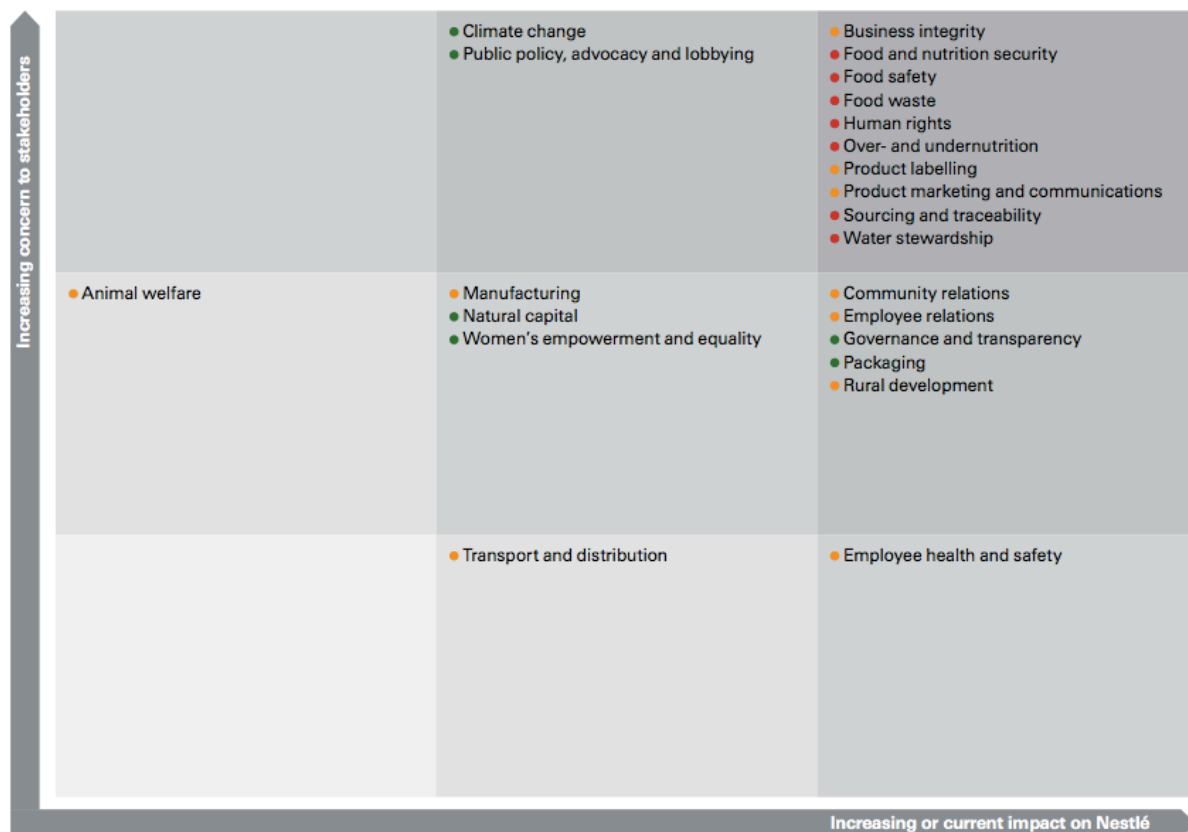


www.materialitytracker.net RESULTS

Company:	Nestle
Sector:	Food, Beverage & Tobacco
Report Year:	2013
Headquarters:	Switzerland
Standard Application:	GRI 3.1 A+ , AA1000
Format:	Matrix

2013 Nestlé materiality matrix



Future directionality:

- Increasing stakeholder concern and business impact
- Steady stakeholder concern and business impact
- Increase in stakeholder concern

Materiality

What are material issues?

According to the Global Reporting Initiative (GRI), material issues include: "Those topics that have a direct or indirect impact on an organisation's ability to create, preserve or erode economic, environmental and social value for itself, its stakeholders and society at large".

In simple terms, materiality is about identifying the issues that matter most to our business and our stakeholders. We plot economic, social and environmental issues that are of most concern to our external stakeholders against those that pose risks or present opportunities to Nestlé. Conducting a thorough materiality analysis not only helps us to identify issues that stakeholders want to see us cover in our reporting, but also helps us to decide where to focus our internal resources.

Refreshing our materiality assessment

Since 2006, we have worked with SustainAbility to identify and prioritise the issues deemed most important to our company and its stakeholders. Consulting our stakeholders during this process has allowed us to realign our priorities to match stakeholders' expectations as closely as possible. Furthermore, their feedback enables us to identify new and increasingly important societal challenges that we must address through our work. This year, we have also started identifying interconnections between issues that overlap in order to understand how we can best manage these issues.

In 2013, we commissioned an update of our materiality assessment and revised the list of 45 material issues to make 23 broader issue categories. These issues were placed on the matrix opposite after a process of prioritising that took into account stakeholder feedback and assessed business impact.

We will continue to review and share our materiality analysis each year. Next year, a full analysis will be conducted to streamline material issues according to GRI G4 guidelines, which will in turn shape the content of our next report.

The latest report distils the list of 23 broader issues into two categories

Societal issues that are material for Nestlé's business and which Nestlé can contribute to addressing:

- Animal welfare
- Climate change
- Food and nutrition security
- Food safety
- Food waste
- Human rights
- Natural capital
- Over- and undernutrition
- Rural development
- Water stewardship
- Women's empowerment and equality.

Nestlé issues, where there are material opportunities and risks, and where Nestlé needs to go beyond compliance with national laws, and deliver on its global business principles and codes of conduct:

- Business integrity
- Community relations
- Employee health and safety
- Employee relations
- Governance and transparency
- Manufacturing
- Packaging
- Product labelling
- Product marketing and communications
- Public policy, advocacy and lobbying
- Sourcing and traceability
- Transport and distribution.