

NESTLÉ S.A.

Ms Zimmermann, Mr Schächli  
Verein MultiWatch  
Postfach  
3097 Liebefeld

Vevey, 8 November, 2013

Your correspondence – « Nestlé-Arbeiter in Kolumbien im Hungerstreik »

Dear Ms Zimmermann,  
Dear Mr Schächli,

We thank you for your letter of 5<sup>th</sup> November 2013 to our CEO, who has asked me to respond.

We share your concern regarding the hunger strike of four Nestlé workers who are members of the Sinaltrainal trade union in Colombia. Contrary to what Sinaltrainal alleges, Nestlé Colombia is in permanent dialogue with all its trade unions, and we regret that the four workers represented by Sinaltrainal chose this extreme form of protest. Nevertheless, we respect their decision and will follow the situation closely together with medical personnel and, hopefully, independent external observers.

The security and wellbeing of our workers and their families is a top priority for Nestlé in Colombia and elsewhere in the world. We categorically reject any form of violence or intimidation against any employee of our company. We have systematically expressed this both publicly with the authorities, and in direct meetings with Sinaltrainal. Earlier this year, we had again intervened with all relevant authorities in an effort to secure protection for a group of threatened workers. We have asked for a speedy investigation into this matter, and have provided loans to all concerned workers, to reinforce security in their homes – for which we are still awaiting valid receipts. We have also introduced flexible work schedules for these workers.

The allegations and insinuations of Sinaltrainal and MultiWatch, which seek to link the company in any way to acts of violence or even death of former workers are groundless and unacceptable, and have been systematically dismissed by both the Colombian and the international justice system.

With respect to the other points raised in your letter, we would like to state the following:

- Quality of products: Nestlé's quality standards are non-negotiable everywhere in the world. Any incidents or allegations are immediately and thoroughly investigated in order to ensure that all of our products always meet the highest quality standards. The attempts by Sinaltrainal to put the reputation of the company and its products – which they themselves produce – into disrepute are unfortunate, create unnecessary tension and discredit the legitimate claim of the union to represent the interests of its members.
- Importation of raw materials: These allegations are false. In 2013, milk was imported from the US on only one occasion. This was done in full transparency (800 MT, 20 times less than alleged by Sinaltrainal). To the contrary, Nestlé Colombia has not reduced its local purchases and continues to heavily invest in the agricultural sector in Colombia with expanding milk districts in the Caquetá and Valledupar (DPA), as well as with massive Nespresso and Nescafé projects in the coffee sector. All of these initiatives have a strong focus on smallholder farmers.
- Collective bargaining agreement (CBA) Bugalagrande: Nestlé Colombia has implemented the CBA of June 2012. The problem is that Sinaltrainal wants to exclude Sintraimagra, the other trade union present in the factory, from some of the entitlements of the CBA which have to be managed by joint committees. Unfortunately, Sinaltrainal persists with this position, despite a clear adverse recommendation by the relevant labour authorities.
- Conflict with Sintraimagra: In 2012, a group of former Sinaltrainal affiliates decided to leave the union and create a new trade union, Sintraimagra. Nestlé Colombia respects the freedom of association and also the liberty of employees to affiliate themselves to a union of their choice. The categorical refusal of Sinaltrainal to co-exist with Sintraimagra in this factory, has led to a conflict, which has become increasingly unmanageable. Finally, Sinaltrainal accepted the company's proposal of mediation together with the National Union Federation (CUT). The first meeting with respect to this matter will take place on 18<sup>th</sup> November 2013.

As you are aware, Nestlé de Colombia is one of the most unionised companies in the country, with a level of trade union affiliation exceeding 60%, while the national average is well below 5%. In all other Nestlé factories in Colombia, the relations between the company and its trade unions, including Sinaltrainal, are mostly constructive.

Like you, we sincerely hope that the situation in the Bugalagrande factory improves rapidly and that a durable solution can be found to the conflict between the two rivaling trade unions.

Sincerely,



Christian Frutiger  
Deputy Head  
Global Public Affairs  
Nestlé S. A.