

# Global Nestlé Business Services Capturing Our Potential

Lukas Paravicini

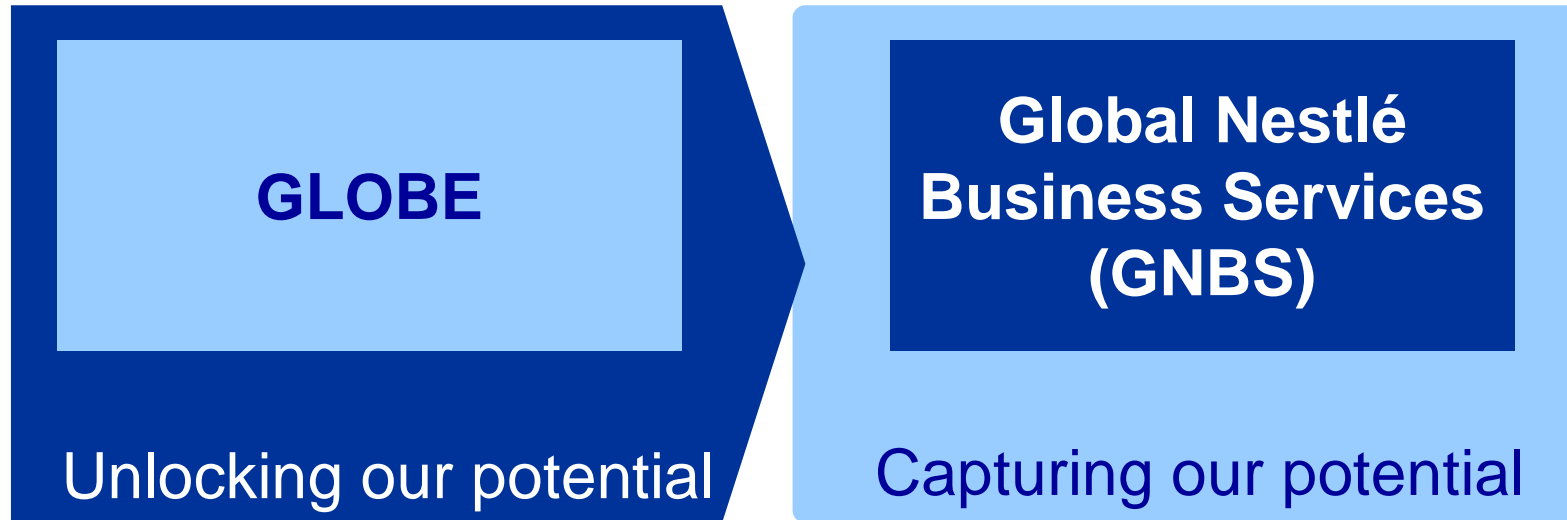
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# Disclaimer

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This presentation contains forward looking statements which reflect Management's current views and estimates. The forward looking statements involve certain risks and uncertainties that could cause actual results to differ materially from those contained in the forward looking statements. Potential risks and uncertainties include such factors as general economic conditions, foreign exchange fluctuations, competitive product and pricing pressures and regulatory developments.

# Introduction



- Ø GLOBE and GNBS provide the process, organization and technology infrastructure to allow Nestlé to leverage its size
- Ø But more importantly they allow the Markets to focus on generating demand - profitable growth

# Why GNBS?

The Nestlé model is to create an agile fleet of businesses



We need highly interdependent organizations to leverage our size and exploit our potential.

GLOBE enables GNBS to better support the frontline through provision of shared services solutions for selected backline activities

## Mission

- Focused
- Fast
- Flexible

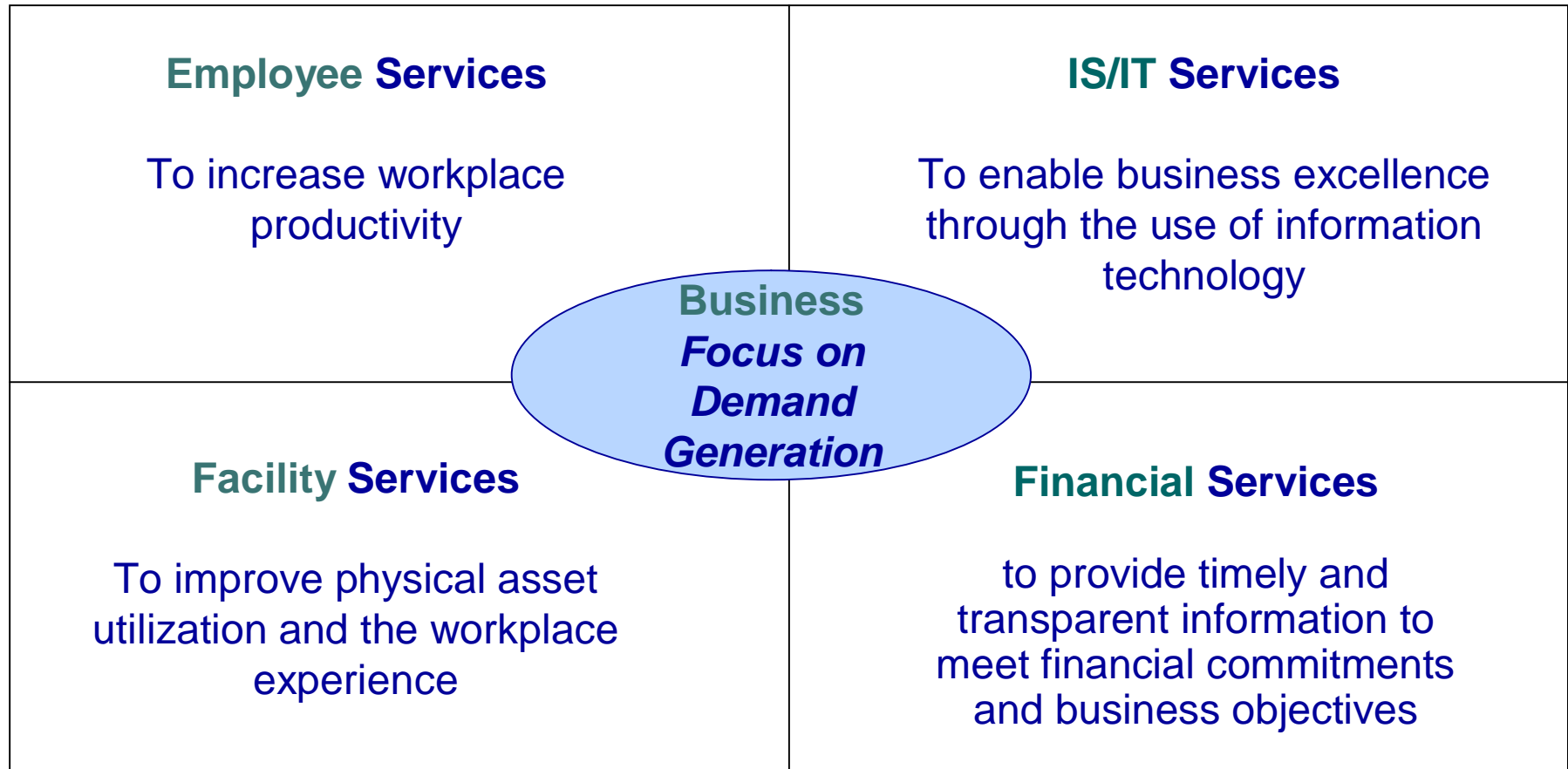
- Slim
- Service-driven
- Savings minded

# GNBS objectives

- ∅ To free up market resources to focus on demand generation – profitable growth
- ∅ To deliver back office support at competitive service levels and best-in-class cost
- ∅ To exploit the potential of GLOBE
- ∅ To scale up shared service initiatives to further leverage scale beyond Market / Region levels
- ∅ To standardize processes and structures

# GNBS solutions

GNBS deliver the right service at best in class costs through:

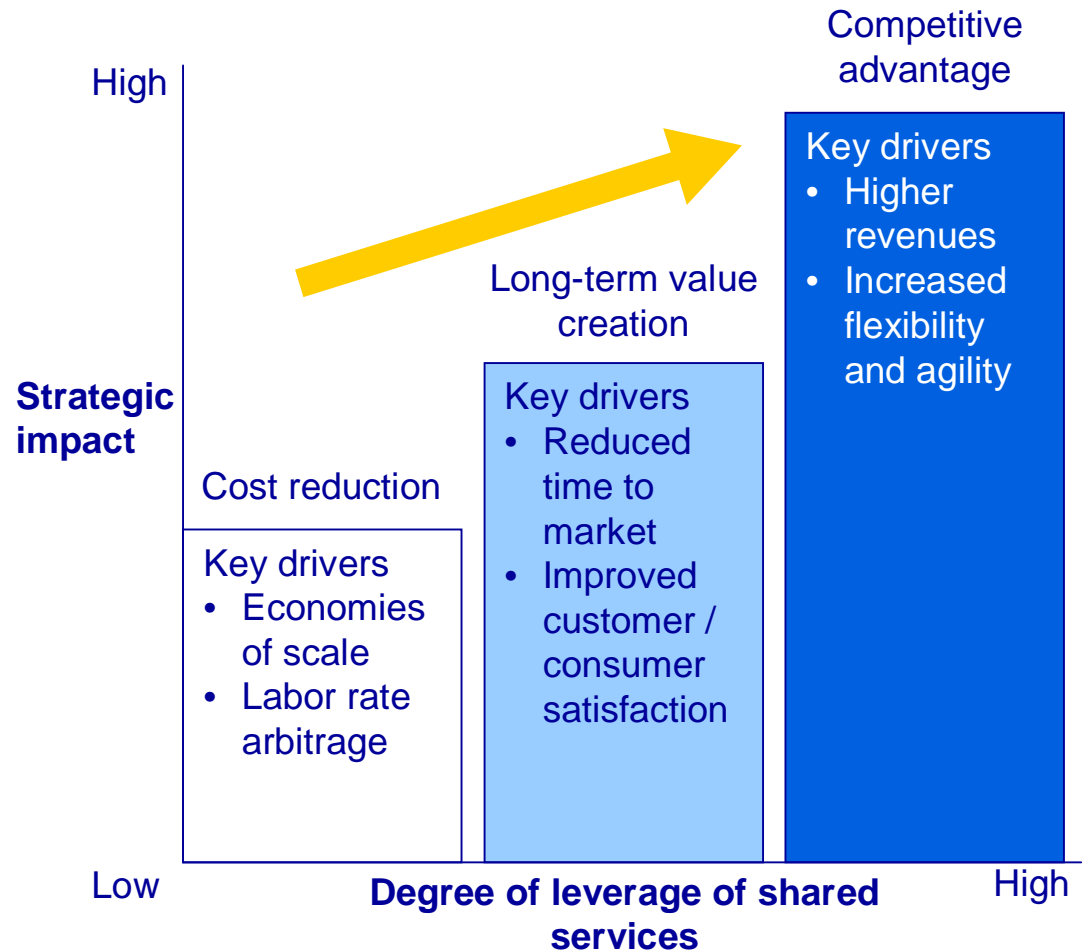


We will leverage preferred outsourcing relationships to establish a global, regional and local service delivery model

# GNBS benefits

GNBS will:

- Ø Enable focus on demand generation – profitable growth
- Ø Lower cost for the right service
- Ø Align internal service delivery with top performers
- Ø Transform and innovate to compete with top quartile performance externally
- Ø Simplify processes and structures to become more agile




# The seeds have already been planted to fully realize the benefits

## Realization of shared services opportunities

Level of advancement and examples

40% productivity improvement

AMS		<ul style="list-style-type: none"> <li>Outsourced selected Finance activities to off-shore delivery centers</li> </ul>	<p style="text-align: center;"><b>EUR - Case study</b></p> <p><i>Cross-border outsourcing of transactional Finance in Europe</i></p> <ul style="list-style-type: none"> <li>Agreement signed with Hewlett Packard</li> <li>Services for 14 Markets to be provided from Poland and India</li> <li>Significant benefits:             <ul style="list-style-type: none"> <li>Simplify and focus local organizations by freeing them from transactional work</li> <li>Improve efficiency by 20-30%</li> </ul> </li> </ul>
EUR		<ul style="list-style-type: none"> <li>Rolling-out multi-functional, local shared services organizations</li> </ul>	
AOA		<ul style="list-style-type: none"> <li>Established in-house shared services organization for Finance in Oceania</li> </ul>	

- = Most advanced
- = Least advanced

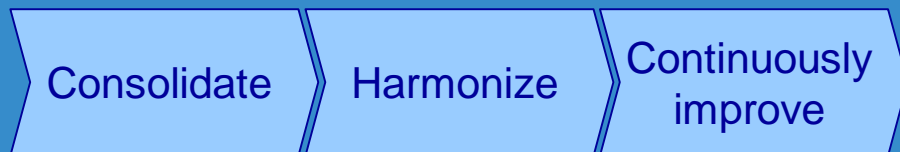


# Evolution

## The transition is an evolutionary journey rather than a Big Bang

- GNBS will define a minimum core set of shareable services
- ...to be delivered by a blended out- and in-sourced delivery model
- ...made up of low cost global hubs, regional centers and local staff

- Transition will follow certain stages



### Initial focus

Large Markets, and Markets on GLOBE and/or with existing shared services organizations / initiatives

## GNBS conclusion

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GNBS will enable Nestlé to leverage its scale to increase the efficiency and effectiveness of its "back office" whilst enabling the markets and businesses to focus on demand generation – profitable growth

# Global Nestlé Business Services Capturing Nestlé's Potential