

## Questions & Answers

### I. “Nestlé needs YOuth”

#### What is “Nestlé needs YOuth”?

“Nestlé needs YOuth” is Nestlé’s youth employment initiative in Europe, Middle East and North Africa. It is an integral part of Nestlé’s Global Youth Initiative.



#### What were the results of “Nestlé needs YOuth” during its first cycle (2014-2016)?

As part of the first cycle, Nestlé committed to provide 10 000 jobs and 10 000 quality training opportunities for young people by end of 2016. In 3 years, we provided 20 000 jobs and 12 000 apprenticeships/traineeships. Nestlé has also pioneered in setting up dual learning schemes in countries such as Bulgaria, Spain, Portugal, Slovakia, Italy or Poland where such a tradition didn't exist or had disappeared.

Under the initiative “Alliance for YOuth”, Nestlé is collaborating since 2014 with more than 200 big and small companies across Europe to fight youth unemployment, thereby providing 115 000 job and training opportunities in 2 years.

#### What are the “Nestlé needs YOuth” 2020 commitments?

Our second cycle of “Nestlé needs YOuth” is based on four commitments:

1. We will hire 20 000 young people aged below 30 across Nestlé sites in Europe, Middle East and North Africa in all functions by 2020.
2. We will open 15 000 apprenticeship and traineeship positions across Nestlé sites in Europe, Middle East and North Africa by 2020. We will introduce apprenticeship schemes (VET, school leavers, higher education) in all countries.
3. We will organise “Readiness for work” workshops (CV clinics, career counselling) in partnership with schools & universities
4. We will provide 230 000 job & training opportunities by 2020 with our 200+ “Alliance for YOuth” business partners. We will support business-education collaboration with the European Pact for Youth.

We will be reporting on progress on a yearly basis.

#### Why are you doing this?

This initiative is part of our business strategy to Creating Shared Value (CSV) both for business and society in areas that are at the heart of Nestlé’s activities (such as nutrition, water, rural development and employability). While addressing the societal issue of high youth unemployment, we also invest in our future workforce. The nature of our business, with its broad geographical and category spread, gives us the chance to employ a wide range of young people from school leavers to PhD graduates.

Nestlé has a long tradition of recruiting young people directly from schools or universities. We invest in them, build their capabilities and develop their professional career. We do so whilst embracing diversity of cultures, traditions and opinions.

**Why the geographical scope Europe, Middle East and North Africa?**

The new 2020 commitments continue to build on the success of our youth employment programme that we launched in Europe in 2014. Youth unemployment remains a critical issue in Europe: 4.2 million young Europeans below 25 years are unemployed. We included the Middle East and North Africa, neighbouring regions that are heavily affected by youth unemployment as well. This pledge for Europe, Middle East and North Africa is an integral part of Nestlé's Global Youth Initiative. This new pledge also fits with Nestlé's geographical organisation in 3 Zones: 1/ Europe, Middle East and North Africa (EMENA), 2/ Americas (AMS) and 3/ Africa, Oceania and Asia (AOA).

**What is your 2020 commitment for Europe specifically?**

We will hire and train 28.000 youngsters (2017-2020). Half will be hired, the other half will be trained. This will be our renewed pledge to the European Alliance for Apprenticeships.

This initiative is only possible thanks to our continuous growth and investment in Europe in recent years. For example, our new Nescafé Dolce Gusto factory in Schwerin, Germany, created 450 new jobs, our new pet food factory in Poland 250. We invest around €1.3 billion in Europe every year.

**Do you have similar youth employment programmes in the rest of the world?**

Yes. Encouraged by the success in Europe we decided, in 2015, to launch the **Global Youth Initiative**. Nestlé, with its global presence, has a unique opportunity to leverage youth's potential around the world contributing even further to tackling youth unemployment (approx. 73 million unemployed and more than 200 million underemployed young people).

**Which benefits does Nestlé intend to get from this initiative?**

In Nestlé, we need all kind of skills to fuel our future. We have around 105 000 employees and 135 factories in Europe, Middle East and North Africa. We need brand managers, engineers but also packers, researchers or digitally savvy employees, etc.

The food sector is facing huge challenges as well as opportunities. A transformation towards a more sustainable food system to feed 8 billion people by 2030 including the need to offer nutritious products to add healthy life years requires innovative approaches. This coincides with the digital revolution. New skills are needed to successfully address the challenges ahead. This is an opportunity for the youth to embrace this journey together with Nestlé.

**What is the “Readiness for work” commitment about?**

One of the biggest challenges young people face, especially school leavers between 16 and 19 years of age, is a lack of knowledge about the world of work. With this essential part of the program we help young people to be better prepared for the workplace.

Concretely, we are mobilizing Nestlé employees to provide support at events self-organised or in schools and colleges, to help youngsters with interview preparation, CV writing, career counselling and to understand the company workplace.

**Why have you established 30 years as the age limit?**

The European Commission defines 'young people' as under the age of 25. We have extended our initiative beyond this, as unemployed young people between 25 and 30 face similar issues. Our experience tells us that their situation is even more precarious than for the under 25 years.

**Is “Nestlé needs YOuth” business as usual?**

Certainly not, for example we are increasing the number of traineeship and apprenticeship positions with at least 50% and we are pioneering in setting up dual learning schemes across Europe, Middle East and North Africa.

**Are these all new hires leading to a net increase of employment?**

The recruits will be either replacements for retired employees or vacancies or newly created positions depending on the business needs.

**Are the training opportunities offered by Nestlé of good quality?**

We take our commitment very seriously. There's broad agreement that a "first job experience" is critical for young people. This is what we want to contribute to. In essence we want to enhance the 'employability' of young people to help them to be better prepared to enter the professional world and make sure that they get a first chance to prove themselves and gather experience.

Therefore the quality of the training opportunities programme is guaranteed. Interns earn at least 60% of the minimum wage of the respective country. More importantly each intern will have a personal mentor/tutor and will have a work plan with learning objectives and targets.

**Do you continue to recruit older employees?**

Yes. We recruit employees of all ages based on their competencies, skillset and suitability for the role. We continue to offer roles to those with more experience and to meet the specific needs of our older employees. The diversity of our workforce is one of our greatest assets. That said, we are faced with an ageing workforce in Europe and we need to recruit and train the next generation of skilled employees to ensure the long-term success of our business.

**Do you get government subsidies for this programme?**

Our commitment is not conditional upon receiving government funding. In countries where we are eligible for funding, we might apply for funding, in all transparency.

**You have made this commitment to the “European Alliance for Apprenticeships (EAfA)”. What is this European Commission initiative about?**

The European Alliance for Apprenticeships (EAfA) is a European Commission initiative promoting the uptake of quality apprenticeship schemes across Europe through a multi-stakeholder approach. Nestlé has been a founding signatory when it was launched in 2013 in Leipzig.

We very much support the objectives of the “European Alliance for Apprenticeships” which are completely aligned with our “Nestlé needs YOuth” initiative. We have experienced that in many countries the education system does not sufficiently prepare young people to enter professional life. Evidence also shows that countries with a track record in dual learning schemes have been most resilient during crisis (DE, AT, CH).

Together with the European Commission we strongly believe that the German, Austrian, Swiss tradition of apprenticeship schemes should be introduced across Europe to strengthen the employability of the European youth. Nestlé is therefore committed to continue to establish such schemes throughout our operations in close cooperation with the local authorities, education providers, unions, youth organisations and NGOs.

### **What is the European Pact for Youth?**

The European “Pact for Youth” is a mutual engagement of business and the European Union leaders. Initiated by CSR Europe, it brings together representatives for business, education and youth, and the European institutions.

The European Pact for Youth commits to pursue the following objectives and actions:

- Boost the number and quality of business-education collaborations
- Reduce the skills gaps
- Contribute to EU and national policy developments on skills for employability

Nestlé and the “Alliance for YOuth” are co-initiators of the Pact for Youth.

## **II. The “Alliance for YOuth”**

### **What is the Alliance for YOuth?**

The “Alliance for YOuth”, is an industry coalition initiated by Nestlé in 2014, whose member companies have pledged to develop a number of joint and individual initiatives to give young people meaningful work experience and internships.

Europe-wide partners include recruiter Adecco, insurer AXA, international food group Cargill, logistics groups CHEP and DS Smith, Global Energy Player ENGIE, consultants EY, social networking company Facebook, perfume and flavor firm Firmenich, information technology firm Google, retailer METRO GROUP, food and drink producer Nestlé, consumer insights group Nielsen, communications firm Publicis Groupe, technology firm Salesforce, chemicals and advanced materials company Solvay, information exchange platform Twitter and international law firm White & Case.

To date more than 200 companies from across Europe have joined the “Alliance for YOuth”: <http://www.nestle.com/asset-library/documents/media/events/a4y2014/alliance-for-youth-local-partners.pdf>

### **What are the results of the “Alliance for YOuth”, two year after signing their joint pledge to the “European Alliance for Apprenticeships”?**

In June 2014 the European founding partners made a joint pledge to the “European Alliance for Apprenticeships”.

The “Alliance for YOuth” committed to generating more than 100 000 job and training opportunities for young people. During its first 2 years the 18 European partners created 115 000 job and training opportunities.

75 000 regular and temporary employees were hired; 40 000 young people were offered traineeship/apprenticeship positions.

Furthermore the “Alliance for YOuth” achieved the following:

- Dual learning and labour mobility schemes have been set up across Europe leading to 620 business-education partnerships.

- “Readiness for Work” activities:
  - 10 000 “Readiness for Work” workshops were organized
  - A “Readiness for Work” toolkit has been prepared for all “Alliance for YOuth” members
  - An “All4YOuth” social platform on Facebook has been launched to help young people with powerful content linked to job/training offers, CV advice or job interview tips presented in a creative and youth friendly tone.

### **What are the “Alliance for YOuth” 2020 commitments?**

The members are pledging to provide a further 230 000 job and training opportunities in the next four years (2017-2020). The companies will also mobilize their employees to go out into the community and help young people get ready for work by offering practical advice, CV clinics and interview preparation.

The “Alliance for YOuth” partners are active members of the European Commission’s European Alliance for Apprenticeships, promoting apprenticeships and training as active ambassadors of vocational training across Europe.

### **Who initiated the “Alliance for YOuth”?**

As part of its Youth Employment Initiative “Nestlé needs YOuth”, Nestlé reached out to its suppliers and customers at European and local level. This has led to more than 200 partners signing up to become a partner of the “Alliance for YOuth”.

### **Why did you initiate the “Alliance for YOuth”?**

We believe the public sector has a role to play in putting the right measures in place to favour the employability of young people. That said, the private sector is the largest employer in Europe and its mobilization can change the course of things. This is the spirit of the “Alliance for YOuth” which mobilizes international as well as small and medium sized companies. We continue to discuss with more potential partners.

### **Why do you start your new cycle already after two years instead of in 2017, as originally planned?**

In 2014, we committed to generating more than 100 000 jobs and training opportunities by end 2017. We already overachieved that target. In order to align the timing with the “Nestlé needs YOuth” cycle, we decided to start our new cycle already now.