Our community initiatives are focused on areas where we can add the most value, namely food, health, nutrition, education and promoting active lifestyles.
The program teaches children the benefits of a healthy diet and exercise.
CASE STUDY

Kids learn importance of healthy and active lifestyles

When Nestlé Oceania teamed up with the Australian Institute of Sport (AIS) in 2001 to offer nutrition-based lesson plans to primary schools, little did they realise that the program would still be going strong eight years later. Initially, when ‘Get the AIS into your Classroom’ was launched, 15 per cent of Australian primary schools signed up to the program in the first six months.

Since then, more than half of the nation’s primary schools have incorporated the program – which teaches children the benefits of a healthy diet and exercise – into their teaching syllabus.

Katrina Koutoulas, Corporate Marketing Manager, Nestlé Oceania, who originally spearheaded the program and still steers it today, said our goal, together with the AIS, is to address the increasingly complex issue of obesity and to teach kids nutrition basics.

It’s estimated that 17 per cent of Australian children are overweight and 6 per cent are obese*.

“The AIS is synonymous with a healthy lifestyle and expertise in developing the best athletes, while we are one of the world’s leading nutrition, health and wellness companies, so it was obvious that we would team up to try and make a difference in improving nutrition knowledge among students,” she said.

In 2009, the program was reviewed by a panel of teachers from around Australia to update the curriculum which includes state specific lesson plans, student activity sheets, online forum for teachers, and a nutrition quiz to test students’ knowledge at the beginning and end of the year.

Katrina said a new element to the program allowed children to involve their families in some of the worksheet activities.

“By reaching out to families and helping to increase their nutritional knowledge we can help influence the food choices made by mums and dads at the supermarket and hopefully that will lead to healthier home cooked meals.”

‘Get the AIS into your Classroom’ is a key part of Nestlé’s Healthy Kids Program, a global initiative to improve the nutrition, health and wellness of school age children around the world.

Over the Tasman, Nestlé New Zealand is also making inroads into obesity and active lifestyles through a long-standing partnership with the Millennium Institute of Sport & Health.

Our efforts are co-ordinated through the Nestlé Good Life Program, which brings together a range of partnerships, specific programs and sponsorship activities. This includes our major nutrition education partnership with the Australian Institute of Sport, our Milo in2CRICKET program, the Nestlé Community Environment Program, the Nestlé Golden Chef’s Hat Award, Meals on Wheels Program and various other initiatives.

In 2009, our Nestlé Good Life Program contributed some AUD 5 million to community programs and broader sponsorship initiatives. This contribution does not include broader in-kind support and staff time.

Our community involvement initiatives come together around the areas where we are well placed to make a difference, namely food, health, nutrition, education and promoting active lifestyles. We are also focused on improving the environmental sustainability within the communities where we operate.

Since the Nestlé Community Environment Program started in 2003 we have been part of more than 105 projects throughout Oceania.

Our efforts are co-ordinated through the Nestlé Good Life Program, which brings together a range of partnerships, specific programs and sponsorship activities. This includes our major nutrition education partnership with the Australian Institute of Sport, our Milo in2CRICKET program, the Nestlé Community Environment Program, the Nestlé Golden Chef’s Hat Award, Meals on Wheels Program and various other initiatives.

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HEALTHY KIDS GLOBAL PROGRAM
Launched at the Creating Shared Value Forum in New York in April 2009, the Nestlé Healthy Kids Global Program aims to improve the nutrition, health, and wellness of school age children around the world. The program is targeted toward children and seeks to improve their health through better eating, greater physical activity, or other key health measures. In Oceania, our Healthy Kids initiatives bring together healthy eating, education and sports and fitness programs such as the ‘Get the AIS into your Classroom’, ‘Milo in2CRICKET’, ‘Milo Kiwi Cricket’ and the Millennium Institute of Sports Education program. In 2009, these initiatives reached some 1 million children.

AUSTRALIAN INSTITUTE OF SPORT (AIS)
Over the past 10 years Nestlé has worked closely with the AIS, particularly in the areas of education and nutrition. Throughout 2009, Nestlé and the AIS continued to improve the healthy lifestyle of Australian children with the continued investment, extensive review and update of the resource ‘Get the AIS into your Classroom’ which will be launched in 2010 to schools and teachers.

The resource is a key part of the ‘Nestlé Healthy Kids Global Program’, and is discussed in greater detail on page 69.

Students from Manukau, New Zealand identified fish from nearby waterways during a biodiversity day organised by our Cambria Park factory as part of the factory’s Nestlé Community Environment Project.
**MILLENNIUM INSTITUTE OF SPORT & HEALTH**
Nestlé New Zealand was a foundation sponsor when the Institute opened in 2002 and together over the following eight years Nestlé and the Millennium Institute have continued to promote a healthy lifestyle for Kiwis via initiatives such as ‘Winning Diet’ and ‘Be Healthy Be Active’ Booklets, Health & Activity teaching resource, Sports Nutrition Advice sheets, ‘Fit Food for Winners’ and ‘Fit Food Fast’ recipe books.

**MILO COMMUNITY INITIATIVES**
Nestlé is committed to promoting a healthy active lifestyle, especially for kids. Through the Milo brand, Nestlé has partnered with Cricket Australia for over 17 years to support junior cricket development. Through the grassroots introductory program, Milo in2CRICKET, over 600,000 kids participated in cricket activities in 2009.

In addition to the Milo in2CRICKET program, Nestlé granted one child a cricket cadetship including training session with Australian Vice-Captain Michael Clarke, and behind the scenes experiences of international sporting teams and events.

In New Zealand, Nestlé has been supporting junior cricket since 1986. Currently through Milo Kiwi Cricket and Milo Have-a-go Cricket over 60,000 kids participated in learning cricketing skills. Nestlé also supports junior rugby in the Auckland Union where 6,500 kids play rugby.

**SWIM, SURVIVE, STAY ALIVE PROGRAM**
Uncle Tobys has partnered with the Royal Life Saving Society Australia (RLSSA) to teach Australian children how to swim and survive in the water. Through a range of education and public awareness activities, the campaign is aimed at preventing the drowning deaths of more than 50 children each year. Uncle Tobys ambassadors and Olympic swimmers Grant Hackett, Eamon Sullivan, Emily Seebohm, Cate Campbell and hurdler Jana Rawlinson are also behind the campaign. The campaign is targeting children aged 5 to 15 to ensure they have got the skills and the knowledge to stay safe in the water.

**MEALS ON WHEELS**
For the past 10 years, Nestlé has been a proud sponsor of the Australian Meals on Wheels Association, a community-based program that assists people of all ages to remain at home with dignity and independence once they are unable to prepare meals themselves. The sponsorship allows Nestlé to better understand the Nutrition, Health and Wellness needs of the community, in particular the issues facing the elderly, and develop programs accordingly.

**FOODBANK**
Nestlé has had a long-standing partnership with Foodbank Australia. Partnering with groups such as Nestlé and other food and grocery donors, Foodbank provides food to a network of welfare agencies which prepare meals and food for the poor and hungry. Foodbank distributes some 17 million kilos of donated food and groceries each year, making around 23 million meals, and helping to feed 60,000 people a day.

Nestlé donates unsaleable or surplus food – which is safe and nutritious – that is distributed through state Foodbanks, as well as donating shop-saleable food to the annual ‘Donate Food Day’.

In 2009, Nestlé donated some 330 tonnes of food products to Foodbank Australia. Since 2004 our total food donations equate to some 3,800 tonnes. In New Zealand, Nestlé donated $2.3 million of product to organisations such as City Mission and Salvation Army.

With our focus on leaner and more efficient operations, Nestlé continues to look at innovative ways it can further contribute to Foodbank’s efforts. In 2009, Nestlé Uncle Tobys donated an entire day’s production as part of a collaborative initiative with Foodbank. This initiative delivered some 1.4 million bowls of porridge to Australians in need and was a true collaborative effort. Uncle Tobys provided the manufacturing – with our employees volunteering their time; farmers in Western Australia provided the cereals; packaging was provided by Amcor; and transportation and distribution was provided by the Toll Group.

**Our Wellness Program at Wahgunyah makes the employees feel like the company really cares about them. And as far as changing the culture and making a really positive step, it really is helping and tells our employees that we do care about their wellbeing and we are happy to help with work and non-work related issues.**

Registered Nurse Sally Weatherlake with Wahgunyah employee Steve Bayne.
Since the NCEP’s inception in 2003, the Nestlé Community Environment Program has contributed some AUD 2.4 million to over 105 projects throughout the region.

<table>
<thead>
<tr>
<th>Site</th>
<th>Project details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Altona, Victoria</td>
<td>Establishment of an on-site greenhouse and native plant nursery at St. Mary’s Primary School, Williamstown. Project aims to teach students about the local wetlands habitat, and their role in its future sustainability. Hobsons Bay City Council, Parks Victoria and Friends of the Wetlands also participated in the project.</td>
</tr>
<tr>
<td>Arndell Park and Blacktown, NSW</td>
<td>Establishment of a river recovery nursery with previous NCEP partner, Greening Australia. The nursery will provide environmental education opportunities for local schools, produce and donate plants for local Bushcare/ Landcare groups and provide a resource for interested community members to volunteer and assist in natural resource management activities.</td>
</tr>
<tr>
<td>Blayney, NSW</td>
<td>Construction of a bird viewing platform at the Heritage Park Wetlands, utilising recycled and sustainable building materials.</td>
</tr>
<tr>
<td>Broadford, Victoria</td>
<td>Working with Tallarook Primary School, the project established a sustainable outdoor education and recreation space within the school grounds utilising indigenous, native and traditional vegetation. This will provide a long-term interactive educational opportunity to highlight the importance of maintaining a healthy environment in which to learn and play.</td>
</tr>
<tr>
<td>Cambria Park, New Zealand</td>
<td>Building on the success of previous NCEP projects with Wai Care Manukau City, this project will raise awareness of the many threats facing wildlife in the local streams and city landscapes. Students from the four surrounding schools will conduct targeted wildlife searches to reveal the state of local biodiversity. Results will be used to put into action plans to improve the local environment.</td>
</tr>
<tr>
<td>Campbellfield, Victoria</td>
<td>Creation of a walking track at Mill Park Heights Primary School that focuses on local vegetation, specifically linking local Aboriginal history and traditions. Track to provide interpretative signage and include a native frog pond.</td>
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<tr>
<td>Gympie, Queensland</td>
<td>Installation of new conveyor belt for Red Cross Gympie Business Service. Red Cross Business Services employs over 40 people with intellectual and physical disabilities or mental illness.</td>
</tr>
<tr>
<td>Lae, Papua New Guinea</td>
<td>Building on a 2008 project, this initiative involves tree planting and rubbish management with Lae City Authority.</td>
</tr>
<tr>
<td>Marton, New Zealand</td>
<td>Project introduces children at Follet Street Kindergarten to conservation and sustainability concepts by establishing a water play area, a native plant area with outdoor seating, a recycling station and a worm farm.</td>
</tr>
<tr>
<td>Mulgrave, Victoria</td>
<td>Project creates a butterfly trail circling the perimeter of the school, which will be planted with native plant species to attract the indigenous butterfly population.</td>
</tr>
<tr>
<td>Rhodes, NSW</td>
<td>Working with Strathfield North Public School to create an Australian native garden including an outdoor learning area. Aims to provide a natural area where the students and local community can develop, maintain and learn the importance of environmental management, water sustainability and the benefits of the unique Australian flora.</td>
</tr>
<tr>
<td>Smithtown, NSW</td>
<td>Working with Smithtown Public School to develop a community garden. Students will apply sustainable practices to grow, nurture and prepare food. This will include composting and rainwater harvesting to maintain soil quality.</td>
</tr>
<tr>
<td>Tongala, Victoria</td>
<td>Construction of a permanent, public display module at the park, which will exhibit regional, indigenous and nationally significant invertebrates in landscaped displays. The funding also provides for five mobile display units to be used in the park’s education service. These will allow school students to study lifecycles of invertebrate species in the classroom.</td>
</tr>
<tr>
<td>Wahgunyah, Victoria</td>
<td>Project funds a curriculum linked energy efficiency program at Rutherglen Primary School in an effort to empower students to reduce energy usage, at home and in the classroom.</td>
</tr>
</tbody>
</table>
NESTLÉ COMMUNITY ENVIRONMENT PROGRAM

The Nestlé Community Environment Program (NCEP) continues to bring Nestlé Oceania sites and their surrounding communities closer together. The program involves key Nestlé Oceania sites partnering with community groups on projects which deliver local environmental sustainability outcomes. A formal review of the program was undertaken in 2009 to understand how the program can remain relevant into the future. Recommendations from the review are currently being considered.

Some 14 individual projects were implemented in 2009 across a diverse range of environmental issues, including revegetation, education and energy efficiency projects. Further details on 2009 projects are provided opposite. Pakenham and Ba sites were sold throughout the year and hence did not participate in NCEP in 2009.

VICTORIAN BUSHFIRE RESPONSE

We were deeply saddened by the tragedy caused by the Victorian bushfires in early 2009. The bushfires devastated Victoria, causing unprecedented loss of life and property. The fires came within one kilometre of our Broadford factory and many of our employees were directly and indirectly impacted by them.

To assist those impacted by the disaster, we announced a series of measures, including:

- $100,000 donation to the Commonwealth Bank’s Series Bushfire Appeal, directed to the Victorian Premier’s Bushfire Fund.
- $400,000 worth of food and beverages donated to those made homeless by the disaster and to the hardworking Emergency Services personnel.
- Matched the Federal Government’s grant of $1,000 per adult and $400 per child for employees who were victims of the crisis.
- Provision of counselling through our Employee Assistance Program.

PROJECT AFRICA

Project Africa is a Nestlé employee-led initiative with ‘Habitat for Humanity (HFH) Ghana’, a not-for-profit international housing organisation. HFH aids developing and disaster-struck areas by assisting in building homes for those in need.

In March 2009, a team of six Nestlé Australia and seven Nestlé USA employees visited Ghana to work alongside Habitat for Humanity to build houses and make donations to local schools and orphanages. Working with local tradesmen, three homes were built in the KyeKyewere community, a five hour drive north from the capital Accra.

The Project has continued to grow and now brings together an international network of Nestlé employees who donate their time to participate in the initiative. The Project Leader returned to Ghana in July 2009 to plan for future initiatives, including a 2010 project.

SAVE THE KIWI

Nestlé New Zealand for the last four years has contributed $50,000 to the BNZ Save the Kiwi program. In addition, Nestlé has supported the restoration of Motuhie Island in the Hauraki Gulf back to a pest free, native tree environment whereby in 2009 some of the endangered Little Spotted Kiwi were released.

NESTLÉ VOLUNTEER PROGRAM

The Nestlé Volunteer Program is a key part of our ongoing commitment to the community. By providing an additional day’s paid leave every year, the program helps our people find worthwhile community projects and provide hands-on help to their communities.

Through the program, our people participate in a range of community projects. In 2009, we clocked up 162 days of volunteer work across our Oceania business.

Billy Pawih, SHE Officer, Lae, Papua New Guinea.

“Whenver there is a Nestlé Community Environment Program at Lae it’s all hands on deck. The employees here love getting their hands dirty to help the local community.”
Our Community – our performance

<table>
<thead>
<tr>
<th>Community investment</th>
<th>GRI reference</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total community spend (AUD)†</td>
<td>SO1</td>
<td>–</td>
<td>4,135,250</td>
<td>4,044,750</td>
<td>5,033,416</td>
</tr>
</tbody>
</table>

Nestlé Community Environment Program

| Community Environment Projects (through the Nestlé Community Environment Program) (AUD) * | SO1 / EN13 | 330,000 | 425,000 | 425,000 | 340,416 |

Nestlé Volunteer Program

| Number of volunteering days logged | SO1 | 97 | 100 | 112 | 162* |

† Represents financial contributions from Nestlé Australia only. Does not include broader in kind support provided by Nestlé.

* Includes employee volunteering for Victorian bushfires.

NZ and PNG contributions converted to AUD.

Nestlé Community Environment Program – project focus

- Restoration/conservation/revegetation/community (incl. education element)
- Waste (incl. education element)
- Water (incl. education element)
- Sustainability (incl. education element)
- Energy/climate change (incl. education element)