in the UK, Germany and Italy in 2009 more than 500'000 tons of palm-based biodiesel was consumed.*

Regarding packaging made from paper and pulp produced by Asian Pulp and Paper, we buy no products from Asian Pulp and Paper. We are committed to eliminating from our supply chain any packaging which can be traced to paper pulp derived from rainforest deforestation.

The process of eliminating such packaging in Indonesia will take longer than eliminating palm oil from non-sustainable sources, as AP&P accounts for about 40% of the paper pulp produced in the country. This is mixed in with much of the paper and packaging production in Indonesia, and alternative suppliers who can guarantee that their packaging does not contain paper pulp from rainforest deforestation do not exist. If we would immediately cease purchase of packaging from Indonesian suppliers, it would mean closing our factories, with a resulting drop of availability of food in Indonesia and unemployment of Indonesian workers.

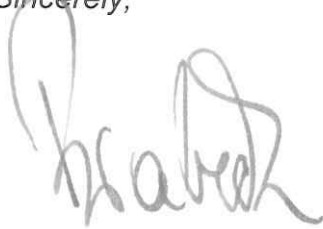
However, we are committed to finding solutions, and as first step to eliminating packaging which can be traced to paper pulp derived from rainforest destruction, we invite you and other organizations committed to ending deforestation to examine with us analyses of paper supply chains and work with us in a collective effort to eliminate packaging which uses paper made with pulp from resulting from destruction of rainforests.

Our position is public, and we will communicate on all this in a public manner and communicate to the Indonesian government our desire to work with them to implement a Moratorium on the deforestation of rainforests.

We seek ways to work with other stakeholders on this issue, and we will participate in the Coalition on Palm Oil in which you participate with a number of companies, as well as similar efforts being organized in individual countries in Asia. However, we continue to believe that we must gather all interests at the table that impact deforestation, not only palm oil, and reiterate our proposal for the creation of a coalition which gathers all relevant stakeholders which make a Moratorium on the deforestation of rainforests a reality.

We remain committed to ending deforestation of rainforests, and to building trust and working together with others who share this commitment. This commitment is a part of our company's basic business principle of Creating Shared Value, meaning that we build a successful business by benefiting both our shareholders and society, including the environment.

Sincerely,

A handwritten signature in dark ink, appearing to read 'P. Brabeck-Letmathe', written in a cursive style.

*Peter Brabeck-Letmathe
Chairman of the Board
Nestlé. S.A.*