

## Strong support for Board proposals at Nestlé S.A. Annual General Meeting

Vevey, 14 April 2011 – 2,659 shareholders attended the Nestlé S.A. Annual General Meeting today in Lausanne. They represented 37.065 percent of the total capital and 59.868 percent of the shares entitled to vote. The annual report and the accounts were approved and the shareholders agreed to the release of the Board of Directors and the Management. The Nestlé Compensation Report was accepted in a separate advisory vote, in line with the Swiss Code of Best Practice for Corporate Governance. The shareholders further approved the proposed dividend of CHF 1.85 per share, an increase of 15.6 percent over last year, and agreed to the capital reduction. All proposals of the Board of Directors were approved with strong majorities.

Shareholders re-elected Messrs. Paul Bulcke, Andreas Koopmann, Rolf Hänggi, Jean-Pierre Meyers, Mrs. Naina Lal Kidwai and Mr. Beat Hess for further terms of three years to the Board. The Annual General Meeting further elected Ms. Ann Veneman as a new member of the Board for a three-year term.

At the meeting, Nestlé Chairman Peter Brabeck-Letmathe focused on corporate governance and the strategic direction of Nestlé.

Referring to Swiss corporate legislation on public limited companies, Mr Brabeck-Letmathe said that this legislation was well balanced and flexible: *“It is undoubtedly one of the main reasons why Switzerland is home to so many multinational companies in relation to the total population. Should Switzerland give up its liberal legislation on public limited companies, it would needlessly relinquish this considerable advantage in global competition and lose one of the major reasons for companies to be located here”.*

On the creation of the Nestlé Institute of Health Sciences and the Nestlé Health Science company, he said: *“It is becoming evident that our current healthcare system, which basically concentrates on treating sick people, is not sustainable and will need a radical rethink. We firmly believe that disease prevention must play a much bigger role. It is for this reason that the Nestlé Board of Directors crafted a vision to achieve leadership in this new industry between food and pharma by creating the Nestlé Institute of Health Sciences and Nestlé Health Science S.A.”*

In his review of the Nestlé 2010 results, Nestlé CEO Paul Bulcke said: *“Nestlé’s solid performance in 2010, in spite of a turbulent economy, was driven by our Company maintaining its strategic direction: as the leading nutrition, health and wellness company we enhance lives by offering tastier and healthier food and beverage choices at all stages of life and at any time of the day, helping consumers care for themselves and their families. This is the foundation of our promise of Good Food, Good Life which puts nutrition at the heart of everything we do.”*

*“As we look to the challenges of 2011 and beyond, my message today is that Nestlé has excellent growth potential, as long as we continue to take full advantage of the many new and varied opportunities in both emerging and developed markets. To do this we must remain close to our consumers’ existing and evolving needs, developing new ideas, products and growth channels with creativity and originality”,* Mr Bulcke concluded.

For the year to come, the Board and its different Committees will be composed as follows:

*Board of Directors*

Peter Brabeck-Letmathe, Paul Bulcke, Andreas Koopmann, Rolf Hänggi, Jean-René Fourtou, Daniel Borel, Jean-Pierre Meyers, André Kudelski, Carolina Müller-Möhl, Steven G. Hoch, Naina Lal Kidwai, Beat Hess, Titia de Lange, Jean-Pierre Roth, Ann Veneman

*Chairman's and Corporate Governance Committee*

Peter Brabeck-Letmathe, Paul Bulcke, Andreas Koopmann, Rolf Hänggi, Jean-René Fourtou

*Compensation Committee*

Daniel Borel, Andreas Koopmann, Jean-Pierre Meyers, Jean-René Fourtou

*Nomination Committee*

Andreas Koopmann, Peter Brabeck-Letmathe, Carolina Müller-Möhl, Steven G. Hoch

*Audit Committee*

Rolf Hänggi, André Kudelski, Naina Lal Kidwai, Beat Hess

The Chairman's and the CEO's addresses to the AGM can be found on the Nestlé corporate website [nestle.com](http://nestle.com).

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