



Paul Bulcke
CEO – Nestlé

Istanbul, 21st June 2012

Disclaimer

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.



Good Food, Good Life

Our promise as world leader in Nutrition, Health & Wellness

We enhance lives by offering
tastier and healthier food
and beverage choices
at all stages of life and
at any time of the day,
helping consumers care for
themselves and their families.



Nestlé today

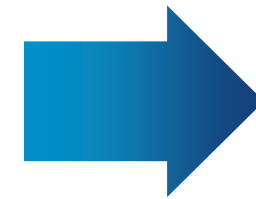
- CHF 83.6 billion turnover in 2011
- 330,000 employees in over 150 countries
- 461 factories in 83 countries
- Over 4,000 different brands – 30 worldwide brands
- Over 1 billion Nestlé products sold per day

Global Summit in 2010: *The VUCA World*

Volatility, Uncertainty, Complexity, Ambiguity

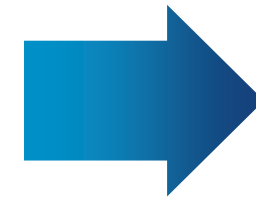
Macro trends

Food



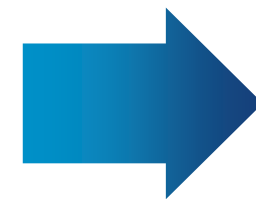
Food safety and food security

Raw materials



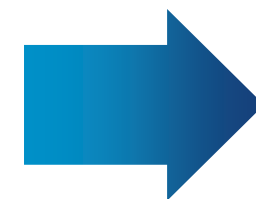
Volatility, high energy costs

Finance



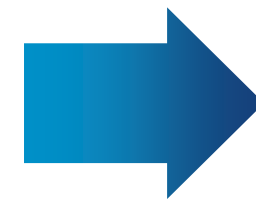
Volatility, inflation

Government



Regulations

Consumers/People/
Citizens



Have an opinion/voice

Nestlé Creating Shared Value: long term holistic business approach



Nutrition



Water



Rural Development



- Businesses can only be successful in long term by creating value for Shareholders *and* Society
- CSV embedded in all we do
- Goes *beyond* Sustainability

Accelerated Trends leading To The New Reality



...with many challenges



Challenges....

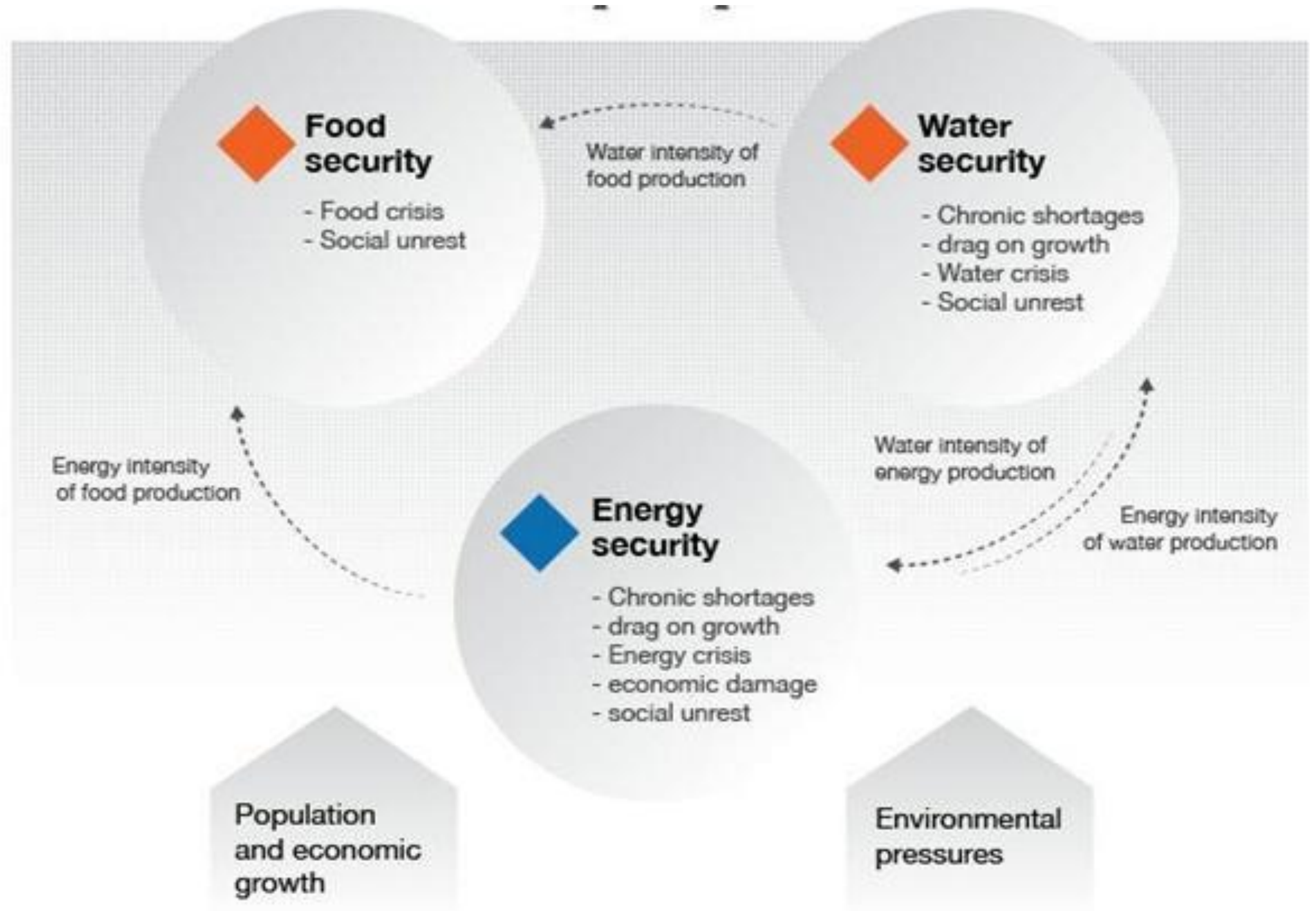
Impacting the Consumer Goods Industry



Specific challenge of Food Security: Nexus Water-Food-Energy



Source: WEF 2011 Risk Report



**...but
even more
opportunities**



Grasping opportunities through, creativity and innovation



Grasping opportunities through Digital

Listening



Engaging



Inspiring &
Transforming



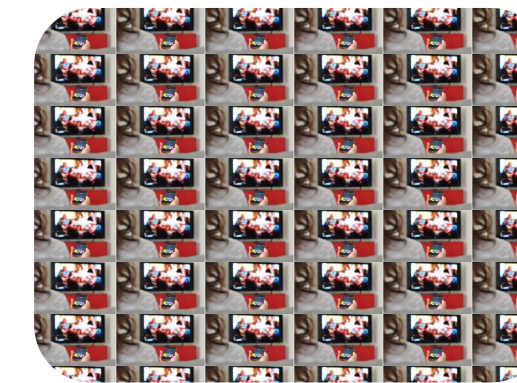
Getting closer to the consumer and shopper

Internet access increasingly Mobile (and Smarter)



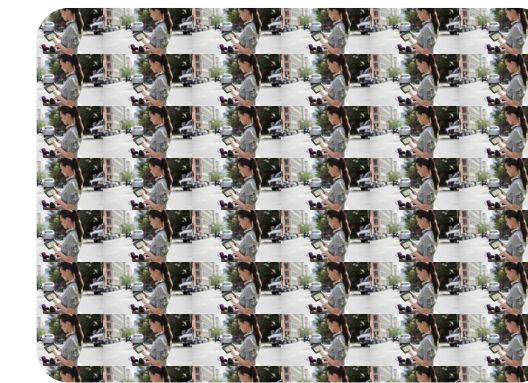
Social conversation and commerce increasingly linked

Shopper Purchase / Retailer Sales



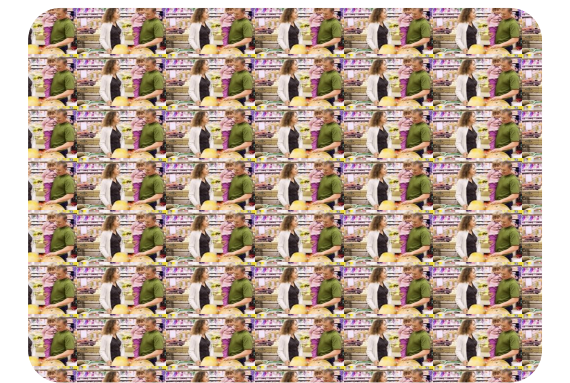
In-Home

- Digital coupons
- Retailer websites
- SEO/SEM
- E-commerce
- Shopping apps



On-the-Go

- GPS
- Mobile search
- Mobile sites
- Shopping apps



In-Store

- QR codes
- RFID
- Paperless coupons
- Mobile scanner
- Kiosks/Digital signage

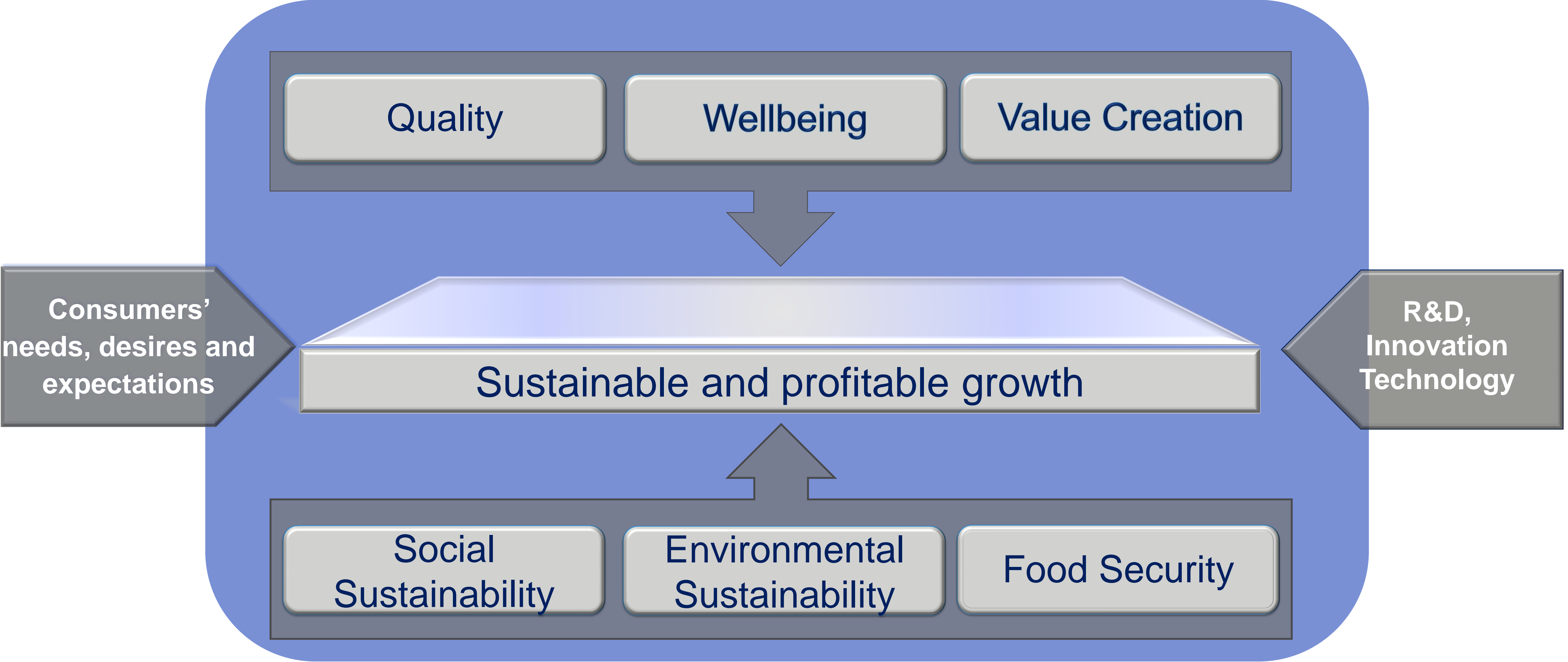
Digital and the path to purchase are interconnected

The New Reality: How are we going to win?

- Vision and Long Term
- Creativity and Innovation
- Value what Consumers Value
- Sustainability
- Cross-Industry Collaboration
- Stakeholder Engagement



Vision & Long Term

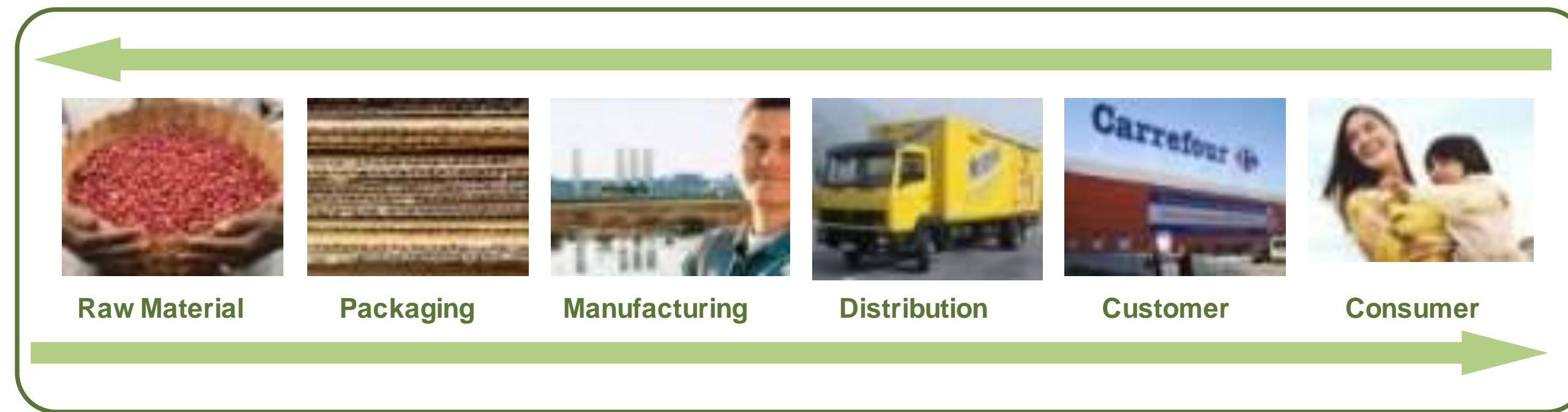


Creativity and Innovation

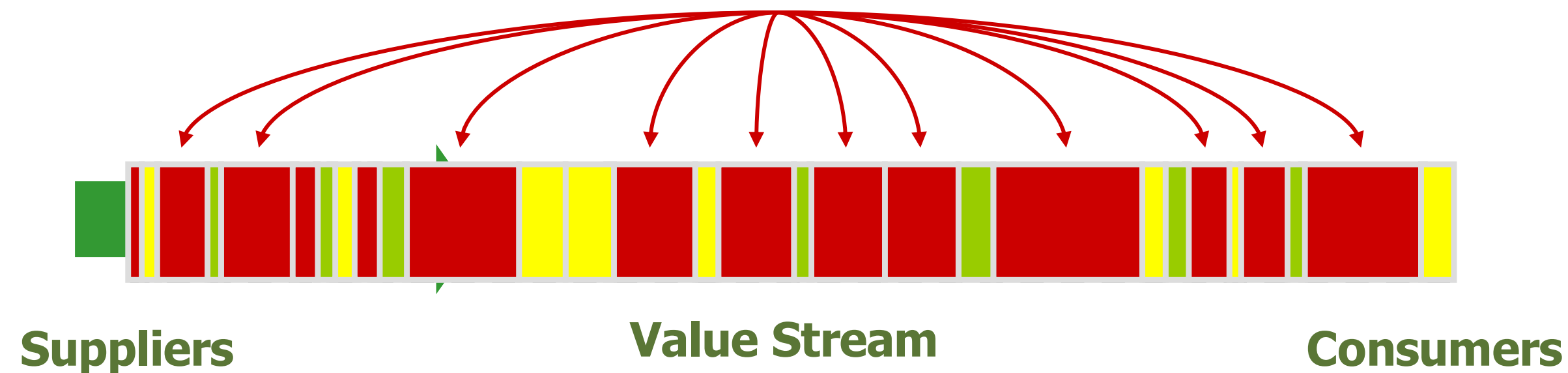
Deep consumer understanding to drive **innovation**, **localise** it, and **create value**



Value What Consumers & Shoppers Value



Eliminate Non Value Added activities



Reduce Lead Time

- ✓ Higher flexibility
- ✓ Less stocks
- ✓ Better service
- ✓ Reduced Complexity
- ✓ Less cost
- ✓ Improved Freshness
- ✓ Improved Service to Shoppers



Sustainable business practices and use of resources

Example of Nestlé:

We have halved our environmental footprint over the past 10 years

From 2000 to 2010

per tonne of Nestlé manufactured products

Water consumption: – 61%

Waste water generation: – 66%

Energy consumption: – 44%

Greenhouse gases: – 51%

From 1991 to 2010

Packaging material: – 517'700 tonnes

Cross Industry Collaboration



And engaging with all relevant Stakeholders



United Nations Global Compact



G20



Our Industry to be leaders

- Dialogue
- Willingness
- Commitment
- Collaboration

**To make the world better
in the New Reality**



Thank You

