

Independent assurance statement of the Nestlé 2006 environmental performance indicators

Intertek Advisory & Sustainable Services was selected by Nestlé to provide an independent verification of the effectiveness of the systems and processes employed to generate and report Nestlé 2006 environmental performance Indicators.

Specifically we were asked to

- Check that the information presented is accurate and represents Nestlé environmental performance fairly,
- Verify the ability to organize, collect and deliver required information,
- Assess the effectiveness of the company's data management processes that led to the Nestlé 2006 environmental performance Indicators,
- Verify the accuracy of environmental performance indicators at sample of Nestlé's plant (11)

Method of Verification : Intertek Advisory & Sustainable Services environmental auditors carried out the verification process following the general principles of environmental auditing and audit procedures in reference with the international standard ISO 19011.

Intertek Advisory & Sustainable Services has applied the following strategy to conduct the verification :

- Verification of the environmental performance indicators quantitative data from eleven plants identified as representatives of the Nestlé's environmental footprint and worldwide coverage,
- Interview at corporate, and plant level,
- System and Documentation Review at corporate level and business units level of the Safety, Health and environment management system and reporting system, and at plant level.

Conclusions

Accuracy and Representativity of Nestlé Performance Indicators

In our opinion, the information presented and the data collection system used appear to be reliable and the underlying trends are substantially correct.

Organization, Collection and Delivery of required information – Company Data Management Process

The data examined were generally collected using Nestlé management tools such as FEM or PERFENSIT, although in a few cases alternative calculation tools had been used.

Nestlé is finalizing the release of NEST v.2, used on a worldwide basis for collecting and reporting HS&E data. NEST v.2 will provide the means to perform standard calculations of Environmental and Safety KPI's

During the course of the audit, evidence was found that accidents, major NC's and complaints were routinely reported to Nestlé Corporate, as needed. Furthermore, major variations in KPI trends are being investigated and justified, if and when required.

Nestlé is adopting Organizational boundaries as defined in Global Reporting Initiative v.3

Suggestions for Improvement

We would recommend that Nestlé consider the following :

- 1) In order to guarantee the accuracy, representativeness and traceability of data collected, the release of NEST v.2 should be supported by an extensive training and communication effort, aimed at easing the procedural as well as the conceptual and attitudinal constraints which inevitably accompany the introduction of new systems and work methods.
- 2) In future, it would be advisable to modify the audit process, commencing from the data collection point at the plant and following the flow of information up to whichever entity generates the KPI's used in the Nestlé Report
- 3) Considering the number of Nestlé plants worldwide, it may be advisable to increase the sampling interval for future Environmental Performance Indicator assessment review, in order to provide better representation. (Recommended target 4% to 5% of total plants).

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Advisory Services

Furthermore, check lists will need to be reviewed periodically to reflect the reporting requirements of NEST vers. 2

Responsibilities of Nestlé & Verifier : The information contained in the Nestlé 2006 Environmental Performance indicators report is the sole responsibility of Nestlé. Intertek Advisory & Sustainable Services was not involved in the preparation, collection of any material included in this 2006 report. This verification statement represents the independent opinion of Intertek Advisory & Sustainable Services

Intertek Advisory and Sustainable Services
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