

Nestlé Advisory Board awards first Creating Shared Value Prize to Cambodian rural development organisation

Vevey, 27 May 2010 – Nestlé's Creating Shared Value Advisory Board today awarded the first Nestlé Prize in Creating Shared Value to the Cambodian branch of an international not-for-profit organisation which uses market-based approaches to increase the income of the rural poor by improving market access, increasing agricultural production and creating sustainable local businesses: **International Development Enterprises (IDE) Cambodia** (www.ideorg.org).

Starting in 2005, IDE Cambodia developed a network of 60 independent small rural entrepreneurs in Cambodia called Farm Business Advisors. These advisors give technical advice to more than 4,500 small-scale farmers to help them boost their productivity, while selling them products such as high-quality seeds, fertilizer, plastic fencing and irrigation equipment and services. On average, farmers assisted by these advisors increase their net income by 27% from USD 382 to USD 480 per year. At the same time, the advisors earn an income from selling their products and services.

IDE Cambodia will use the Prize's CHF 500,000 to recruit and train an additional 36 advisors, aiming to generate approximately USD 1.9 million in new income and benefiting around 20,000 people in more than 4,000 rural households across Cambodia.

IDE Cambodia Country Director Michael Roberts said: *"It is an honour to receive this recognition from Nestlé. The prize will help us further IDE's mission to create income opportunities for poor rural households. We hope to leverage the Prize to reach more than 75,000 rural Cambodian households in the next few years. On a global scale, this is still very small but we think there are big implications in what we are learning."*

Nestlé Chairman Peter Brabeck-Letmathe replied: *"We congratulate IDE Cambodia on being the first to be awarded the Prize. The work they do is truly inspirational. IDE continue to grow their network of Farm Business Advisors in Cambodia while at the same time creating value for rural communities there. This is exactly what we mean by Creating Shared Value."*

Nestlé CEO Paul Bulcke added: *"We had a vast range of inspirational entries from across the globe. IDE Cambodia is a leading project and the Nestlé prize money will help them to ensure that this project continues to thrive and expand."*

The Prize was created by Nestlé in 2009 to provide financial support of up to CHF 500,000 to individuals, NGOs, or small enterprises offering innovative solutions to improve access to, and management of, water, improve the lives of farmers and rural communities, or provide better nutrition to communities suffering from nutritional deficiencies.

The first edition, which received more than 500 applications from 79 countries, was awarded during Nestlé's second Creating Shared Value Forum, a gathering of international leading experts in water, nutrition, rural development and the role of business in society, which took place in London on 27 May 2010.

The winner was selected by the Nestlé Creating Shared Value Advisory Board, an independent panel of internationally-recognised experts in corporate strategy, nutrition, water and rural development, including John Elkington, co-founder of SustainAbility; Michael E. Porter, Bishop William Lawrence University Professor at the Harvard Business School; Jeffrey Sachs, Director of The Earth Institute at Columbia University; and Nancy Birdsall, founding president of the Center for Global Development.

Notes to Editors

- Testimonials of farmers and Farm Business Advisors benefiting from the IDE project are available on www.nestle.com/csv/csyprize. An interview with Michael Roberts, Country Director, IDE Cambodia, is available via the same link.
- Photo and video material is available on www.nestle.com
- Creating Shared Value is a fundamental part of the way Nestlé does business. In order to create long-term value for our shareholders, we must at the same time create value for society at large.
- Nestlé committed an investment of CHF 500,000 to IDE Cambodia. This will be disbursed over a three-year period and will assist in the scaling-up of the project. The Prize monies will be used by IDE Cambodia to recruit and train a further 36 Farm Business Advisors, provide them with access to agricultural inputs, market information and microfinance, as well as the development and strengthening of the franchise system.

Contacts Nestlé	Media	Robin Tickle	Tel.: +41 (0)21 924 22 00
	Investors	Roddy Child-Villiers	Tel.: +41 (0)21 924 36 22
Contacts IDE	Media	Andy G. Vermouth	Tel.: +1 (0)720 235 34 60