

NESTLÉ NIGERIA: FACT FILE

NESTLÉ IN NIGERIA: HISTORY

- The first sale of Nestlé products in Nigeria date back to the beginning of the 20th century. This was through local importers who placed their orders directly with British trading companies active in the country.
- Imports were at first sporadic, but became regular from the 1920s when Nestlé decided to formally organise the importation and distribution of products.
- In 1961, one year after Nigerian independence, "Nestlé Products (Nigeria) Limited" was officially created. This meant the start of the Nestlé operations in Nigeria as a locally based subsidiary of Nestlé.

NESTLÉ IN NIGERIA: TODAY (2010)

- Nestlé's activities in Nigeria amount to around 59 billion Naira (CHF 457 million)
- Over 3,300 employees
- 2 factories : Agbara Manufacturing Complex and Flowergate
- 1 Distribution Centre : Otta Distribution Centre
- A wide range of brands & products
Infant cereals: Nestlé *NUTREND*, Nestlé *CERELAC (Maize)*.
All Family Cereal: Nestlé *GOLDEN MORN*
Beverage drink: Nestlé *MILO*
Confectionary: Nestlé *CHOCOMILO*
Bouillon: *MAGGI* cube, *MAGGI* Chicken, *MAGGI* Crayfish, *MAGGI* MIX'PY
Table Water: Nestlé *PURE LIFE*
Coffee: *NESCAFÉ* Classic, *NESCAFÉ* Crem 3-in-1, *NESCAFÉ* Breakfast
Full cream milk: Nestlé *NIDO*
- Nestlé Nigeria is part of Nestlé's Central and Africa Region (CWAR) which is headquartered in Accra (Ghana)

OUR PRODUCTS

- We continue to heavily invest in the development and improvement in the nutritional profile of all our products. We also continue to reduce the salt, sugar, trans fat, saturated fat and artificial colourings which they contain.
- Using science-based solutions, we seek to improve quality of life through food and diet, contributing to the health and wellbeing of consumers, including those with specific nutritional needs and those at the 'base of the income pyramid' offering products with accessible portion sizes and higher nutritional value, at lower prices.

OUR PEOPLE

- People are the company's most important assets.
- Long term investments in training and professional development give our people higher incomes, and provide Nestlé with the skilled workforce we need.
- Our overriding principle is that each employee should have the opportunities and support they need to fulfil their potential in a safe and fair workplace where they are listened to and valued, and where diversity and equality are respected.
- Nestlé offers a wide range of training actions at local, regional and global level, including on-the-job training, internet-based training programmes and class-based tuition.
- In 2010, Nestlé Nigeria staff participated in 53 overseas courses, 156 external local training and different in-house training programmes to sharpen their skills.

CREATING SHARED VALUE INITIATIVES

Creating Shared Value is the basic way Nestlé operates globally in which the company creates long-term value for shareholders and the society. This is not different in Nigeria. At Nestlé, we have analysed our value chain and determined the areas of greatest potential for joint value optimization with the society, are Nutrition, Water and Rural Development.

Nutrition

Nestlé Healthy Kids Global Programme

- The programme aims to improve nutrition, health and wellness of children aged 8 to 14 through better eating, greater physical activity and other key health measures such as hygiene.
- The programme will be rolled out in Nigeria in early 2011. The initiative will be implemented in selected primary schools in Lagos and Ogun states on a pilot-phase.
- Instructional materials to be used – *Healthy Kids Teachers' Manual* and *Healthy Kids Pupils' Manual* – have been submitted to Ministries of Education and Health in Lagos and Ogun States for inputs and final approval.

Rural Development

Through rural development, providing local employment and encouraging sustainable production practices, we not only seek to protect the supply and quality of our raw materials, but also to have a positive, long-term impact on the local economy and standard of living of rural people. By linking farmers to markets and supporting them to improve quality and ensure supply, farmers are able to attain higher margins at a farm level. This triggers cash flow to the rural areas – an important contribution to rural development – and provides direct employment opportunities in rural areas.

Nestlé reaches out to local farmers in Nigeria through:

Grains Quality Improvement Project

- One of our priorities in this area is to reduce the high levels of mycotoxins in cereals, dried fruits and nuts. Mycotoxins can lead to significant nutritional and economic losses in grains and legumes for farmers. Up to 30% of cereal crops are lost to mycotoxins contamination, caused largely by humidity and poor drying and storage practices. Besides, this natural, fungus-based contamination can cause immune system suppression, impaired development in children and liver damage both in humans and animals.
- To improve the quality of grains used in the manufacture of our cereal-based products – Nestlé CERELAC, *Nestlé NUTREND* and Nestlé GOLDEN MORN. Nestlé therefore launched the Grains Quality Improvement Project in conjunction with the International Institute of Tropical Agriculture to reduce mycotoxin contamination levels in grains by 60% in Nigeria, Ghana and Cote d'Ivoire.
- In Nigeria, 4,000 farmers have so far been trained (including agricultural extension agents, farm village heads, grain suppliers and transporters).

Nestlé/UNAAB Soybean Popularization Project

The Nestlé/ UNAAB (University of Agriculture Abeokuta) Soybean Popularisation Project has created a selection of high-yielding, disease resistant soybean crop for local farmers, thereby providing regular income and reducing rural poverty.

As part of the implementation of the initiative, the project team regularly visits the farmers in south west region to assess the status of the crop, and to advise on farming practices, harvesting technique and other handling processes. In addition to such capacity-building efforts and agricultural extension activities, soybean threshing machines have been donated to make the production process more efficient and less tedious.

Another key component of the Project is the **Farm Family Health** initiative which is aimed at increasing the awareness on good health and nutritional practices among farm-families. More than 500 local farmers currently benefit from the project and over 780 tonnes of soybeans have been produced from high quality seeds.

Water Resources Management

As the leading Nutrition, Health and Wellness Company in Nigeria, Nestlé has made sustainable water use an essential priority and its responsible management one of its major goals.

Agbara Factory Waste Water Treatment Plant

In pursuit of efforts to reduce both the volume and load of the wastewater from manufacturing operations, Nestlé has built a wastewater treatment facility at Agbara Factory. Our manufacturing processes use water in a variety of ways such as for washing, boiling, extraction and for reconstitution of dried raw material. When all options for water use reduction, reuse and recycling have been exhausted, the waste water that is left must be treated before discharge to the environment.

Nestlé aims to be the most efficient water user among food manufacturers in Nigeria. Because good water quality in the areas surrounding our factory has direct benefit for our business, society and the environment. All our water is treated in our waste water treatment plant at Agbara factory. We remove 97% of the organic load of water leaving our factory before it is returned to the environment.

Project WET (to be introduced in 2011)

Project WET (Water Education for Teachers) will be launched in Nigeria in 2011. The Project Wet Foundation is by far the most well-known, highly-skilled organisation in providing efficient water education initiatives around the world. The water conservation module developed by Nestlé Waters contains 8 ready-to-teach lesson plans constituting a logical pedagogical path to raise awareness step by step among children aged 8 to 12 as to the importance of preserving and managing a vital, scarce, shared and fragile natural resource: water.