

Nestlé awarded with prestigious Stockholm Industry Water Award

Vevey, 7 June 2011 - Nestlé today has been announced as the winner of the 2011 Stockholm Industry Water Award for its leadership, performance, and efforts to improve the water management in its supply chain.

Awarded by the Stockholm International Water Institute (SIWI), the honour recognises Nestlé's aim to improve the water management and efficiency of its operations. To illustrate, the Company's water consumption has decreased from more than five litres of water per USD of sales ten years ago, to less than 1.4 litres today.

It also praised the Company's work with suppliers, particularly farmers. Nestlé employs 1,000 agronomists and water experts who work directly with farmers to help them reduce their water requirements, increase crop yields, and minimise pollution.

Water has been an issue of concern and constructive action for Nestlé for nearly 80 years – the first waste water treatment plant of the Group was built in the early 1930s, and it is one of the three pillars of Nestlé's concept of Creating Shared Value.

The Company's focus on water also gains additional importance and relevance in the context of its work with the 2030 Water Resources Group (WEF-WRG). Chaired by Nestlé Chairman Peter Brabeck-Letmathe, Nestlé plays a leading role.

Together with its partners WEF-WRG, Nestlé seeks to address the water issue with a broad-based approach.

The problem of freshwater shortage is increasing, and urgently requires comprehensive solutions due to concerns that within 15-20 years, water shortage will lead to huge shortfalls in staple food grown by farmers.

The WEF-WRG offers governments a set of analytical and practical tools to overcome shortfalls and to re-allocate water in case of new demand. Projects are underway in Pakistan, South Africa, Jordan, Mexico, and most recently, in Mongolia. The main element of the toolbox is the water cost curve – a fact-based, comprehensive combination of demand side and supply side levers to bring overall water withdrawals in individual watersheds back into line with natural renewal.

Efforts to improve water efficiency of Nestlé's own operations, along the value chain of its products, from farm to consumer, and at product level, are necessary. But ultimately water is local – solutions to shortages should be focused on watersheds, river basins and common underground aquifers.

Increasingly, Nestlé will fit its own efforts constructively into comprehensive strategies developed by the governments, such as those based on the WEF-WRG approach.

The honorary award will be presented to Nestlé Chairman, Peter Brabeck-Letmathe, at a ceremony on August 24, during the 2011 World Water Week in Stockholm.

Mr Brabeck-Letmathe said: "I am most grateful for this recognition. We have identified water as the biggest challenge for future food security, and beyond that, for economic growth. This is probably the most prestigious award in this area for a company – and it will strongly encourage us to continue with our efforts."

About SIWI

The Stockholm International Water Institute (SIWI) is a policy institute that contributes to international efforts to combat the world's escalating water crisis.

SIWI develops and promotes future-oriented and knowledge-integrated policies towards the sustainable use of the world's water resources leading to sustainable development and poverty eradication.

About the Stockholm Industry Water Award

The Stockholm Industry Water Award – administered by the SIWI – recognises the business sector's contribution to sustainable water management by minimising water consumption and environmental impact.

Awarded to any sector of business and industry, the Award was established in 2000 by the Stockholm Water Foundation in collaboration with the Royal Swedish Academy of Engineering Sciences and the World Business Council for Sustainable Development.

An independent award committee, comprising of leading academics in water sciences, reviews all submissions and selects the winner following an open nomination process.

Contacts

Media

Robin Tickle

Tel.: +41 (0)21 924 22 00

Investors

Roddy Child-Villiers

Tel.: +41 (0)21 924 36 22