



Nestlé

Good Food, Good Life

Nestlé In Society

Creating Shared Value

Progress and Commitments 2020

Middle East



Nestlé's purpose is about enhancing quality of life and contributing to a healthier future. We have identified three areas where Nestlé creates impact: for Individuals and Families, for our Communities and for the Planet.

Creating Shared Value, or CSV, is the fundamental way we do business; and how we bring our purpose to life. We believe that for our company to be successful in the long term, we must create value not only for our shareholders, but also for society and the environment we live in.



In 2015, we published the first Nestlé in Society Report for the Middle East, outlining our 20 Creating Shared Value commitments and specific objectives in the areas of Nutrition, Responsible Sourcing, People & Compliance, Water and Environmental Sustainability.

We understand the diverse nutrition challenges people face in the Middle East; from over-nutrition to under-nutrition and micronutrient deficiencies. Eleven of our 20 commitments are focused on nutrition; geared towards building nutrition knowledge with science and research, offering tastier and healthier product choices, and inspiring people to lead healthier and happier lives, with specific focus on children.

In this document, we share our progress to date, and define our commitments 2020. We have the capacity, and more importantly the determination to play a positive role in society.

We look forward to receiving your feedback on our progress and how to further improve our actions and goals to create a positive impact for Individuals and Families, for our Communities and for the Planet.

A handwritten signature in blue ink, appearing to read 'Yves Manghardt'.

Yves Manghardt
Chairman and CEO
Nestlé Middle East FZE

Our Purpose

*Enhancing quality of life
and contributing to a healthier future*



For Individuals and Families



Nutrition



For our Communities



Responsible
Sourcing



Our People &
Compliance



For the Planet



Water



Environmental
Sustainability





For Individuals and Families

Enabling healthier and happier lives

Our Commitments

Our Progress to Date

Our Objectives 2020



01 Build knowledge leadership in children's nutrition

- Landscaping study for children aged 0-12 years
- Findings: gaps and challenges

- Launch large scale research for children aged 0-12 years by 2017
- Further build and share knowledge



02 Further provide nutritionally sound products designed for children

- Launched 3 products for kids per year
- Maintained 100% compliance to the Nestlé Nutritional Foundation

- Launch 3 products for kids per year to help fulfill healthy eating occasions during the day



03 Help reduce the risk of under-nutrition through micronutrient fortification

- Provided more than 8 billion servings of fortified food products per year

- Provide 8.7 billion servings of fortified food products per year



04 Reduce salt, sugar, and saturated fats in our products

- Our products support the WHO target of 5g salt per day
- We have reduced an overall of 10.7% salt in our products
- Up to 30% sugar reduction in cereals to date
- All of our children's products already meet the Nestlé Nutritional criteria for sugars
- None of our products contains trans fats*
- We have reduced 6.5% saturated fats in our products

- Further reduce salt in our products
- Reduce 5% sugar in confectionery
- Further reduce 10% sugar in breakfast cereals
- Further decrease saturated fat in relevant products



05 Increase vegetables, grains, pulses, nuts and seeds in our foods and beverages

- Whole grain #1 ingredient in children & teen breakfast cereals
- Breakfast cereals with green banner provide at least 8g whole grain per serve

- Introduce new culinary product ranges with pulses, grains and vegetable
- All breakfast cereals will have whole grain as #1 ingredient providing at least 3g fiber

*Originating from partially hydrogenated oils









For Individuals and Families

Enabling healthier and happier lives

Our Commitments

Our Progress to Date

Our Objectives 2020

| Our Commitments | Our Progress to Date | Our Objectives 2020 |
|---|--|--|
|  06 Simplify our ingredients list and remove artificial colours | <ul style="list-style-type: none">• We embarked on our “kitchen cupboard” approach to simplify our ingredients• All kids confectionery products do not contain artificial colours | <ul style="list-style-type: none">• Continue simplifying our ingredients• Remove all artificial colours from our products |
|  07 Deliver nutrition information, advice and portion guidance | <ul style="list-style-type: none">• All our products feature the Guideline Daily Amounts (GDA) on front of pack• All of our products provide portion guidance | <ul style="list-style-type: none">• Continue to apply and explain nutrition information on packs, at point of sale and online |
|  08 Promote healthy hydration as part of a healthy lifestyle | <ul style="list-style-type: none">• Project WET expanded to 5 countries• Healthy hydration is part of our kids programmes | <ul style="list-style-type: none">• Further implement healthy hydration awareness for parents, teachers and kids• Build and share research data on hydration |
|  09 Promote healthy diets and lifestyles | <ul style="list-style-type: none">• We promote healthy diets and lifestyles, through 3 programmes to empower parents, teachers and children to foster healthy behaviour | <ul style="list-style-type: none">• Further sustain and strengthen the kids programmes, while continuing to measure impact on behavior change• Help 1 million children lead healthier lives |
|  10 Ensure responsible marketing communication to children | <ul style="list-style-type: none">• We have implemented a strengthened policy on marketing communication to children• Nestlé is a signatory of the Marketing to Kids Pledge of the International Food & Beverages Alliance in the GCC | <ul style="list-style-type: none">• We will continue to ensure responsible marketing practices• Further engage in voluntary efforts to promote these practices in the industry |
|  11 Market breast-milk substitutes responsibly | <ul style="list-style-type: none">• Nestlé complies with all international and local regulations• Since 2011, we are the first to be included in the FTSE4Good index• We have conducted more than 20 audits in the last 5 years to ensure compliance | <ul style="list-style-type: none">• Promote breastfeeding and continue to strengthen our practices to consistently meet the WHO recommendations, FTSE4Good Index BMS (Breast Milk Substitute) criteria and local regulations |



For our Communities

Helping to develop thriving, resilient communities

Our Commitments

Our Progress to Date

Our Objectives 2020



12 Implement responsible sourcing in our supply chain



- We work with more than 5,600 suppliers
- We perform more than 40 supplier audits per year

- Cover 80% of the total volume sourced from audited and compliant suppliers



13 Foster career opportunities for youth in the Middle East



- More than 30% of our employees are under 30 years
- 2,000 youth hired since 2010
- 430 hired in 2016 and 5,000 impacted
- Launched the "Alliance for Youth"

- Hire 650 youth and impact 16,000
- Further expand the "Alliance for Youth" members to increase hire and impact

14 Enhance gender balance



- Launched our Diversity and Inclusion framework across the company
- 24% women among managerial positions (from 16% in 2011)
- Maternity leave up to 6 months

- Continue to achieve annual increases in the percentage of women managers and senior leaders

15 Ensure that all Nestlé employees are covered by a certified safety and health management system



- All our sites are certified for safety and health management (OHSAS 18001)
- In 2016 alone, more than 90,000 safety and health observations were recorded by Nestlé employees

- Continue to ensure all Nestlé employees are covered by a certified safety and health management system

16 Provide CSV, nutrition (NQ) & environmental sustainability training for our employees



- All employees trained for nutrition and environmental sustainability
- Nutrition training extended to our customers
- We launched our internal CSV training

- Continue to strengthen nutrition and environmental awareness among employees
- Reach out to our partners and suppliers



For the Planet

Stewarding resources for future generations

Our Commitments

Our Progress to Date

Our Objectives 2020



17 Work to achieve water efficiency and sustainability across our operations

- Since 2010: 35% reduction in water* withdrawal

- Further reduce water* withdrawal to reach 40% reduction



18 Provide climate change leadership

- Since 2010: 32% reduction in energy* consumption
- Since 2010: 28% reduction in greenhouse gas* (GHG) emissions

- Further reduce consumption to reach 40% energy* reduction
- Further reduce to reach 35% GHG* emissions reduction



19 Improve the environmental performance of our packaging

- 200 tons packaging materials saved in the last 2 years
- Measures included packaging optimization in shipping and wrapping materials

- We will continue to analyze and optimize our packaging portfolio



20 Reduce food loss and waste

- We achieved 99% reduction in waste for disposal at our manufacturing sites
- We started engaging with stakeholders on food waste challenges in the region

- Achieve 0 waste for disposal in all sites
- Accelerate progress globally towards halving food waste by 2030
- Promote reduction of food waste to stakeholders, food professionals, consumers and employees

* Computed for tonne of food product manufactured

NESTLÉ IN THE MIDDLE EAST

13 COUNTRIES; 18 FACTORIES



Food Factories

Al Maha Factory in Dubai South
Culinary, Coffee Mixes

Nestlé Dubai Manufacturing in Techno Park
Milk Powder, Chocolate and Culinary

Nestlé Iran Manufacturing in Qazvin
Infant Cereals, Infant Formula, Powdered Beverages, and Coffee Mixes



Water Factories

Creating Shared Value

US\$ 620 Million

Investments in the region since 2010



13,000

Employees across the region



US\$ 340 Million

Salaries and social welfare expenses in 2016



US\$ 2.4 Billion

Total Sales in the Middle East in 2016



18

Factories across the region





Good Food, Good Life

To know more, please visit:



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