

Nestlé Creating Shared Value Prize Frequently Asked Questions

What is the Nestlé Creating Shared Value Prize?

The Nestlé Creating Shared Value Prize ('Nestlé CSV Prize') is awarded every other year to support an innovative programme, an inclusive business or a social enterprise in the area of nutrition, water, or rural development.

The Prize objective is to help innovative, commercially viable, and high impact initiatives achieve social scale and financial sustainability. The Prize winner receives an investment of up to CHF 500 000 (approx. USD 530 000) to scale up or replicate his initiative.

The Prize is open to social and private enterprises as well as non-government organisation (NGOs)

The winner is selected by the Creating Shared Value Council and is presented with the award at the Creating Shared Value Forum.

The Prize was awarded for the first time in May 2010, and then in November 2012. This year it was awarded on October 9, 2014.

What is meant by Creating Shared Value?

For a company to be successful in the long term and create value for its shareholders, it must also create value for society. We call this **Creating Shared Value (CSV)**. For maximum impact, Nestlé has focused its Creating Shared Value efforts and investments on three areas – nutrition, water and rural development – as these are core to our business activities and vital for our value chain.

Creating Shared Value encourages businesses to create economic and social value simultaneously by focusing on the social issues that they are uniquely capable of addressing.

To learn more about Nestlé and Creating Shared Value, please visit: http://www.nestle.com/csv

Why did Nestlé launch a Prize in Creating Shared Value?

We believe in the potential of the *creating shared value* concept in generating economic value in a way that also generates value for society by addressing its needs and challenges.

There are already many examples of organisations, both from the private and not-for-profit sectors, developing or implementing *creating shared value* initiatives. Through the Nestlé CSV Prize, we seek to reward the best examples of *creating shared value* initiatives worldwide and encourage others to adopt this approach.

What are the criteria to participate in the Nestlé Creating Shared Value Prize?

- The following **types of organisation** can nominate an initiative for the Nestlé CSV Prize: social and private enterprises as well as non-governmental organisations (NGOs).
- The **area of focus** of the initiative must be in either of the following fields: nutrition, water or rural development.

- Applicants may be based in any **country** of the world and cover programmes implemented in low-middle and high-income countries that benefit underserved parts of the community.
- All applications must be submitted in **English**.

Can an organisation self-nominate?

Yes. Applicants to the Nestlé CSV Prize can either self-nominate or be nominated by others who are familiar with their work. In either case, the nomination process is the same. Nominations must be submitted through the official *Nomination Form* available online at www.nestle.com/nestlecsvprize or upon request at CSVPrize@nestle.com.

What about Nestlé employees? Are they eligible to nominate an organisation or programme for the Nestlé CSV Prize?

Employees of Nestlé, their parent companies, affiliates and subsidiaries, joint ventures, participating advertising and promotion agencies (and members of their immediate family) cannot directly nominate a programme.

They are, however, encouraged to refer potential entrants in the competition to the Nestlé CSV Prize Secretariat (CSVPrize@nestle.com) who will contact the organisation or programme. They can also encourage an individual or organisation to self-nominate.

How does the Nestlé CSV Prize distinguish itself from other prizes and awards?

Worldwide, there are numerous awards, prizes and recognition for worthwhile causes and programmes. Most recognize past achievements but do little to assist these initiatives to grow and become more available to others.

The Nestlé CSV Prize distinguishes itself from these prizes and awards by the fact that it does not only recognise innovative, commercially viable and high impact initiatives in the areas of nutrition, water and rural development; but also makes a financial investment in them so that they can be scaled up to achieve social scale and financial sustainability.

How is the Nestlé CSV Prize Winner selected?

The <u>Nestlé Creating Shared Value Council</u> – an international independent body comprised of recognised experts in corporate strategy, nutrition, water and rural development – determines the Nestlé CSV Prize Winner after receiving a short-list of finalists from the Screening Committee.

The **Screening Committee** is divided into three subcommittees which review nutrition, water, and rural development initiatives respectively. Each subcommittee is comprised of Nestlé staff experts and fair-minded and knowledgeable external individuals in the three areas of focus of the Prize. Each subcommittee selects up to three finalists and makes recommendations to the Nestlé Creating Shared Value Council.

What is the value of the Nestlé CSV Prize?

The winning entry will benefit from an investment of up to CHF 500,000 (approx. USD 530,000) to help develop and scale up the initiative.

The investment may be a one-time grant or it may be awarded on a multi-year basis in increments.

Might there be more than one winner?

The Creating Shared Value Council may decide to award the Prize to more than one, but a maximum of three, winners. The value of each Nestlé Prize for each Winner would then depend on its various merits and needs and defined at the sole discretion of the Creating Shared Value Council

. The total value for all Prize winners would not exceed CHF 500,000.

What are the criteria against which entries are judged?

The Nestlé CSV Prize is awarded to the entry that best fulfils the following requirements, as determined by the Creating Shared Value Council:

- **Innovation**: Does the programme represent an innovative approach to the problem it seeks to address?
- Environmental sustainability: Does the programme apply environmentally sustainable practices?
- **Programme results and impact:** Has the programme demonstrated results on a pilot or small-scale?
- **Potential for scaling up and/or replication:** Is the programme feasible on a broader scale and/or can it be replicated in other social, cultural or geographical settings?
- **Programme financial viability:** Does the programme have the potential to continue beyond the Nestlé Prize funding? Is it built on a sustainable business model?
- **Programme organisational viability:** Do the programme and its leaders have the capacity to incorporate and leverage an investment by Nestlé to develop the programme and ensure its continued growth and viability?
- **Potential for Creating Shared Value:** Does the programme exemplify the concept of Creating Shared Value?

The programme will also be judged on its potential either in bringing improved nutrition to populations suffering from nutritional problems, improving the access to and management of water, or improving the lives of farmers and rural communities.

When is the Nestlé CSV Prize Winner announced?

The Nestlé CSV Prize is awarded every other year at the Nestlé Creating Shared Value Forum. The next Prize will be awarded in 2016.

Important dates for the nomination process are:

- Nomination period: 15 October 2014 28 February 2015
- Review of nominations: March September 2015
- Additional information may be requested from nominees: September October 2015
- Public announcement of the Prize Winner: 2016

Who are the past Nestlé CSV Prize winners?

• **2010 Prize Winner**: iDE Cambodia won the inaugural Prize for their *Farm Business Advisors* programme (http://www.ide-cambodia.org/fba/).

2012 Prize Winner: Fundación Paraguaya de Cooperación y Desarrollo (Paraguay) won the Prize for their *Self-Sufficient Agricultural School model* (http://www.fundacionparaguaya.org.py/)**2012 Prize runner-up:** Arcenciel (Lebanon) was selected as a runner-up for *Wataneh*, the Lebanese Sustainable Agriculture Network initiative (www.wataneh.org).

• **2012 Prize runner-up:** Excellent Development (United Kingdom) was selected as a runner-up for their programme Pioneering sand dams for water and food security in sub-Saharan African drylands (www.excellent.org.uk).

- **2012 Prize Winner:** Honey Care Africa won the 2014 Nestlé CSV Prize for their project: "A Sweeter South Sudan", providing opportunities for rural, smallholder households to generate significant additional income through honey production (http://honeycareafrica.com/).
- 2012 Prize Runner-up: MSABI was selected as a runner-up for their project: "True Life Water Point", bringing water, sanitation and hygiene in local Tanzanian communities (http://msabi.org/).
- **2012 Prize Runner-up:** Sanergy was selected as a runner-up for their innovative programme "Sustainable sanitation in Africa's Informal Settlements", generating income by providing affordable and hygienic sanitation to residents of informal settlements (http://saner.gy/).